

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(7)(q)
Sponsoring Witness: Kent W. Blake

Description of Filing Requirement:

The independent auditor's annual opinion report, with any written communication from the independent auditor to the utility that indicates the existence of a material weakness in the utility's internal controls.

Response:

The independent auditor's annual opinion on the Company's financial statements is included in the Forms 10-K provided as part of the response to Filing Requirement 807 KAR 5:001 Section 16(7)(p)[Tab No. 46]. KU has not received any written communication from its independent auditor that there are any material weaknesses in KU's internal controls.

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Filing Requirement
807 KAR 5:001 Section 16(7)(r)
Sponsoring Witness: Kent W. Blake

Description of Filing Requirement:

The quarterly reports to the stockholders for the most recent five (5) quarters.

Response:

There are no quarterly reports to KU's stockholders during the period referenced.

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Filing Requirement
807 KAR 5:001 Section 16(7)(s)
Sponsoring Witnesses: Christopher M. Garrett / John J. Spanos

Description of Filing Requirement:

The summary of the latest depreciation study with schedules itemized by major plant accounts, except that telecommunications utilities that have adopted the commission's average depreciation rates shall provide a schedule that identifies the current and base period depreciation rates used by major plant accounts. If the required information has been filed in another commission case, a reference to that case's number shall be sufficient.

Response:

A copy of KU's latest depreciation study is already on file with the Commission in Case No. 2012-00221, *In the Matter of: Application of Kentucky Utilities Company for an Adjustment of its Electric Rates*, and is incorporated by reference herein. As part of this current rate case application, KU is filing a new depreciation study, as referenced in the testimony and exhibits of John J. Spanos.

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Filing Requirement
807 KAR 5:001 Section 16(7)(t)
Sponsoring Witnesses: Daniel K. Arbough / David S. Sinclair

Description of Filing Requirement:

A list of all commercially available or in-house developed computer software, programs, and models used in the development of the schedules and work papers associated with the filing of the utility's application. This list shall include each software, program, or model; what the software, program, or model was used for; identify the supplier of each software, program, or model; a brief description of the software, program, or model; the specifications for the computer hardware and the operating system required to run the program.

Response:

See attached.

Kentucky Utilities Company
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Computer Software, Programs, and Models

Supplier	Oracle Ebusiness Suite	PowerPlan	UI Planner	ABB	EPIS	R
Software / Program / Model	12.1.3	PowerPlan Version 2015.1.3.0	UI Planner 8.11 UI Planner 9.12	PROSYM 5.2.2.1	AuroraXMP V12.1.1001 using North_American_DB_2016-01 database	3.2.1
Description and Use in Application	Oracle Ebusiness Suite is used as an enterprise financial application including general ledger, accounts payable and procurement. It houses and processes financial information which feeds PowerPlan and UI Planner.	PowerPlan is used to maintain records of fixed assets including book and tax depreciation and associated deferred taxes. PowerPlan is also used for budgeting both capital expenditure and operations and maintenance expense.	UI Planner was used to create the budget data and forecast data used in the development of the base and forecast test year.	PROSYM was used to develop the generation forecast.	AuroraXMP is an electricity market forecasting tool that was used to forecast power prices in PJM.	R was used to specify econometric models for the electric load forecast and process data in the development of the forecasts.
Hardware Specifications	Intel 2 GHz processor or greater 24x Intel(R) Xeon(R) CPU E5-2690 v2 @ 3.00GHz CPU's for the database server 8x Intel(R) Xeon(R) CPU E5-2690 v2 @ 3.00GHz CPU's on each of two application servers.	2 Intel Xeon CPU E5-2680 @ 2.70GHz (4 vCPU) 8GB of RAM	Intel 2 GHz processor or greater	Intel 2 GHz processor or greater	64-bit system with 16 GB of RAM.	Intel 2 GHz processor or greater
Operating System Specifications	Linux version 2.6.32-431.29.2.el6.x86_64 Red Hat Enterprise Linux Server release 6.3	Windows Server 2008 R2 SP1	Windows 7 Java Jdk6.0.24	Windows XP or Windows 7	Windows 7 or higher	Windows XP or Windows 7

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Computer Software, Programs, and Models

Supplier	SAS	Itron	Itron	Palisade	IT .Net Mobile Team (Internally developed by LG&E and KU personnel)	Gannett Fleming Valuation and Rate Consultants, LLC
Software / Program / Model	9.3 Enterprise Guide 5.1	MV90	MetrixND 4.4	@Risk 5.5	Commodity Trading System (CTS 3.0) Front end is web based, written using HTML5 and Javascript. Business logic runs on web servers and is written using Microsoft C# (.Net 4.0). Database procedures are in PL/SQL (11.2.0.3.0).	Proprietary Model prepared by Gannett Fleming, Inc.
Description and Use in Application	SAS was used to specify econometric models for the electric load forecast and process data in the development of the load and generation forecasts.	MV90 was used to collect and process meter data used in the preparation of the load forecast.	MetrixND was used for the preparation of End-Use models in the load forecast.	@Risk is an add-on product for statistical modeling in Microsoft Excel that was used in the preparation of the load forecast.	CTS (Commodity Trading System) is a trading and pricing data repository. The data from CTS is used as a data source for other financial systems and reports, to confirm transactions with counterparties, and as a check and balance for accounting, invoicing, and payments.	Prepared the depreciation study.
Hardware Specifications	Intel 2 GHz processor or greater	Intel 2 GHz processor or greater	Pentium or higher processor 100 MB hard disk space 512 MB of memory	Pentium or higher processor Excel 97 or higher 16MB RAM free	Client workstation must use Chrome browser (version 34 or higher) and have at least 2GB internal memory. Servers are running Microsoft Windows Server 2012 R2 on 4-way Intel Xeon CPU's with a minimum of 8GB of RAM.	Personal or multimedia computer with 4 Gig RAM
Operating System Specifications	Windows XP or Windows 7	Windows 2000/XP	Windows 2000/XP	Windows 95 or higher	Client requires Windows XP, Windows 7 or Windows 8. Application servers require Windows Server 2012. Oracle servers are running Red Hat Linux (7.0)	Microsoft Office XP Pro, Windows 7

**Kentucky Utilities Company
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Computer Software, Programs, and Models**

Supplier	PeopleSoft	Microsoft	Microsoft	Microsoft	Microsoft	Adobe Acrobat
Software / Program / Model	PeopleSoft version 9.1/PeopleTools version 8.54.13	Excel 2013	Word 2013	PowerPoint 2013	Access 2013	Acrobat Pro Version 11.0.17 Adobe Reader X 10.1.2 Adobe Acrobat XI
Description and Use in Application	Maintains Human Resource information and calculates employee payroll.	Microsoft Excel was used for data analysis in the development of the electric load forecast and generation forecasts and to prepare various attachments used in testimony as well as other miscellaneous schedules. Microsoft Excel is an electronic spreadsheet and graphing program.	Microsoft Word was used to prepare testimony and other miscellaneous schedules. Microsoft Word is an electronic word processing application.	Microsoft Power Point is a presentation program used in various attachments used in testimony and filing requirements as part of presentations provided to officers.	Microsoft Access was used to store the results of the electric load forecast and generation forecasts as well as process data in the development of the load and generation forecasts.	Preserve and secure the layout of documents created in other applications.
Hardware Specifications	4 Intel Xeon CPU's with 12GB of RAM on the application server and 2 Intel Xeon CPU's with 6GB of RAM on the webserver.	Intel 2 GHz processor or greater	Intel 2 GHz processor or greater	Intel 2 GHz processor or greater	Intel 2 GHz processor or greater	Intel 2 GHz processor or greater
Operating System Specifications	Windows Server 2008 R2	Microsoft Windows 7 Enterprise	Microsoft Windows 7 Enterprise	Microsoft Windows 7 Enterprise	Microsoft Windows 7 Enterprise	Microsoft Windows 7 Enterprise

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Filing Requirement
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Sponsoring Witness: Kent W. Blake
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Description of Filing Requirement:

If the utility had amounts charged or allocated to it by an affiliate or a general or home office or paid monies to an affiliate or a general or home office during the base period or during the previous three (3) calendar years, the utility shall file:

- 1. A detailed description of the method and amounts allocated or charged to the utility by the affiliate or general or home office for each allocation or payment;*
- 2. The method and amounts allocated during the base period and the method and estimated amounts to be allocated during the forecasted test period;*
- 3. An explanation of how the allocator for both the base period and the forecasted test period were determined; and*
- 4. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated, or paid during the base period is reasonable.*

Response:

- 1) The method of allocation and description of amounts allocated for costs from LG&E and KU Services Company are set forth in the attached Cost Allocation Manual. The Cost Allocation Manual is periodically filed with the Commission. The most current version is attached to this response. PPL charges, including both direct costs and certain insurance costs for which a cost-based allocator is used, are paid by LG&E and KU Services Company. These costs are either directly attributed or allocated to the utility in accordance with the Cost Allocation Manual. Generation costs and power purchases are allocated between LG&E and KU using the after-the-fact billing process described in the Power Supply System Agreement, which is also attached to this response. See attached.
- 2) See attached.
- 3) The allocator for the base period and the forecasted test period was determined using the methodology set forth in the Cost Allocation Manual and Power Supply System Agreement, consistent with prior years; and
- 4) The amounts charged, allocated or paid during the base period were reasonable for the following reasons:

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- (i) the allocations are based on objective criteria and appropriately reflect cost-causation relationships;
- (ii) the allocations are made utilizing the methodology set forth in the Cost Allocation Manual or the Power Supply System Agreement; and
- (iii) the allocations are reviewed annually to assure that they have been made in accordance with allowed allocation methodologies and reflect appropriate cost-causation relationships.

LG&E and KU Services Company

Cost Allocation Manual

CAM	Cost Allocation Manual
CCS	Customer Care System
FERC	Federal Energy Regulatory Commission
HR	Human Resources
IT	Information Technology
KPSC	Kentucky Public Service Commission
KU	Kentucky Utilities Company
LEM	LG&E Energy Marketing Inc.
LG&E	Louisville Gas and Electric Company
LKC	LG&E and KU Capital LLC
LKE	LG&E and KU Energy LLC
LKE Foundation	LG&E and KU Foundation
LKS	LG&E and KU Services Company
PPL	PPL Corporation
PPL Capital	PPL Capital Funding, Inc.
PPLEU	PPL Electric Utilities Corporation
PPLEU Services	PPL EU Services Corporation
PPL Services	PPL Services Corporation
PUHCA 2005	The Public Utility Holding Company Act of 2005
SEC	U.S. Securities and Exchange Commission
VSCC	Virginia State Corporation Commission

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I. INTRODUCTION

PUHCA 2005 states that centralized service companies must maintain and make available to the FERC their books, accounts and other records in the specific manner and preserve them for the required periods as the FERC prescribes in Title 18 Code of Federal Regulations Part 368 of the FERC Uniform System of Accounts. These records must be in sufficient detail to permit examination, audit, and verification, as necessary and appropriate for the protection of utility customers with respect to jurisdictional rates. The purpose of this CAM is to document the methods, policies and procedures that LKS will follow in performing certain services for affiliate companies and in receiving certain services or charges for affiliated companies from PPL Services, PPLEU Services and other PPL entities. In developing this CAM the overriding goal was to protect investors and consumers by ensuring the methods, policies and procedures contained in this CAM were PUHCA 2005 compliant so that LKS, PPL Services, and PPLEU Services costs are fully segregated, and fairly and equitably allocated among the affiliate companies. LKS was authorized to conduct business as a service company for LKE and its various subsidiaries and affiliates by order of the SEC on December 6, 2000, and commenced operations January 1, 2001. LKE is a Kentucky limited liability company and the parent of KU and LG&E. KU and LG&E are subject to the jurisdiction of and oversight by the KPSC. In addition, KU is subject to the jurisdiction of and oversight by the VSCC and the Tennessee Regulatory Authority. PPL Services and PPLEU Services are Delaware corporations authorized to conduct business as service companies for PPL and its various subsidiaries and affiliates, including LKE. Under Kentucky regulatory law, KU and LG&E are required to have a cost allocation manual on file with the KPSC. KU is required to have a services agreement for any affiliate transaction approved by the VSCC prior to the transaction.

Periodic changes to the CAM may be necessary due to future management decisions, changes in the law, interpretations by state or federal regulatory bodies, changes in structure or activities of affiliates, or other internal procedures.

II. CORPORATE ORGANIZATION

OVERVIEW

LKE is an indirect wholly-owned subsidiary of PPL, headquartered in Allentown, Pennsylvania. LKE has five direct subsidiaries: LG&E, KU, LKC, LEM and LKS. LKE has an affiliate relationship with LKE Foundation due to overseeing all operations of the foundation.

LKE and its utility subsidiaries are engaged principally in the generation, transmission, distribution and sale of electricity. LG&E is also engaged in the storage, distribution, and sale of natural gas. LKE and its subsidiaries are subject to the regulatory provisions of PUHCA 2005. LG&E and KU are subject to regulation by the FERC and the KPSC. KU is also subject to regulation by state utility commissions in Virginia and Tennessee.

PPL is a holding company with nine direct subsidiaries, including LKE, PPLEU, PPL Services, PPLEU Services, PPL Capital Funding, Inc., and PPL Energy Funding Corporation, the direct parent of CEP Reserves Inc. PPL, PPLEU, PPL Services and PPLEU Services are subject to the provisions of PUHCA 2005.

LKE's UTILITY OPERATIONS

LG&E, incorporated in Kentucky in 1913, is a regulated public utility engaged in the generation, transmission, distribution and sale of electric energy and the storage, distribution and sale of natural gas. LG&E is a wholly-owned subsidiary of LKE. LG&E supplies electricity and natural gas to customers in Louisville and adjacent areas in Kentucky.

KU, incorporated in Kentucky in 1912 and in Virginia in 1991, is a regulated public utility engaged in the generation, transmission, distribution and sale of electric energy in Kentucky, Virginia and Tennessee. KU is a wholly-owned subsidiary of LKE.

LG&E and KU have mutual assistance agreements with PPLEU for system restoration in emergencies.

SERVICE COMPANIES

LKS, a Kentucky corporation, is a centralized service company registered under PUHCA 2005 and is authorized to conduct business as a service company for LKE and its various subsidiaries and affiliates by order of the SEC dated December 6, 2000, and commencing operation January 1, 2001. LKS is the service company for affiliated entities, including LKE, LG&E, KU, LKC and LEM and provides a variety of administrative, management, engineering, construction, environmental and support services. LKS provides its services at cost, as permitted under PUHCA 2005.

Development of the LKS organization was predicated on the fact that if the employee performed activities benefiting more than one affiliate, that employee would become a part of the LKS organization. In many respects, employees working in typical finance, administrative and general, management and other support departments are fully subject to LKS organizational placement.

Many operational employees dedicated to providing a service to just one affiliate, by definition, are not subject to LKS placement. However management and support staff overseeing the business activities of more than one of these operational groups are subject to LKS placement.

As a result of PPL's acquisition of LKE, PPL became a multi-state utility holding company subject to PUHCA 2005. PPL Services and PPLEU Services, Delaware corporations, are centralized services companies registered under PUHCA 2005 and authorized to conduct business as service companies for PPL and its various subsidiaries and affiliates. PPL Services and PPLEU Services are the service companies for affiliated PPL entities, including PPL Electric

Utilities Corporation, and provide a variety of administrative, management, environmental, and support services. PPL Services and PPLEU Services provide their services at cost, as permitted under PUHCA 2005.

OTHER BUSINESS OPERATIONS

LKE Foundation, a charitable foundation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, makes charitable contributions to qualified entities.

LKC is a holding company for other LKE non-utility businesses which are generally inactive from an operational standpoint, but have certain remaining support or contingent business obligations.

LEM is an inactive non-utility company.

LKS transacts business for LKE Foundation, LKC, LEM and PPL and its affiliates on behalf of LKE.

LKE also receives services from CEP Reserves Inc. that benefit its non-utility activities.

III. TRANSACTIONS WITH AFFILIATES

OVERVIEW

LKE formed LKS, as a service company to provide services for affiliated companies. PPL formed PPL Services and PPLEU Services as service companies to provide services for affiliated companies. LKS, PPL Services, PPLEU Services, and affiliated companies (or their parent entities) may enter into service agreements, which may establish the general terms and conditions for providing those services, including those mentioned in Section IV of the CAM.

At formation, certain LG&E, KU and LKE employees became employees of LKS and such employees continued to provide services to the regulated and non-regulated entities. Similarly, at formation, certain PPL employees became employees of PPL Services and PPLEU Services and such employees continued to provide services to the regulated and non-regulated entities.

Regulated affiliates receive services at cost, pursuant to the service agreements. Non-regulated affiliates generally receive services at cost; however, certain services may permit pricing at fair-market value. The provisions included in contracts or service agreements govern transactions among LKS, PPL Services, PPLEU Services, and their regulated and non-regulated affiliates.

KU and LG&E are required by the KPSC and the VSCC to use the “stand alone” method for allocating their respective tax liabilities (or tax benefits) so that such tax liabilities (or tax benefits) will not exceed the tax liabilities (or tax benefits) each would incur if it filed its tax returns separately from the consolidated returns filed by PPL. KU and LG&E have filed a separate PPL Corporation and Subsidiaries tax allocation agreement with the KPSC and the VSCC. The allocation of the respective tax liabilities (or tax benefits) of KU and LG&E therefore are not within the scope of this CAM.

Definitions of Cost

Tariff Rate – The price charged to customers under applicable tariffs on file with federal or state regulatory commissions.

Fair Market Value – The price held out by a providing entity to the general public in the normal course of business (i.e. the price at which a reasonable buyer and a reasonable seller are willing to transact in the normal course of business).

Cost – The charge used for transactions with affiliates for which no tariff rate or fair market value is applicable. LKS follows the definition of cost defined in PUHCA 2005.

IV. DESCRIPTION OF SERVICES

The following table provides service descriptions along with the frequency of services provided and the primary affiliate receiving the services. See below for definitions of frequency and primary affiliates. The table also contains the cost assignment methods used to allocate indirectly attributable costs for these services, when necessary. Note that a departmental charge

ratio may also be used for any service with indirectly attributable costs, but only if the use of the cost assignment method for the service would not result in the fair assignment of costs.

Detailed descriptions of cost assignment methods are provided in Section V. Also see section V for definitions of directly assignable, directly attributable and indirectly attributable. The cost assignment methods in the table below should be used only when costs of a good or service cannot be directly assignable or directly attributable.

Definitions of Frequency

Ongoing – Provided on a prearranged, continuous basis (i.e., daily)

Frequent – Provided as requested on a regular basis (i.e., several times per month)

Infrequent – Provided as requested on an irregular basis (i.e., several times per year)

Definitions of Primary Affiliates

All charges by LKS, PPL Services, and PPLEU Services to affiliated entities follow the principle of fully distributed cost. Primary affiliates receiving the service are designated below as:

R – Regulated (LG&E and KU)

NR – Non-regulated (LKE, LKC, LEM and LKE Foundation)

A – All

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
Customer and Customer-Related Services				
Customer Service	Providing call center and customer communication services for both electric and gas customers.	Number of Customers Ratio	Ongoing	R
Sales and Marketing	Providing programs for establishing strategies, oversight for marketing, sales and branding of utility and related services, and conducting marketing and sales programs for economic development and demand side management.	Number of Customers Ratio	Frequent	R
Economic Development and Major Accounts	Maintaining community development, partnerships with state, regional, and local economic development allies, and customized products and services.	Number of Customers Ratio	Frequent	R
Meter Reading Services	Providing meter reading and meter data services, including maintaining inventory, quality and environmental issues, policy and standards, technical support, and logistics.	Number of Meters Ratio	Ongoing	R
Cash Remittance	Providing remittance processing, customer payments, and collection services.	Revenue Ratio	Ongoing	R
Billing Integrity	Administering and providing customer billings and credit reviews.	Number of Customers Ratio; Number of Meters Ratio	Ongoing	R

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
Energy Efficiency	Providing energy efficiency programs to residential and commercial customers to encourage implementation of energy saving measures.	Number of Customers Ratio	Ongoing	R
Smart Grid Strategy	Providing leadership and direction for smart meter and smart grid strategy development, investment and decision analysis to support value-added infrastructure deployments.	Number of Customers Ratio	Ongoing	R
Field Services	Completing customer requested service orders generated through Residential Service Center, Business Service Center, KU Business Offices, Billing Integrity and Meter Assets. Supporting Meter Shop activities and Public Safety Response Team needs.	Number of Meters Ratio	Ongoing	R
CCS Retail Business Readiness	Providing end user support services, development and capture of business metrics and development, and delivery of training for the Company's CCS.	Number of Customers Ratio	Ongoing	R
Power Production and Generation Services				
Project Engineering	Coordinating and managing all major generation construction.	Generation Ratio	Infrequent	R

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
System Laboratory	Providing system laboratory services to the generating stations.	Total Utility Plant Assets Ratio	Ongoing	R
Generation	Providing centralized, fleet-wide technical expertise for generation asset management, technical guidance for various functional initiatives and coordination of operational research and development.	Total Utility Plant Assets Ratio	Ongoing	R
Generation Services and Safety	Providing management services and oversight to Energy Services, including Power Generation, Safety, and Technical Training.	Total Utility Plant Assets Ratio; Total Utility Electric Plant Assets Ratio	Ongoing	R
Fuel Procurement	Procuring coal, natural gas, oil and other bulk materials for generation facilities and ensuring compliance with price and quality provisions of fuel contracts.	Contract Ratio; Generation Ratio	Ongoing	R
Project Development	Providing project development services to identify and develop potential future sources of energy and capacity to meet the Company's power supply needs.	Total Utility Plant Assets Ratio	Ongoing	R
Transmission Operations & Services				
Strategy, Reliability and Tariffs	Providing transmission system reliability planning and identifying current and future upgrades that are needed to maintain reliability. Providing facility ratings, drawings and reliability metrics. Coordinating and	Transmission Ratio	Ongoing	R

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
	managing transmission tariffs and agreements with outside parties for use of the transmission system.			
Operations and Construction	Coordinating and managing all maintenance and capital upgrades to transmission substations. Coordinating and managing all maintenance and capital upgrades to the transmission lines. Providing transmission system control center services. Managing and maintaining the Energy Management System. Coordinating and managing the balance between scheduled transmission usage and actual transmission usage by other companies.	Transmission Ratio; Total Assets Ratio; Total Utility Plant Assets Ratio	Ongoing	R
Reliability and Compliance	Ensuring that the Transmission Department is complying with all applicable regulatory standards.	Transmission Ratio	Ongoing	R
Energy Supply and Analysis Services				
Energy Marketing	Providing market services to take advantage of the highest excess generation prices in the open market.	Generation Ratio	Ongoing	R
Market Forecasting	Providing management services for financial forecasts of the utility market.	Generation Ratio	Frequent	R

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
Load Forecasting	Providing short- and long-term load forecasting services.	Generation Ratio	Frequent	R
Generation Planning and Analysis	Providing short- and long-term generation planning services	Generation Ratio	Ongoing	R
Distribution Operations Services				
Network Trouble and Dispatch	Providing dispatch services, reporting outage situations and coordinating restoration.	Number of Customers Ratio	Ongoing	R
Electric Engineering	Providing development engineering and construction standards, distribution system planning and analysis, substation construction project management and telecommunications systems design and analyses.	Total Assets Ratio	Ongoing	R
Distribution Asset Management	Leading management and investment decisions regarding distribution assets, including resource allocation, developing uniform standards and procedures, determining performance targets and managing assets information and data.	Number of Customers Ratio; Total Assets Ratio	Ongoing	R
Forestry	Providing vegetation and tree management.	Total Assets Ratio	Frequent	R
Substation Construction and	Providing engineering and design services for substation construction, maintenance and operations	Total Utility Plant	Frequent	R

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
Maintenance	areas.	Assets Ratio		
Financial Planning and Budgeting Services				
Budgeting	Providing services related to managing, coordinating and reporting for the budgeting and forecasting process.	Revenue, Total Assets and Number of Employees Ratio; Transmission Ratio; Generation Ratio; Number of Customers Ratio	Frequent	A
Financial Planning	Providing financial planning and forecasting, investment analysis and investment planning reporting.	Revenue, Total Assets and Number of Employees Ratio	Frequent	A
Controller Organization Services				
Accounting and Reporting	Providing accounting and reporting in conformity with U.S. Generally Accepted Accounting Principles (GAAP) and the FERC Uniform System of Accounts (USofA), accounting research and interpretation and promulgation of accounting and internal control procedures, performing U.S. GAAP general ledger account and project analyses, reconciliations and consolidation, internal and external financial reports, and business and financial system support and consultation.	Revenue, Total Assets and Number of Employees Ratio	Ongoing	A

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
Property Accounting	Maintaining, analyzing and reporting related to property records.	Total Utility Plant Assets Ratio	Ongoing	A
Revenue Accounting	Managing and analyzing internal and external revenue reporting.	Revenue Ratio	Ongoing	R
Corporate Tax and Payroll Organization Services				
Payroll	Providing payroll services including the managing of payroll systems.	Number of Employees Ratio	Ongoing	A
Tax Accounting, Compliance and Reporting	Preparing consolidated and subsidiary federal, state and local income tax returns; current and deferred tax accounting; utility gross receipts tax; sales/use tax; property tax; LKE Foundation returns; and supporting roles for project development and tax legislation.	Revenue, Total Assets and Number of Employees Ratio	Ongoing	A
Audit Services				
Audit Services	Providing independent and objective assurance along with consulting services and internal controls system review.	Revenue, Total Assets and Number of Employees Ratio	Ongoing	A
Sarbanes-Oxley Compliance Services				

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
Sarbanes-Oxley Compliance	Providing coordination, implementation and maintenance of the Company's program for compliance with the Sarbanes-Oxley Act of 2002.	Revenue, Total Assets and Number of Employees Ratio	Ongoing	A
Treasury Services				
Treasury and Corporate Finance	Providing management and monitoring of cash flows including review and acquisition of business entity cash requirements and procurement of short-term financing and credit lines. Providing overall finance options including evaluating new financing vehicles and instruments, analyzing existing financing positions and raising long-term funds for all entities.	Revenue, Total Assets and Number of Employees Ratio	Ongoing	A
Risk Management	Managing outside providers of risk services comprised of providing insurance and assisting affiliated entities in managing property and liability risks including claims, security, environmental, safety and consulting services.	Total Utility Plant Assets Ratio	Ongoing	A
Credit Administration	Providing management of credit risk for wholesale energy sales and major vendors.	Generation Ratio	Ongoing	A
Energy Marketing Trading Controls	Performing reporting on the trading portfolios. Performing validation of significant transactions,	Generation Ratio	Ongoing	A

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
	valuation algorithms, ensuring trading system security and testing trading system enhancements.			
Supply Chain and Logistics Services				
Supply Chain	Maintaining and analyzing the supplier base and performing supplier selection activities including contract negotiations and ongoing compliance. Providing order management, materials handling and logistics and inventory management services. Providing order management and general field support services for system maintenance, developing and monitoring of key performance metrics, supplying day to day variance and reconciliation reporting services and performing supplier certification services. Identifying qualified minority and women owned businesses that are able to participate in competitive bidding opportunities, perform on-going work and ultimately become key suppliers to LKE and subsidiaries.	Non-Fuel Material and Services Expenditures Ratio; Network Users Ratio; Ultimate Users Ratio	Ongoing	A
Accounts Payable	Processing payments for purchase orders, check requests, employees' expense reimbursements, etc., and providing ad-hoc research and analysis.	Number of Transactions Ratio; Non-Fuel Material and Services Expenditures Ratio	Ongoing	A

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
IT Services				
IT Security	Providing services associated with non-project management, security and administrative support. This function includes developing and administering security policies and procedures. Providing services associated with compliance activities and security related administration support. This function includes development, implementation and on-going compliance activities for the NERC Critical Infrastructure Protection (CIP) Program.	Corporate Information Security Ratio; Network Users Ratio; Number of Employees Ratio; Ultimate Users Ratio	Ongoing	A
IT Applications Development and Support	Providing services associated with each of the existing applications that IT provides to the business. These services include costs incurred related to application license fees and application support costs. Providing services associated with existing end user tools and related productivity software; Providing end user support services, and development.	Network Users Ratio; Number of Employees Ratio; Number of Customers Ratio; Ultimate Users Ratio	Ongoing	A
IT Infrastructure and Operations	Providing services related to the corporate-wide shared computing infrastructure, including servers, storage and data center operations. Providing services related to all corporate-wide network capabilities including wide area transport networks, local area networks, wireless networks, telephone systems, telecommunications for SCADA and two-way radio systems. Providing services related to a number of	Network Users Ratio; Number of Employees Ratio; Ultimate Users Ratio	Ongoing	A

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
	enterprise applications including e-mail, SharePoint, instant messaging and others. This function includes the operations of the NERC Critical Infrastructure Protection (CIP) Program.			
IT Governance	Providing services including business relationship management, project management, requirements, and planning.	Network Users Ratio; Number of Employees Ratio; Ultimate Users Ratio	Ongoing	A
IT Business Services	Providing services including business analysis, testing, service management and process management	Network Users Ratio; Number of Employees Ratio; Ultimate Users Ratio	Ongoing	A
IT Major Projects	Providing services including software system implementations projects and software system upgrade projects.	Network Users Ratio; Number of Employees Ratio; Ultimate Users Ratio	Ongoing	A
Compliance, Legal, and Environmental Affairs Services				
Legal	Providing various legal services for all affiliated entities including in-house counsel and staff assistance in the areas of, among others, corporate and securities law, employment law, energy, public utility and	Revenue, Total Assets and Number of Employees Ratio	Ongoing	A

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
	regulatory law, contract law, litigation, environmental law and intellectual property law, evaluating legal claims and managing legal fees for outside counsel.			
Compliance	Providing various compliance services for all affiliated entities including compliance assessment and risk management, code of conduct, anti-fraud, ethics, helpline management and Critical Infrastructure Protection (CIP) Compliance.	Number of Employees Ratio; Total Utility Plant Assets Ratio	Ongoing	A
Environmental Affairs	Providing management services related to performing analyses, monitoring and advocacy of regulatory and legislative environmental matters including securing of permits and approvals, providing environmental technical expertise, environmental compliance and representing the Company in industry groups and before regulatory agencies dealing with environmental issues.	Electric Peak Load Ratio	Frequent	R
Regulatory Affairs and Government Affairs Management Services				
Regulatory Affairs	Providing management services for compliance with all laws, regulations and other policy requirements, including regulatory filings, expert testimony, tariff administration and compliance, pricing support, and development and monitoring of positions regarding ongoing regulatory matters.	Revenue Ratio	Ongoing	R

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
Government Affairs Management	Maintaining relationships with government policy makers and conducting lobbying activities.	Revenue Ratio	Frequent	A
Corporate Communications and Public Affairs Management Services				
Internal Communications	Providing employee and customer-directed communications including company intranet/internet, employee newsletters, announcements, speeches, graphic design, presentations and customer newsletters and bill inserts.	Number of Employees Ratio	Frequent	A
External and Brand Communications	Providing all administrative and management support for external communication services, brand image management and corporate events.	Number of Customers Ratio; Revenue, Total Assets and Number of Employees Ratio	Frequent	A
Public Affairs Management	Providing community relations functions, communicating public information to local organizations and providing oversight for communications to employees.	Revenue, Total Assets and Number of Employees Ratio	Frequent	A
Operating Services				
Facilities and Buildings	Providing building and grounds maintenance including coordination of office furniture and equipment	Number of Customers Ratio; Number of	Ongoing	A

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
	purchases/leases, space utilization and layout, and building code and fire protection services.	Employees Ratio; Facilities Ratio		
Security	Providing security personnel, security and monitoring devices for all affiliated entities.	Number of Employees Ratio	Ongoing	A
Production Mail	Providing production mail services for customer bills and other large customer mailings.	Number of Customers Ratio	Ongoing	R
Document	Providing document printing, reproduction services including mail delivery, scanning, off-site storage and document service desk support.	Number of Employees Ratio	Ongoing	A
Process Management and Performance	Provide business process improvements, operational performance measures, benchmarking studies, and rate case analysis for all of Customer Service.	Number of Customers Ratio	Ongoing	R
Right-of-Way	Obtaining and retaining easements or fee simple property for placement and operation of company and affiliate equipment as well as managing real estate assets and maintaining real estate records.	Number of Customers Ratio	Ongoing	R
Transportation Services				
Transportation	Providing and operating transportation fleet for all affiliated companies including developing fleet policy, administering regulatory compliance programs,	Number of Employees Ratio; Vehicle Cost Allocation Ratio	Ongoing	A

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
HR Services	managing repair and maintenance of vehicles and procuring vehicles			
HR Compensation	Providing services relating to the establishment and oversight of compensation policies for employees.	Number of Employees Ratio	Frequent	A
HR Benefits	Providing services relating to the establishment and oversight of benefits plans for employees, retirees and survivors. This also includes vendor management, compliance with various laws and regulations, administrative vendor billings and maintenance of all personnel records.	Number of Employees Ratio	Frequent	A
Other HR Services	Providing initiatives and programs designed to support the company's diversity strategy, with an emphasis on creating, designing and implementing the strategies and programs to achieve the company's diversity vision. This includes fostering and managing the internal and external relationships necessary to driving initiatives within the company and wider community customer base. Providing initiatives and programs designed to support personal and professional growth, with an emphasis on employee and leadership training, individual and career development, performance management, coaching, mentoring, succession	Number of Employees Ratio	Frequent	A

<u>Service</u>	<u>Description</u>	<u>Assignment Method</u>	<u>Frequency</u>	<u>Primary Affiliate</u>
Health and Safety	<p>planning and employee engagement. Providing communication and oversight for union matters, negotiation of union contracts and union dispute resolution services.</p> <p>Providing services relating to the establishment and oversight of health and safety policies for employees. Providing training services on technical and safety matters primarily for the Energy Delivery and Energy Services businesses.</p>	Number of Employees Ratio	Frequent	A
Executive Management Services				
Executive Management	<p>Providing executive leadership to the corporation, the cost of which is comprised of the compensation and benefits of the corporate officers and executive assistants.</p>	Generation Ratio; Number of Customers Ratio; Network Users Ratio; Number of Employees Ratio; Revenue Ratio; Revenue, Total Assets and Number of Employees Ratio; Total Assets Ratio; Total Utility Plant Assets Ratio; Transmission Ratio	Ongoing	A

V. COST ASSIGNMENT METHODS

OVERVIEW

The costs of services provided by LKS, PPL Services, and PPLEU Services will be directly assigned, distributed or allocated by activity, project, program, work order or other appropriate basis. The primary basis for charges to affiliates is the direct charge method (see section VI for time reporting procedures). The methodologies listed below pertain to all other costs which are not directly assigned but which make up the fully distributed cost of providing the service.

Directly Assignable – Expenses incurred for activities and services exclusively for the benefit of one affiliate. In many respects, these types of expenses relate to non-LKS employees that perform dedicated services to one affiliate, although LKS, PPL Services and PPLEU Services employees also directly report where feasible.

Directly Attributable – Expenses incurred for activities and services that benefit more than one affiliate and which can be apportioned using direct measures of costs causation.

Indirectly Attributable – Expenses incurred for activities and services that benefit more than one affiliate and which can be apportioned using general measures of cost causation.

Unattributable – Expenses or portions thereof incurred for activities and services that have been determined as not appropriate for apportionment. The unattributable portions of these costs relate primarily to activities such as corporate diversification, political or philanthropic endeavors and, as such, may be charged, in whole or in part, to LKC.

ASSIGNMENT METHODS

LKS, PPL Services, and PPLEU Services will allocate the costs of service among the affiliated companies using one of several methods that most accurately distributes the costs. The method of cost allocation varies based on the department rendering the service. Any of the methods may be adjusted for any known and reasonably quantifiable events, or at such time as may be required due to significant changes in the business, but are generally determined annually. The assignment methods used by LKS, PPL Services, and PPLEU Services are as follows:

Contract Ratio – Based on the sum of the physical amount (i.e. tons of coal, mmbtu of natural gas) of the contract for coal and natural gas fuel burned for the immediately preceding twelve consecutive calendar months, the numerator of which is for an operating company and the denominator of which is for all operating companies. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Corporate Information Security Ratio – This ratio allocates the cost of cyber security activities using an allocation consistent with the methodology used by third party insurers providing cyber security insurance to the organization. The methodology assigns a percentage of the premium based on the various risks (e.g., number of employees, the number of customers, etc.). The total of the percentages equals 100%. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Departmental Charge Ratio – A specific department ratio based upon various factors. The departmental charge ratio typically applies to indirectly attributable costs such as departmental administrative, support, and/or material and supply costs that benefit more than one affiliate and that require allocation using general measures of cost causation. Methods for assignment are department-specific depending on the type of service being performed and are documented and monitored by the Budget Coordinators for each department. The numerator and denominator vary by department. The ratio is based upon various factors such as labor hours, labor dollars, departmental or entity headcount, capital expenditures, operations and maintenance costs, retail energy sales, charitable contributions, generating plant sites, average allocation of direct reports, net book value of utility plant, total line of business assets, electric capital expenditures, substation assets and transformer assets. The Departmental Charge Ratio will only be used with prior approval by the Controller when other applicable ratios would not result in the fair assignment of costs. These ratios are calculated on an annual basis. Any changes in these ratios will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in any of these ratios from that used in the prior year.

Electric Peak Load Ratio – Based on the sum of the monthly electric maximum system demands for the immediately preceding twelve consecutive calendar months, the numerator of which is for an operating company and the denominator of which is for all operating companies. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Facilities Ratio – Based on a two-tiered approach with one tier based on the number of employees by department or line of business and the other tier based on the applicable department or line of business ratio. The numerator for the number of employees is the number of employees by department or line of business at the facility and the denominator is the total employees at the facility. The numerator and denominator for the applicable department or line of business for the service provided as described in this document. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Generation Ratio – Based on the annual forecast of megawatt hours, the numerator of which is for an operating company and the denominator of which is for all operating companies. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than

May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Network Users Ratio – Based on the number of IT network users at the end of the previous calendar year. A two-step assignment methodology is utilized to properly allocate costs to the proper legal entity. The numerator for the first step of this ratio is the total number of network users for each specific company, and the denominator is the total number of network users for all companies in which an allocator is assigned (i.e. LG&E, KU, LKS and PPL). For the second step, the ratio of LKS network users, to total network users will then be allocated to the other companies (LG&E, KU, and LKC) based on each company's ratio of LKS labor hours to total LKS labor hours. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Non-Fuel Material and Services Expenditures – Based on non-fuel material and services expenditures, net of reimbursements, for the immediately preceding twelve consecutive calendar months. The numerator is equal to such expenditures for a specific entity and/or line-of-business as appropriate and the denominator is equal to such expenditures for all applicable entities. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Number of Customers Ratio – Based on the number of retail electric and/or gas customers. This ratio will be determined based on the actual number of customers at the end of the previous calendar year. In some cases, the ratio may be calculated based on the type of customer class being served (i.e. Residential, Commercial or Industrial). The numerator is the total number of each Company's retail customers. The denominator is the total number of retail customers for both LG&E and KU. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Number of Employees Ratio – Based on the number of employees benefiting from the performance of a service. This ratio will be determined based on actual counts of applicable employees at the end of the previous calendar year. A two-step assignment methodology is utilized to properly allocate LKS employee costs to the proper legal entity. The numerator for the first step of this ratio is the total number of employees for each specific company, and the denominator is the total number of employees for all companies in which an allocator is assigned (i.e. LG&E, KU and LKS). For the second step, the ratio of LKS to total employees will then be allocated to the other companies (LG&E, KU and LKC) based on each company's ratio of labor hours to total labor hours. LKC has no employees, but non-utility related labor is charged to it. In some cases, the ratio may be calculated based on the number of employees at a specific location for the first step with the ratio of LKS to total employees being allocated based on labor hours of the employees at the specific location. This ratio is calculated on an annual basis. Any

changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Number of Meters Ratio – Based on the number or types of meters being utilized by customer classes within the system for the immediately preceding twelve consecutive calendar months. The numerator is equal to the number of meters for each utility and the denominator is equal to the total meters for KU and LG&E. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Number of Transactions Ratio – Based on the number of transactions occurring in the immediately preceding twelve consecutive calendar months, the numerator of which is for an operating company and the denominator of which is for all operating companies. The Controller’s organization is responsible for maintaining and monitoring specific product/service methodology documentation for actual transactions related to LKS billings. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Ownership Percentages – Based on the contractual ownership percentages of jointly-owned generating units, information technology, facilities and other capital projects. This ratio is updated as a result of a new jointly-owned capital projects and is based on the benefit to the respective company. The numerator is the specific company’s forecasted usage. The denominator is the total forecasted usage of all respective companies.

Revenue Ratio – Based on the sum of the revenue for the immediately preceding twelve consecutive calendar months, the numerator of which is for an operating company and the denominator of which is for all operating companies. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Revenue, Total Assets and Number of Employees Ratio – Based on an average of the revenue, total assets and number of employees ratios. The numerator is the sum of Revenue Ratio, Total Assets Ratio and Number of Employees Ratio for the specific company. The denominator is three – the number of ratios being averaged. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Total Assets Ratio – Based on the total assets at year end for the preceding year. In the event of joint ownership of a specific asset, asset ownership percentages are utilized to assign costs. The

numerator is the total assets for each specific company at the end of the preceding year. The denominator is the sum of total assets for each company in which an allocator is assigned (LG&E, KU and LKC). This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Total Utility Plant Assets Ratio – Based on the total utility plant assets at year end for the preceding year, the numerator of which is for an operating company and the denominator of which is for all operating companies. In the event of joint ownership of a specific asset, ownership percentages are utilized to assign costs. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Transmission Ratio –The Transmission Coordination Agreement (TCA) provides “the contractual basis for the coordinated planning, operation, and maintenance of the combined” LG&E and KU transmission system. Pursuant to the terms of the TCA, LG&E/KU “operate their transmission systems as a single control area.” The TCA establishes cost and revenue allocations between LG&E and KU. The Transmission Ratio is based upon Schedule A (Allocation of Operating Expenses of the Transmission System Operator) of the TCA. Transmission System Operator Company allocation percentages are calculated during June of each year to be effective July 1st of each year using the previous year's summation of the Transmission Peak Demands as found in FERC Form 1 for Kentucky Utilities Company (KU) and Louisville Gas & Electric Company (LG&E) page 400 line 17(b).

Ultimate Users Ratio – Based on the number of ultimate users of an IT product or service (i.e., software, hardware, mobile devices, etc.) at the end of the previous calendar year. A two-step assignment methodology is utilized to properly allocate costs to the proper legal entity. The numerator for the first step of this ratio is the total number of ultimate users for each specific company, and the denominator is the total number of ultimate users for all companies in which an allocator is assigned (i.e. LG&E, KU, LKS and PPL). For the second step, the ratio of LKS ultimate users, to total ultimate users will then be allocated to the other companies (LG&E, KU, and LKC) based on each company's ratio of LKS labor hours to total LKS labor hours. This ratio is calculated on an annual basis. Any changes in the ratio will be determined no later than May 1st of the following calendar year, and charges to date will be reallocated for any significant changes in the ratio from that used in the prior year.

Vehicle Cost Allocation Ratio – Based on the costs associated with providing and operating transportation fleet for all affiliated companies including developing fleet policy, administering regulatory compliance programs, managing repair and maintenance of vehicles and procuring vehicles. Such rates are applied based on the specific equipment employment and the measured usage of services by the various company entities. This ratio is calculated monthly based on the actual transportation charges from the previous month. The numerator is the department labor

charged to a specific company. The denominator is the total labor costs for the specific department. The ratio is then multiplied by the total transportation costs to determine the amount charged to each company.

VI. TIME DISTRIBUTION, BILLING AND ASSET TRANSFER POLICIES

OVERVIEW

LKS utilizes Oracle or other financial systems in which project/task combinations are set up to equate to services. In some cases, departments have set up many projects/tasks that map to services. In many cases, there is a one to one relationship between the project/task and the service. The Oracle system also automatically captures the home company (providing the service) and the charge company (receiving the service). Regardless of the method of reporting, charges related to specific services reside on the company receiving the service and therefore can be identified for billing purposes as well as for preparation of LKS financial statements. This ensures that:

1. Separation of costs among LG&E, KU, LKE's non-regulated subsidiaries and other PPL affiliates will be maintained
2. Intercompany transactions and related billings are structured so that non-regulated activities are not subsidized by regulated affiliates and regulated affiliates do not subsidize other regulated affiliates
3. Adequate audit trails exist on the books and records

BILLING POLICIES

Billings for transactions among LKS, PPL Services, PPLEU Services, and other affiliates are issued on a timely basis with documentation sufficient to provide the receiving party with enough detail to understand the nature of the billing, the relevant components, and other information as required by affiliates. Financial settlements for transactions are made within 30 days. Interest charges, which are based on market rates for similar maturities of similarly rated entities as of the date of the loan, may apply. LKS is authorized to act as payment and billing agent on behalf of LKE, LG&E, KU and LKC.

ASSET TRANSFERS

Unless otherwise permitted by regulatory authority or exception, (i) transfers or sales of assets from regulated affiliates to non-regulated affiliates will be priced at the greater of cost or fair market value; (ii) transfers or sales of assets from non-regulated affiliates to regulated affiliates will be priced at the lower of cost or fair market value and (iii) transfers of assets between regulated affiliates shall be priced at no more than cost less depreciation. Settlement of liabilities will be treated in the same manner.

TIME DISTRIBUTION

LKS has three methods of distribution to record employee salaries and wages while providing services for the affiliated entities: Positive time reporting, allocation time reporting and exception time reporting. Each department's job activities will dictate the time reporting method used.

Positive Time Reporting

Positive time reporting or direct time reporting requires all employees in a department to track all chargeable hours every day. Time may be charged to the nearest quarter hour.

Departments that have positive time reporting have labor-based activities that are easily trackable given the project/task code combinations noted above. All employees are given appropriate project numbers that are associated with the service that is being provided. The proper coding for direct assignment of costs is on various source documents, including the timekeeping system and disbursement requests. Each department or project manager is responsible for ensuring employees charge the appropriate charge codes for the services performed. This form of time reporting is documented in the timekeeping system, which upon completion, is approved by the employees' immediate supervisor.

Allocation Time Reporting

Allocation time reporting allows for certain departments to set up a predefined allocation percentage to affiliated company project/tasks. This is typically the case when the department is transaction-based, therefore, performing routine, similar tasks benefiting multiple affiliates. Each department will use its ratio (see ratio assignment listing in section V) that was assigned by its Budget Coordinator to allocate the appropriate time to individual charge numbers that are associated to that department's services. Unless otherwise permitted by regulatory authority or exception, the selection of ratios and the calculation of allocation percentages should be derived from or bear relationship to an empirical analysis of a prior representative period. These allocation percentages are reviewed on an annual basis to update to actual allocation percentages when needed.

Exception Time Reporting

If an employee was working on a completely new project that had not been defined within the monthly or annual allocation process, then the employee would be given the new allocation with project/task code, update his/her time allocation accordingly and get his/her manager's approval. If an allocation from a previous pay period needs to be adjusted then that correction must be entered into the timekeeping system.

POWER SUPPLY SYSTEM AGREEMENT

POWER SUPPLY SYSTEM AGREEMENT

Between

Louisville Gas and Electric Company

and

Kentucky Utilities Company

October 9, 1997

POWER SUPPLY SYSTEM AGREEMENT

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POWER SUPPLY SYSTEM AGREEMENT

POWER SUPPLY SYSTEM AGREEMENT

Between

Louisville Gas and Electric Company

and

Kentucky Utilities Company

THIS POWER SUPPLY SYSTEM AGREEMENT, hereinafter called "Agreement," is made and entered into as of the 4th day of May, 1998 by and between Louisville Gas and Electric Company ("LG&E"), and Kentucky Utilities Company ("KU"), hereinafter separately referred to as "Company" and jointly as "Companies."

WHEREAS, LG&E and KU are the owners and operators of interconnected electric generation, transmission, and distribution facilities with which they are engaged in the business of generating, transmitting, and selling electric Capacity and Energy to the general public, to other entities, and to other electric utilities; and

WHEREAS, LG&E's holding company parent, LG&E Energy Corp. ("LEC"), and KU's holding company parent, KU Energy Corporation ("KUC"), have agreed to a merger, pursuant to which KU will become a wholly-owned subsidiary of LEC;

WHEREAS, LG&E and KU can achieve economic benefits for their customers through operation as a single interconnected and centrally dispatched system and through coordinated planning, construction, operation and maintenance of their electric supply facilities;

POWER SUPPLY SYSTEM AGREEMENT

NOW, THEREFORE, the Companies mutually agree as follows:

ARTICLE I

TERM OF AGREEMENT

1.1 Effective Date

This Agreement shall become effective upon the consummation of the merger described in the Agreement and Plan of Merger of LEC and KUC dated May 20, 1997 or such later date as is established by the Federal Energy Regulatory Commission. This Agreement shall continue in force and effect for a period of five (5) Years from the effective date hereinabove described, and continue from Year to Year thereafter until terminated by either Company.

1.2 Periodic Review

This Agreement will be reviewed periodically by the Operating Committee, as defined herein, to determine whether revisions are necessary to meet changing conditions. In the event that revisions are made by the Companies pursuant to Section 10.8, and after requisite approval or acceptance for filing by the appropriate regulatory authorities, the Operating Committee will thereafter, for the purpose of ready reference to a single document, prepare for distribution to the Companies an amended document reflecting all changes in and additions to this Agreement with notations thereon of the date amended.

POWER SUPPLY SYSTEM AGREEMENT

ARTICLE II

DEFINITIONS

For purposes of this Agreement, the following definitions shall apply:

2.1 Agreement shall mean this Agreement including all attachments and schedules applying thereto and any amendments made hereafter.

2.2 Ancillary Services shall mean those services that are necessary to support the transmission of Capacity and Energy from resources to loads while maintaining reliable operation of the Companies' Transmission System in accordance with Good Utility Practice.

2.3 Capacity shall be expressed in megawatts (MW).

2.4 Company Demand shall mean the demand in megawatts of all retail and wholesale power customers on whose behalf the Company, by statute, franchise, regulatory requirement, or contract, has undertaken an obligation to construct and operate its power supply system to meet the reliable electric needs of such customers, integrated over a period of one Hour, plus the losses incidental to that service.

2.5 Company Load Responsibility shall be as follows:

- (a) Company Peak Demand; less
- (b) Interruptible load including direct load control included in (a) above; plus
- (c) The contractual amount of sales and exchanges including applicable reserves during the period to other systems; less
- (d) The contractual amount of purchases and exchanges including applicable reserves during the period from other systems.

POWER SUPPLY SYSTEM AGREEMENT

2.6 Company Operating Capability shall mean the dependable net Capacity in megawatts of Generating Units of a Company carrying load or ready to take load plus firm purchases and exchanges acquired by such Company.

2.7 Company Peak Demand for a period shall be the highest Company Demand for any Hour during the period.

2.8 Economic Dispatch shall mean the distribution of total energy requirements among Power Supply Resources for System economic efficiency with due consideration of incremental generating costs, incremental transmission losses, and System security.

2.9 Energy shall be expressed in megawatt-hours (MWH).

2.10 Generating Unit shall mean an electric generator, together with its prime mover and all auxiliary and appurtenant devices and equipment designed to be operated as a unit for the production of electric Capacity and Energy.

2.11 Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

2.12 Hour shall mean a clock-hour.

POWER SUPPLY SYSTEM AGREEMENT

2.13 Incremental Energy Cost shall mean the Variable Cost which a selling Company incurs in order to supply the next unit of Energy.

2.14 Internal Economy Energy shall mean the Energy supplied and sold by one Company to another Company to enable the purchasing Company to meet a portion of its Own Load at less cost than from its other Power Supply Resources.

2.15 Joint Unit shall mean any Generating Unit jointly owned, if any, by the Companies.

2.16 Margin for a given period shall mean the sum of the amounts developed in accordance with Section 2.17.

2.17 Margin on Energy Sales shall mean the difference between: (1) the revenue from off-system Energy sales and (2) the selling Company's Incremental Energy Cost incurred in making such sales.

2.18 Month shall mean a calendar month consisting of the applicable 24-Hour periods as measured by Eastern Standard Time as required by the appropriate reliability region.

2.19 Open Access Transmission Tariff shall mean the Open Access Transmission Tariff filed with the Federal Energy Regulatory Commission on behalf of the Companies on a combined basis, as amended from time to time.

2.20 Operating Committee shall mean the organization established pursuant to Section 4.1 whose duties are more fully set forth herein.

2.21 Own Load shall mean Energy required to meet Company Demand plus Energy associated with sales or exchanges with reserves less Energy associated with purchases or exchanges with reserves.

POWER SUPPLY SYSTEM AGREEMENT

2.22 Power Supply Control Center shall mean a center operated by the Companies for the optimal utilization of both Companies' Power Supply Resources for the supply of Capacity and Energy.

2.23 Power Supply Resources shall mean all Energy and Capacity supply resources available to a Company.

2.24 Pre-Merger Off-System Capacity Sales shall mean that certain letter agreement dated July 31, 1992 between LG&E and Indiana Municipal Power Agency ("IMPA") pertaining to the sale of limited term power; that certain Letter Agreement Between LG&E and East Kentucky Power Corporation ("EKPC"), dated October 27, 1994, pertaining to the sale of power to EKPC for Gallatin Steel facilities in Gallatin, Kentucky; and any other agreement for off-System capacity sales as may be entered into by either Company prior to the effective date of the merger.

2.25 System shall mean the coordinated electric generation facilities of the Companies.

2.26 System Demand shall mean the sum in megawatts of both Company's clock-hour Demand.

2.27 Transmission System shall be the facilities owned, controlled or operated by the Companies that are used to provide transmission service under the Open Access Transmission Tariff.

2.28 Variable Cost shall be a Company's incremental generation or purchased Energy cost.

2.29 Year shall be a calendar year.

POWER SUPPLY SYSTEM AGREEMENT

ARTICLE III

OBJECTIVES

3.1 Purpose

The purpose of this Agreement is to provide the contractual basis for the coordinated planning, construction, operation and maintenance of the System to achieve optimal economies, consistent with reliable electric service and environmental requirements.

ARTICLE IV

OPERATING COMMITTEE

4.1 Operating Committee

The Operating Committee is the organization established to ensure the coordinated operation of the System. The Operating Committee members shall include at least one member from LG&E and at least one member from KU who are not members of the Coordinating Committee established under the Transmission Coordination Agreement. The chairperson, who shall be the Chief Operating Officer of LEC, shall appoint the member representative(s) of LG&E and KU. Other than the chairperson, there shall be the same number of members representing each Company. Operating Committee decisions shall be by a majority vote of those present. However, any member not present may vote by proxy. The chairperson shall vote only in case of a tie.

POWER SUPPLY SYSTEM AGREEMENT

4.2 Responsibilities of the Operating Committee

The Operating Committee shall be responsible for overseeing:

- (a) coordinated planning of the Companies' Power Supply Resources;
- (b) the design, construction, operation and maintenance of the Power Supply

Control Center; and

-(c) the Economic Dispatch of the System by the Power Supply Control Center and the provision of generation-based Ancillary Services by the Companies.

4.3 Delegation and Acceptance of Authority

The Companies hereby delegate to the Operating Committee, and the Operating Committee hereby accepts, responsibility and authority for the duties listed in this Article and elsewhere in this Agreement.

4.4 Reporting

The Operating Committee shall provide periodic summary reports of its activities under this Agreement to the Companies and shall keep the Companies informed of situations or problems that may materially affect the outcome of these activities. Furthermore, the Operating Committee agrees to report to the Companies in such additional detail as is requested regarding specific issues or projects under its oversight.

4.5 Expenses

All expenses incurred by the Operating Committee in the performance of its responsibilities shall be settled in accordance with arrangements made by the Companies for services provided between or on behalf of the Companies.

POWER SUPPLY SYSTEM AGREEMENT

ARTICLE V

GENERATION PLANNING

5.1 Generation Planning

The Companies agree that additions to Company Operating Capability shall be planned and developed on the basis that their combined individual systems constitute an integrated electric system and that the objective of their planning shall be to maximize the economy, efficiency and reliability of the System as a whole. In this connection, the Operating Committee will from time to time, as it deems appropriate, direct studies for Power Supply Resource planning purposes. If the Companies agree to participate in Joint Units, such Joint Units shall be owned in accordance with Schedule A.

ARTICLE VI

COORDINATED OPERATION

6.1 Operation of the Combined System

The System shall be operated in accordance with Economic Dispatch in order to economically meet the Company Load Responsibility of each Company and its off-System sales obligations, through the coordinated economic commitment and dispatch of the Companies' Power Supply Resources, consistent with Good Utility Practice.

6.2 Communications Facilities and Other Facilities

The Companies shall provide communications, metering and other facilities necessary for the metering and control of the Generating Units. Each Company shall be

POWER SUPPLY SYSTEM AGREEMENT

responsible for any expenses it incurs for the installation, operation and maintenance of such facilities at its own Generating Units. Any expenses incurred due to facilities required at or for the Power Supply Control Center to operate the System shall be settled in accordance with the arrangements made by the Companies for compensation for services provided between and on behalf of the Companies.

ARTICLE VII

OFF-SYSTEM CAPACITY AND ENERGY SALES AND PURCHASES

7.1 Revenues From Pre-Merger Off-System Capacity Sales

With respect to contracts in effect as of the effective date of this Agreement for off-System sales of Capacity only or for the sale of both Capacity and Energy, all revenues collected for pre-merger off-System capacity sales (less costs incurred to make such sales) shall remain with the Company contracting for the sale, except that such revenue shall be reduced by any demand charges incurred to supply the off-System capacity sales pursuant to Section 7.4 (pertaining to demand charges from post-merger off-System purchases).

7.2 Revenues From Post-Merger Off-System Capacity Sales

Demand and Energy charge revenues collected from post-merger off-System Capacity sales shall be reduced by any demand charges from off-System purchases, if any, dedicated to supply the sale, pursuant to Section 7.4. The net amount of revenue shall inure to the Company providing the Capacity for the sale.

POWER SUPPLY SYSTEM AGREEMENT

7.3 Charges for Pre-Merger Off-System Capacity Purchases

Demand and Energy charges for pre-merger off-System Capacity purchases agreed to as of the effective date of this Agreement shall remain the responsibility of the Company contracting for the purchase.

7.4 Charges for Post-Merger Off-System Capacity Purchases

Demand charges associated with post-merger off-System capacity purchases made to enable both Companies to reliably and economically meet their Company Load Responsibility shall be assigned to the Companies based on the ratio of the Company Load Responsibility of each Company to the sum of the Company Load Responsibility for both Companies for the appropriate time period.

Demand charges associated with post-merger off-System capacity purchases made to enable the Companies to make post-merger off-System sales or to supply pre-merger off-System sales shall be deducted from the demand charge revenue collected from the off-System sales. The net amount shall be allocated to the Companies pursuant to Sections 7.1 (pertaining to demand charges from pre-merger off-System capacity sales) and 7.2 (pertaining to demand charges from post-merger off-System capacity sales).

This section applies only to demand charges associated with post-merger off-System capacity purchases.

7.5 Energy Sales and Purchases Off-System

The Operating Committee will assure the efficient utilization of Company Operating Capability for off-System sales of Energy available after meeting all of the

POWER SUPPLY SYSTEM AGREEMENT

requirements of the System including the Energy associated with contractual requirements for off-System Capacity sales. Any off-System economy Energy purchases or sales shall be implemented by decremental or incremental System Economic Dispatch as appropriate. Any Margin on Energy Sales to off-System entities shall be distributed to the Companies based on the amount of Energy each contributes to the transaction, in accordance with Schedule B. Any cost for Energy purchases from off-System entities shall be allocated to the Companies based on the amount of Energy replaced for each Company, in accordance with Schedule B.

ARTICLE VIII

INTER-COMPANY ENERGY EXCHANGES AND CAPACITY PURCHASES

8.1 Energy Exchanges Between the Companies

The Power Supply Control Center shall direct the scheduling of System Energy output pursuant to guidelines established by the Operating Committee to obtain the lowest cost of Energy for serving System Demand consistent with each Company's operating and security constraints, including voltage control, stability, loading of facilities, operating guides as approved by the Operating Committee, fuel commitments, environmental requirements, and continuity of service to customers.

8.2 Energy Exchange Pricing

For purposes of pricing Energy exchange between the Companies, Power Supply Resources shall be utilized in the following order:

POWER SUPPLY SYSTEM AGREEMENT

(a) The portion of output of a Generating Unit that is designated not to be operated in the order of lowest to highest Variable Cost due to Company operating constraints shall be allocated to the Company requiring such output;

(b) The lowest Variable Cost generation from each Company's Operating Capability remaining after the requirements in (a) have been met shall first be allocated to serve its Own Load;

(c) The next lowest Variable Cost portion of each Company's Operating Capability remaining after the requirements in (a) and (b) have been met shall be allocated to serve Internal Economy Energy requirements of the Companies under System Economic Dispatch; and

(d) the next lowest Variable Cost portion of each Company's Operating Capability remaining after the requirements of (a), (b), and (c) have been met shall be available for off-System Energy sales.

Internal Economy Energy shall be priced in accordance with Schedule C.

ARTICLE IX

Power Supply Control Center

9.1 Power Supply Control Center

The Operating Committee shall oversee the operation of a Power Supply Control Center adequately equipped and staffed to meet the requirements of the Companies for efficient, economical and reliable operation as contemplated by this Agreement.

POWER SUPPLY SYSTEM AGREEMENT

9.2 Expenses

All expenses for operation of the Power Supply Control Center shall be billed Monthly to each Company, in accordance with Schedule D.

ARTICLE X

GENERAL

10.1 Regulatory Authorization

This Agreement is subject to certain regulatory approvals and the Companies shall diligently seek all necessary regulatory authorization for this Agreement.

10.2 Effect on Other Agreements

This Agreement shall not modify the obligations of either Company under any agreement between such Company and others not parties to this Agreement in effect at the date of this Agreement.

10.3 Schedules

The basis of compensation for the use of facilities and for the Capacity and Energy provided or supplied by a Company to the other Company under this Agreement shall be in accordance with arrangements agreed upon from time to time between the Companies, each of which, when signed by the parties thereto and approved or accepted for filing by the appropriate regulatory authority, shall become a part of this Agreement.

10.4 Measurements

POWER SUPPLY SYSTEM AGREEMENT

All quantities of Capacity and Energy exchanged or flowing between the systems of the Companies, shall be determined by meters installed at each interconnection, unless otherwise agreed to by the Companies.

10.5 Billings

Bills for services rendered hereunder shall be calculated in accordance with applicable Schedules, and shall be issued on a Monthly basis for services performed during the preceding Month.

10.6 Waivers

Any waiver at any time by a Company of its rights with respect to a default by the other Company under this Agreement shall not be deemed a waiver with respect to any subsequent default of similar or different nature.

10.7 Successors and Assigns; No Third Party Beneficiary

This Agreement shall inure to and be binding upon the successors and assigns of the respective Companies, but shall not be assignable by either Company without the written consent of the other Company, except upon foreclosure of a mortgage or deed of trust. Nothing expressed or mentioned or to which reference is made in this Agreement is intended or shall be construed to give any person or corporation other than the Companies any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained, expressly or by reference, or any Schedule hereto, this Agreement, any such Schedule and any and all conditions and provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Companies, and for the benefit of no other person or corporation.

POWER SUPPLY SYSTEM AGREEMENT

10.8 Amendment

It is contemplated by the Companies that it may be appropriate from time to time to change, amend, modify or supplement this Agreement or the schedules which are attached to this Agreement, to reflect changes in operating practices or costs of operations or for other reasons. This Agreement may be changed, amended, modified or supplemented by an instrument in writing executed by the Companies after requisite approval or acceptance for filing by the appropriate regulatory authorities.

10.9 Independent Contractors

By entering into this Agreement the Companies shall not become partners, and as to each other and to third persons, the Companies shall remain independent contractors in all matters relating to this Agreement.


10.10 Responsibility and Liability

The liability of the Companies shall be several, not joint or collective. Each Company shall be responsible only for its obligations, and shall be liable only for its proportionate share of the costs and expenses as provided in this Agreement, and any liability resulting herefrom. Each Company will defend, indemnify, and save harmless the other Company hereto from and against any and all liability, loss, costs, damages, and expenses, including reasonable attorney's fees, caused by or growing out of the gross negligence, willful misconduct, or breach of this Agreement by such indemnifying Company.

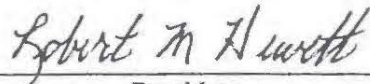
POWER SUPPLY SYSTEM AGREEMENT

IN WITNESS WHEREOF, each Company has caused this Agreement to be
executed and attested by their duly authorized officers on the day and year first above written.

LOUISVILLE GAS AND ELECTRIC COMPANY

By: 
President

KENTUCKY UTILITIES COMPANY

By: 
President

POWER SUPPLY SYSTEM AGREEMENT

SCHEDULE A

JOINT UNIT

1. Purpose

The purpose of this Schedule is to provide the basis for the Companies' participation in Joint Units.

2. Ownership

(a) Every Joint Unit shall be owned by the Companies as tenants in common.

Ownership shares in each Joint Unit shall be allocated by the Operating Committee prior to the time the unit is authorized by the Board of Directors of LEC. However, each Company shall own at least 25 megawatts of each Joint Unit unless otherwise agreed to by the Operating Committee. Each Company shall be responsible for its pro-rata share of the costs of construction of the unit and shall contribute such funds when billed.

(b) When a new Joint Unit is installed at a site already occupied by one or more existing (i.e., pre-merger) Generating Units, the Operating Committee shall identify any existing facilities that will be common to the new Joint Unit and the existing Generating Unit(s) and the portion of the common facilities to be allocated to the new Joint Unit. The Company owning the existing common facilities shall be compensated for the use of those common facilities.

POWER SUPPLY SYSTEM AGREEMENT

LOUISVILLE GAS AND ELECTRIC COMPANY

By: *AW Wood*
President

KENTUCKY UTILITIES COMPANY

By: *Robert M. Smith*
President

SCHEDULE B

DISTRIBUTION OF MARGIN FOR OFF-SYSTEM
SALES AND COST FOR ENERGY PURCHASES

1. Purposes

The purpose of this Schedule is to establish the basis for distributing between the Companies the cost of Energy purchases and the Margin on Energy Sales of off-System Energy.

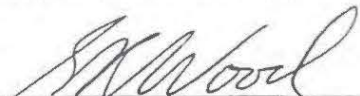
2. Off-System Energy Purchases

Any cost for Energy purchases of off-System Energy during an Hour shall be allocated to the Companies in proportion to the megawatt-hours of Energy replaced for each Company during the Hour as a result of the purchases.

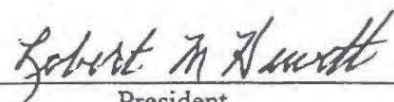
3. Off-System Energy Sales

Any Margin on Sales of off-System Energy during an Hour shall be distributed to the Companies in proportion to the Energy generated by each Company for such sales unless such Energy was generated for off-System Sales as a result of a Company's purchase of Internal Economy Energy pursuant to Schedule C, in which case the Margin from such sales shall inure to the benefit of the Company furnishing the Internal Economy Energy.

LOUISVILLE GAS AND ELECTRIC COMPANY

By: 
President

KENTUCKY UTILITIES COMPANY

By: 
President

POWER SUPPLY SYSTEM AGREEMENT

SCHEDULE C

PAYMENTS AND RECEIPTS FOR INTERNAL ECONOMY ENERGY EXCHANGES
BETWEEN THE COMPANIES

1. Purpose

The purpose of this Schedule is to provide the basis for determining payments and receipts between the Companies for Internal Economy Energy exchanges.

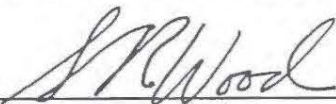
2. Hourly Calculations

The payments and receipts of Section 3 of this Schedule are calculated Hourly, but are accumulated and billed Monthly between the Companies.

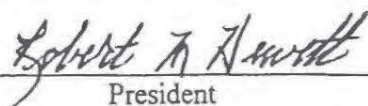
3. Payments and Receipts

The purchasing Company shall pay, and the selling Company shall receive, an amount based on the incremental fuel cost of the selling Company plus one half of the difference between the incremental fuel cost of the selling Company and the avoided fuel cost of the purchasing Company.

LOUISVILLE GAS AND ELECTRIC COMPANY

By: 
President

KENTUCKY UTILITIES COMPANY

By: 
President

POWER SUPPLY SYSTEM AGREEMENT

SCHEDULE D

DISTRIBUTION OF OPERATING EXPENSES
OF THE POWER SUPPLY CONTROL CENTER

1. Purpose

The purpose of this Schedule is to provide a basis for the distribution between the Companies of the costs incurred in operating the Power Supply Control Center.

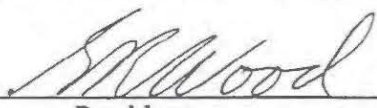
2. Costs

Costs for the purpose of this Schedule shall include all costs incurred in maintaining and operating the Power Supply Control Center including, among others, such items as salaries, wages, rentals, the cost of materials and supplies, interest, taxes, depreciation, transportation, travel expenses, consulting, and other professional services.

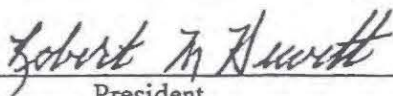
3. Distribution of Costs

All costs other than those relating to a special service or study shall be billed to the Companies in proportion to all firm kilowatt hour electric sales made by each Company for the preceding Year. In the event the Power Supply Control Center performs a special service or study in which both Companies are not proportionately interested, any resulting cost shall be distributed as agreed to by the Companies.

LOUISVILLE GAS AND ELECTRIC COMPANY

By: 
President

KENTUCKY UTILITIES COMPANY

By: 
President

**Kentucky Utilities Company
Intercompany Charges**

Period	Allocation Method	LG&E and KU Capital LLC	LG&E and KU Services Company	Louisville Gas & Electric Company	LG&E and KU Energy LLC	LG&E and KU Energy Marketing Inc.	Subtotal
Calendar Year 2013¹							
	Until August 2013, costs charged by LG&E and KU Services Company were manually allocated at the source in accordance with the Cost Allocation Manual. An August 2013 upgrade to the Oracle software automated allocations of these costs and tracking by allocation methods, as reflected below.	6,492	684,267,880	217,853,139	79,286,615		981,414,126
Calendar Year 2014¹							
	COMBINATION REVENUE/TOTAL ASSETS/NO. OF EMPLOYEES	9,197	7,692,171	14,914		8,078	7,724,360
	CONTRACT RATIO - LG&E, KU (coal)		894,501	46		329	894,877
	DEPT CHARGE RATIO: NO. OF EMPLOYEES RATIO - MORGANFIELD/NO. OF CUSTOMERS RATIO		5				5
	DEPT CHARGE RATIO: TRANSMISSION RATIO/NUMBER OF EMPLOYEES RATIO - SIMPSONVILLE		-				-
	DIRECT	55,784	601,739,166	15,440,305	40,321,508		657,556,764
	ELECTRIC PEAK LOAD RATIO (LG&E & KU)		1,531,614	76			1,531,689
	GENERATION RATIO - LG&E & KU		4,979,916	4,645			4,984,562
	INSURANCE COST BASED ALLOCATOR		-				-
	NON-FUEL MATERIAL & SERVICES EXPENDITURES RATIO		1,454,890	382			1,455,272
	NUMBER OF CUSTOMERS RATIO	1,532	20,584,241	49,978			20,635,751
	NUMBER OF EMPLOYEES RATIO	7,109	36,928,088	1,356,212			38,291,408
	NUMBER OF METERS RATIO		483,691	76			483,766
	NUMBER OF TRANSACTIONS RATIO - A/P INVOICES		406,745	11			406,756
	OWNERSHIP %	11,873	11,754,974	176,574,314			188,341,161
	POWER SUPPLY SYSTEM AGREEMENT / AFTER-THE-FACT BILLING MODEL		-	106,696,259			106,696,259
	REVENUE RATIO - LG&E & KU	2,226	2,107,259	12		105	2,109,603
	TOTAL ASSETS RATIO		2,791,839	745			2,792,585
	TOTAL UTILITY PLANT ASSETS RATIO	1,337	7,722,949	51,317			7,775,603
	TRANSMISSION RATIO	1,337	6,128,690	420,339			6,550,365
	TRANSPORTATION RESOURCE MANAGEMENT SYSTEM CHARGEBACK RATIO	66	21	474,030			474,117
	Grand Total	90,460	707,200,762	301,083,661	40,321,508	8,512	1,048,704,904
Calendar Year 2015¹							
	COMBINATION REVENUE/TOTAL ASSETS/NO. OF EMPLOYEES	3,242	9,752,065	(51,183)			9,704,124
	CONTRACT RATIO - LG&E, KU (coal)	785	968,685	55			969,524
	DEPT CHARGE RATIO: NO. OF EMPLOYEES RATIO - MORGANFIELD/NO. OF CUSTOMERS RATIO		4,474				4,474
	DEPT CHARGE RATIO: RIVERPORT FACILITY - SQUARE FOOTAGE		2,110				2,110
	DEPT CHARGE RATIO: TRANSMISSION RATIO/NUMBER OF EMPLOYEES RATIO - SIMPSONVILLE		373,631				373,631
	DIRECT	96,771	508,477,528	23,523,974	7,444,962	0	539,543,236
	ELECTRIC PEAK LOAD RATIO (LG&E & KU)		1,823,876	(2,083)			1,821,793
	GENERATION RATIO - LG&E & KU	53	6,456,513	6,662			6,463,228
	INSURANCE COST BASED ALLOCATOR		-				-
	NON-FUEL MATERIAL & SERVICES EXPENDITURES RATIO		1,655,948	135			1,656,084
	NUMBER OF CUSTOMERS RATIO	8,494	30,088,158	44,667			30,141,319
	NUMBER OF EMPLOYEES RATIO	319	54,772,915	780,172	118,202		55,671,608
	NUMBER OF METERS RATIO		605,600	229			605,829
	NUMBER OF TRANSACTIONS RATIO - A/P INVOICES		454,333	7			454,340
	OWNERSHIP %		6,725,236	229,539,011			236,264,247
	POWER SUPPLY SYSTEM AGREEMENT / AFTER-THE-FACT BILLING MODEL		-	51,825,984			51,825,984
	REVENUE RATIO - LG&E & KU	430	2,636,395	268			2,637,093
	TOTAL ASSETS RATIO	-	3,339,938	(724)			3,339,214
	TOTAL UTILITY PLANT ASSETS RATIO		10,421,673	206,358			10,628,030
	TRANSMISSION RATIO	2,209	13,466,100	417,296			13,885,606
	TRANSPORTATION RESOURCE MANAGEMENT SYSTEM CHARGEBACK RATIO	62	721,519	440,426			1,162,007
	Grand Total	112,367	652,746,695	306,731,253	7,563,164	0	967,153,480

¹Actual 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
Intercompany Charges

Period	Allocation Method	Carryforward Subtotal from Previous Page	PPL Capital Funding, Inc.	PPL PPL Corporation	PPL Energy Supply LLC	PPL Services Corporation	PPL Electric Utilities Corporation	Grand Total
Calendar Year 2013¹								
	Until August 2013, costs charged by LG&E and KU Services Company were manually allocated at the source in accordance with the Cost Allocation Manual. An August 2013 upgrade to the Oracle software automated allocations of these costs and tracking by allocation methods, as reflected below.	981,414,126		7,343,604	3,400	104,609		988,865,739
Calendar Year 2014¹								
	COMBINATION REVENUE/TOTAL ASSETS/NO. OF EMPLOYEES	7,724,360						7,724,360
	CONTRACT RATIO - LG&E, KU (coal)	894,877						894,877
	DEPT CHARGE RATIO: NO. OF EMPLOYEES RATIO - MORGANFIELD/NO. OF CUSTOMERS RATIO	5						5
	DEPT CHARGE RATIO: TRANSMISSION RATIO/NUMBER OF EMPLOYEES RATIO - SIMPSONVILLE	-						-
	DIRECT	657,556,764		33,696,863	2,771	(99,745)		691,156,653
	ELECTRIC PEAK LOAD RATIO (LG&E & KU)	1,531,689						1,531,689
	GENERATION RATIO - LG&E & KU	4,984,562						4,984,562
	INSURANCE COST BASED ALLOCATOR	-				233,559		233,559
	NON-FUEL MATERIAL & SERVICES EXPENDITURES RATIO	1,455,272						1,455,272
	NUMBER OF CUSTOMERS RATIO	20,635,751						20,635,751
	NUMBER OF EMPLOYEES RATIO	38,291,408						38,291,408
	NUMBER OF METERS RATIO	483,766						483,766
	NUMBER OF TRANSACTIONS RATIO - A/P INVOICES	406,756						406,756
	OWNERSHIP %	188,341,161						188,341,161
	POWER SUPPLY SYSTEM AGREEMENT / AFTER-THE-FACT BILLING MODEL	106,696,259						106,696,259
	REVENUE RATIO - LG&E & KU	2,109,603						2,109,603
	TOTAL ASSETS RATIO	2,792,585						2,792,585
	TOTAL UTILITY PLANT ASSETS RATIO	7,775,603						7,775,603
	TRANSMISSION RATIO	6,550,365						6,550,365
	TRANSPORTATION RESOURCE MANAGEMENT SYSTEM CHARGEBACK RATIO	474,117						474,117
	Grand Total	1,048,704,904	-	33,696,863	2,771	133,814	-	1,082,538,352
Calendar Year 2015¹								
	COMBINATION REVENUE/TOTAL ASSETS/NO. OF EMPLOYEES	9,704,124						9,704,124
	CONTRACT RATIO - LG&E, KU (coal)	969,524						969,524
	DEPT CHARGE RATIO: NO. OF EMPLOYEES RATIO - MORGANFIELD/NO. OF CUSTOMERS RATIO	4,474						4,474
	DEPT CHARGE RATIO: RIVERPORT FACILITY - SQUARE FOOTAGE	2,110						2,110
	DEPT CHARGE RATIO: TRANSMISSION RATIO/NUMBER OF EMPLOYEES RATIO - SIMPSONVILLE	373,631						373,631
	DIRECT	539,543,236		10,986,983	14,455	594,196	147,868	551,286,739
	ELECTRIC PEAK LOAD RATIO (LG&E & KU)	1,821,793						1,821,793
	GENERATION RATIO - LG&E & KU	6,463,228						6,463,228
	INSURANCE COST BASED ALLOCATOR	-				343,186		343,186
	NON-FUEL MATERIAL & SERVICES EXPENDITURES RATIO	1,656,084						1,656,084
	NUMBER OF CUSTOMERS RATIO	30,141,319						30,141,319
	NUMBER OF EMPLOYEES RATIO	55,671,608						55,671,608
	NUMBER OF METERS RATIO	605,829						605,829
	NUMBER OF TRANSACTIONS RATIO - A/P INVOICES	454,340						454,340
	OWNERSHIP %	236,264,247						236,264,247
	POWER SUPPLY SYSTEM AGREEMENT / AFTER-THE-FACT BILLING MODEL	51,825,984						51,825,984
	REVENUE RATIO - LG&E & KU	2,637,093						2,637,093
	TOTAL ASSETS RATIO	3,339,214						3,339,214
	TOTAL UTILITY PLANT ASSETS RATIO	10,628,030						10,628,030
	TRANSMISSION RATIO	13,885,606						13,885,606
	TRANSPORTATION RESOURCE MANAGEMENT SYSTEM CHARGEBACK RATIO	1,162,007						1,162,007
	Grand Total	967,153,480	-	10,986,983	14,455	937,382	147,868	979,240,168

¹Actual 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
Intercompany Charges

Period	Allocation Method	LG&E and KU Capital LLC	LG&E and KU Services Company	Louisville Gas & Electric Company	LG&E and KU Energy LLC	LG&E and KU Energy Marketing Inc.	Subtotal
Base Period¹:							
	COMBINATION REVENUE/TOTAL ASSETS/NO. OF EMPLOYEES - LG&E, KU & LKC	5,938	18,511,949	1,243			18,519,131
	CONTRACT RATIO - LG&E, KU (coal)		1,346,371	96			1,346,467
	DEPT CHARGE RATIO: RIVERPORT FACILITY - SQUARE FOOTAGE		8,963	57			9,020
	DIRECT	128	38,934,230	4,326,037	164,493		43,424,888
	DIRECT ATTRIBUTION FROM PPL THEN INDIRECT BY COMBINATION REVENUE/TOTAL ASSETS/NO. OF EMPLOYEES						-
	DIRECT ATTRIBUTION FROM PPL THEN INDIRECT BY NUMBER OF EMPLOYEES RATIO						-
	DIRECT ATTRIBUTION FROM PPL THEN INDIRECT BY TOTAL ASSETS RATIO						-
	DIRECT CHARGE FROM PPL THEN INDIRECT BY NUMBER OF CUSTOMERS RATIO						-
	ELECTRIC PEAK LOAD RATIO (LG&E & KU)		3,527,272	335			3,527,607
	FACILITIES RATIO		4,847,198	258,566			5,105,764
	GENERATION RATIO - LG&E & KU	788	9,872,794	4,270			9,877,851
	NON-FUEL MATERIAL & SERVICES EXPENDITURES RATIO		2,250,444	387			2,250,832
	NUMBER OF CUSTOMERS RATIO		45,877,227	70,123			45,947,350
	NUMBER OF EMPLOYEES RATIO	1,888	55,938,306	896,334			56,836,528
	NUMBER OF METERS RATIO		863,087	66			863,153
	NUMBER OF TRANSACTIONS RATIO - A/P INVOICES		558,067	81			558,147
	OWNERSHIP %		3,958,710	255,927,779			259,886,489
	POWER SUPPLY SYSTEM AGREEMENT / AFTER-THE-FACT BILLING MODEL			38,101,887			38,101,887
	REVENUE RATIO - LG&E & KU	2,727	5,569,713	318,831			5,891,270
	TOTAL ASSETS RATIO		3,822,827	852			3,823,679
	TOTAL UTILITY PLANT ASSETS RATIO	788	28,832,886	1,064,907			29,898,581
	TRANSMISSION RATIO	1,650	21,516,696	(11,995)			21,506,351
	VEHICLE COST ALLOCATION RATIO		485,738	277,627			763,365
	Grand Total Base Period	13,906	246,722,477	301,237,484	164,493	-	548,138,360
Forecasted Test Period¹:							
	COMBINATION REVENUE/TOTAL ASSETS/NO. OF EMPLOYEES		33,954,297				33,954,297
	CONTRACT RATIO - LG&E, KU (coal)		1,528,108				1,528,108
	DIRECT		21,573,147	1,127,517			22,700,664
	DIRECT ATTRIBUTION FROM PPL THEN INDIRECT BY COMBINATION REVENUE/TOTAL ASSETS/NO. OF EMPLOYEES						-
	DIRECT ATTRIBUTION FROM PPL THEN INDIRECT BY NUMBER OF EMPLOYEES RATIO						-
	DIRECT ATTRIBUTION FROM PPL THEN INDIRECT BY TOTAL ASSETS RATIO						-
	ELECTRIC PEAK LOAD RATIO (LG&E & KU)		4,494,565				4,494,565
	FACILITIES RATIO		5,099,756	652,766			5,752,522
	GENERATION RATIO - LG&E & KU		15,944,007				15,944,007
	NON-FUEL MATERIAL & SERVICES EXPENDITURES RATIO		2,758,161				2,758,161
	NUMBER OF CUSTOMERS RATIO		114,589,547				114,589,547
	NUMBER OF EMPLOYEES RATIO		47,056,600	1,244,645			48,301,245
	NUMBER OF METERS RATIO		1,077,929	-			1,077,929
	NUMBER OF TRANSACTIONS RATIO - A/P INVOICES		690,644	-			690,644
	OWNERSHIP %		3,955,552	189,966,400			193,921,952
	POWER SUPPLY SYSTEM AGREEMENT / AFTER-THE-FACT BILLING MODEL			43,123,339			43,123,339
	REVENUE RATIO - LG&E & KU	-	5,362,693	1,272,256			6,634,949
	TOTAL ASSETS RATIO		4,480,311				4,480,311
	TOTAL UTILITY ELECTRIC PLANT ASSETS RATIO		17,547,923				17,547,923
	TRANSMISSION RATIO	-	39,176,366	-			39,176,366
	VEHICLE COST ALLOCATION RATIO		461,321	42,723			504,044
	Grand Total Forecasted Test Period	-	319,750,927	237,429,645	-	-	557,180,572

¹Actual 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
Intercompany Charges

Period	Allocation Method	Carryforward Subtotal from Previous Page	PPL		PPL		PPL		Grand Total
			Capital Funding, Inc.	PPL Corporation	Energy Supply LLC	PPL Services Corporation	PPL Electric Utilities Corporation		
Base Period¹:									
	COMBINATION REVENUE/TOTAL ASSETS/NO. OF EMPLOYEES - LG&E, KU & LKC	18,519,131							18,519,131
	CONTRACT RATIO - LG&E, KU (coal)	1,346,467							1,346,467
	DEPT CHARGE RATIO: RIVERPORT FACILITY - SQUARE FOOTAGE	9,020							9,020
	DIRECT	43,424,888	711			947,844			44,373,443
	DIRECT ATTRIBUTION FROM PPL THEN INDIRECT BY COMBINATION REVENUE/TOTAL ASSETS/NO. OF EMPLOYEES	-				245,981			245,981
	DIRECT ATTRIBUTION FROM PPL THEN INDIRECT BY NUMBER OF EMPLOYEES RATIO	-				805,508			805,508
	DIRECT ATTRIBUTION FROM PPL THEN INDIRECT BY TOTAL ASSETS RATIO	-				53,675			53,675
	DIRECT CHARGE FROM PPL THEN INDIRECT BY NUMBER OF CUSTOMERS RATIO	-				7,973			7,973
	ELECTRIC PEAK LOAD RATIO (LG&E & KU)	3,527,607							3,527,607
	FACILITIES RATIO	5,105,764							5,105,764
	GENERATION RATIO - LG&E & KU	9,877,851							9,877,851
	NON-FUEL MATERIAL & SERVICES EXPENDITURES RATIO	2,250,832							2,250,832
	NUMBER OF CUSTOMERS RATIO	45,947,350							45,947,350
	NUMBER OF EMPLOYEES RATIO	56,836,528							56,836,528
	NUMBER OF METERS RATIO	863,153							863,153
	NUMBER OF TRANSACTIONS RATIO - A/P INVOICES	558,147							558,147
	OWNERSHIP %	259,886,489							259,886,489
	POWER SUPPLY SYSTEM AGREEMENT / AFTER-THE-FACT BILLING MODEL	38,101,887							38,101,887
	REVENUE RATIO - LG&E & KU	5,891,270							5,891,270
	TOTAL ASSETS RATIO	3,823,679							3,823,679
	TOTAL UTILITY PLANT ASSETS RATIO	29,898,581							29,898,581
	TRANSMISSION RATIO	21,506,351							21,506,351
	VEHICLE COST ALLOCATION RATIO	763,365							763,365
	Grand Total Base Period	548,138,360	711	-	-	2,060,980	-	-	550,200,052
Forecasted Test Period¹:									
	COMBINATION REVENUE/TOTAL ASSETS/NO. OF EMPLOYEES	33,954,297							33,954,297
	CONTRACT RATIO - LG&E, KU (coal)	1,528,108							1,528,108
	DIRECT	22,700,664				694,201			23,394,865
	DIRECT ATTRIBUTION FROM PPL THEN INDIRECT BY COMBINATION REVENUE/TOTAL ASSETS/NO. OF EMPLOYEES	-				228,365			228,365
	DIRECT ATTRIBUTION FROM PPL THEN INDIRECT BY NUMBER OF EMPLOYEES RATIO	-				706,649			706,649
	DIRECT ATTRIBUTION FROM PPL THEN INDIRECT BY TOTAL ASSETS RATIO	-				37,119			37,119
	ELECTRIC PEAK LOAD RATIO (LG&E & KU)	4,494,565							4,494,565
	FACILITIES RATIO	5,752,522							5,752,522
	GENERATION RATIO - LG&E & KU	15,944,007							15,944,007
	NON-FUEL MATERIAL & SERVICES EXPENDITURES RATIO	2,758,161							2,758,161
	NUMBER OF CUSTOMERS RATIO	114,589,547							114,589,547
	NUMBER OF EMPLOYEES RATIO	48,301,245							48,301,245
	NUMBER OF METERS RATIO	1,077,929							1,077,929
	NUMBER OF TRANSACTIONS RATIO - A/P INVOICES	690,644							690,644
	OWNERSHIP %	193,921,952							193,921,952
	POWER SUPPLY SYSTEM AGREEMENT / AFTER-THE-FACT BILLING MODEL	43,123,339							43,123,339
	REVENUE RATIO - LG&E & KU	6,634,949							6,634,949
	TOTAL ASSETS RATIO	4,480,311							4,480,311
	TOTAL UTILITY ELECTRIC PLANT ASSETS RATIO	17,547,923							17,547,923
	TRANSMISSION RATIO	39,176,366							39,176,366
	VEHICLE COST ALLOCATION RATIO	504,044							504,044
	Grand Total Forecasted Test Period	557,180,572	-	-	-	1,666,333	-	-	558,846,905

¹Actual 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
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(7)(v)
Sponsoring Witness: W. Steven Seelye

Description of Filing Requirement - Section 16(7)(v):

If the utility provides gas, electric, sewage, or water utility service and has annual gross revenues greater than \$5,000,000 in the division for which a rate adjustment is sought, a cost of service study based on a methodology generally accepted within the industry and based on current and reliable data from a single time period.

Response:

Please refer to the testimony and exhibits of William Steven Seelye.

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(7)(w)
Sponsoring Witness: Robert M. Conroy

Description of Filing Requirement - Section 16(7)(w):

Incumbent local exchange carriers with fewer than 50,000 access lines shall not be required to file cost of service studies, except as directed by the commission. Local exchange carriers with more than 50,000 access lines shall file:

- 1. A jurisdictional separations study consistent with 47 C.F.R. Part 36; and*
- 2. Service specific cost studies to support the pricing of all services that generate annual revenue greater than \$1,000,000 except local exchange access:
 - a. Based on current and reliable data from a single time period; and*
 - b. Using generally recognized fully allocated, embedded, or incremental cost principles.**

Response:

Not applicable to KU's Application.

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(a)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

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

Response:

See attached.

SCHEDULE A

JURISDICTIONAL OVERALL FINANCIAL SUMMARY FOR THE BASE AND FORECASTED PERIOD

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2018

SCHEDULE

DESCRIPTION

A OVERALL FINANCIAL SUMMARY

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

OVERALL FINANCIAL SUMMARY

BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE A

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD JURISDICTIONAL REVENUE REQUIREMENT \$	FORECASTED PERIOD JURISDICTIONAL REVENUE REQUIREMENT \$
1	CAPITALIZATION ALLOCATED TO KENTUCKY JURISDICTION	J	3,575,356,947	3,638,800,730
2	ADJUSTED OPERATING INCOME	C-1	247,762,662	202,510,540
3	EARNED RATE OF RETURN (2 / 1)		6.93%	5.57%
4	REQUIRED RATE OF RETURN	J	7.43%	7.29%
5	REQUIRED OPERATING INCOME (1 x 4)	C-1	265,710,660	265,293,552
6	OPERATING INCOME DEFICIENCY (5 - 2)	C-1	17,947,998	62,783,012
7	GROSS REVENUE CONVERSION FACTOR	H	1.642132	1.642132
8	REVENUE DEFICIENCY (6 x 7)		29,472,985	103,098,006
9	REVENUE INCREASE REQUESTED	C-1		103,098,006
10	ADJUSTED OPERATING REVENUES	C-1		1,485,327,441
11	REVENUE REQUIREMENTS (9 + 10)			<u>1,588,425,448</u>

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(b)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

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

Response:

See attached.

SCHEDULE B

JURISDICTIONAL RATE BASE SUMMARY FOR THE BASE AND FORECASTED PERIOD

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

BASE PERIOD: FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED TEST PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL RATE BASE SUMMARY
AS OF FEBRUARY 28, 2017
AS OF JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-1

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S): SEE BELOW

WITNESS: C. M. GARRETT

LINE NO.	RATE BASE COMPONENT	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD	13 MONTH AVG FORECAST PERIOD
			\$	\$
ELECTRIC:				
1	Plant in Service	B-2	6,763,836,329	6,970,368,268
2	Property Held for Future Use	B-2.6	384,971	384,971
3	Accumulated Depreciation and Amortization	B-3	(2,573,686,914)	(2,699,542,764)
4	Net Plant in Service (Lines 1+2+3)		<u>4,190,534,386</u>	<u>4,271,210,475</u>
5	Construction Work in Progress	B-4	69,767,636	118,703,941
6	Net Plant (Lines 4+5)		<u>4,260,302,022</u>	<u>4,389,914,416</u>
7	Cash Working Capital Allowance	B-5	101,002,227	106,348,560
8	Other Working Capital Allowances	B-5	150,181,362	135,979,598
9	Customer Advances for Construction	B-6	(1,549,704)	(1,549,704)
10	Deferred Income Taxes	B-6	(819,583,394)	(910,427,698)
11	Investment Tax Credits	B-6	(82,538,337)	(81,185,411)
12	Other Items	B-6	-	-
13	Rate Base (Lines 6 through 12)		<u><u>3,607,814,177</u></u>	<u><u>3,639,079,760</u></u>

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PLANT IN SERVICE BY MAJOR PROPERTY GROUPING
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
		\$		\$	\$	\$
ELECTRIC:						
1	INTANGIBLE PLANT	101,357,786	88.734%	89,938,885	-	89,938,885
2	STEAM PRODUCTION	5,273,396,929	86.929%	4,584,093,280	(1,459,970,125)	3,124,123,155
3	HYDO PRODUCTION	41,930,215	87.356%	36,628,559	(240,235)	36,388,324
4	OTHER PRODUCTION	1,002,155,515	87.399%	875,869,601	(353,240)	875,516,361
5	TRANSMISSION	906,259,751	89.383%	810,038,657	(395,186)	809,643,471
6	DISTRIBUTION	1,766,868,471	94.350%	1,667,037,042	(2,412,724)	1,664,624,319
7	GENERAL	190,670,994	90.714%	172,964,907	(9,363,092)	163,601,815
8	TOTAL ELECTRIC	<u>9,282,639,662</u>		<u>8,236,570,931</u>	<u>(1,472,734,602)</u>	<u>6,763,836,329</u>

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PLANT IN SERVICE BY MAJOR PROPERTY GROUPING
AS OF JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD

SCHEDULE B-2

TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED

PAGE 2 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCOUNT / SUBACCOUNT TITLES	13 MO AVG FORECAST PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	13 MO AVG ADJUSTED JURISDICTION
		\$		\$	\$	\$
	ELECTRIC:					
1	INTANGIBLE PLANT	116,023,293	88.842%	103,077,457	-	103,077,457
2	STEAM PRODUCTION	5,318,250,787	86.934%	4,623,375,268	(1,478,168,843)	3,145,206,425
3	HYDO PRODUCTION	42,585,984	87.359%	37,202,866	(240,235)	36,962,632
4	OTHER PRODUCTION	1,024,118,791	87.402%	895,104,539	(353,240)	894,751,299
5	TRANSMISSION	981,460,549	89.829%	881,633,434	(395,186)	881,238,248
6	DISTRIBUTION	1,836,173,591	94.436%	1,734,009,542	(2,412,531)	1,731,597,011
7	GENERAL	207,698,615	90.872%	188,738,969	(11,203,773)	177,535,196
8	TOTAL ELECTRIC	<u>9,526,311,610</u>		<u>8,463,142,075</u>	<u>(1,492,773,807)</u>	<u>6,970,368,268</u>

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$		\$	\$	\$
1		<u>Electric Intangible Plant</u>					
2	301	Organization	44,456	88.728%	39,444	-	39,444
3	302	Franchises and Consents	55,919	100.000%	55,919	-	55,919
4	303	Misc Intangible Plant	101,257,412	88.728%	89,843,522	-	89,843,522
5		Total Intangible Plant	101,357,786		89,938,885	-	89,938,885
6		<u>Electric Steam Production</u>					
7	310	Land and Land Rights	23,167,514	87.578%	20,289,582	(10,345,815)	9,943,767
8	311	Structures and Improvements	335,394,490	86.648%	290,613,144	(10,417,262)	280,195,882
9	312	Boiler Plant Equipment	3,984,402,278	86.957%	3,464,724,864	(1,140,370,882)	2,324,353,982
9	313	Engines and engine-driven generators	-		-	-	-
10	314	Turbogenerator Units	335,484,189	86.495%	290,177,027	-	290,177,027
11	315	Accessory Electric Equipment	226,277,105	86.462%	195,643,980	(8,234,340)	187,409,640
12	316	Misc Power Plant Equip	37,668,925	86.969%	32,760,284	(717,428)	32,042,857
13	317	ARO Cost Steam Production	331,002,428	87.578%	289,884,399	(289,884,399)	-
14		Total Electric Steam Production	5,273,396,929		4,584,093,280	(1,459,970,125)	3,124,123,155
15		<u>Electric Hydro Production</u>					
16	330	Land and Land Rights	879,311	87.578%	770,081	-	770,081
17	331	Structures and Improvements	2,930,164	87.578%	2,566,171	-	2,566,171
18	332	Reservoirs, Dams, and Water	21,885,646	87.406%	19,129,335	-	19,129,335
19	333	Water Wheels, Turbines, Generators	14,046,742	87.213%	12,250,584	-	12,250,584
20	334	Accessory Electric Equipment	1,362,585	87.328%	1,189,919	-	1,189,919
21	335	Misc Power Plant Equipment	316,947	87.351%	276,857	-	276,857
22	336	Roads, Railroads, and Bridges	234,509	87.578%	205,378	-	205,378
23	337	ARO Cost Hydro Production	274,311	87.578%	240,235	(240,235)	-
24		Total Electric Hydro Production	41,930,215		36,628,559	(240,235)	36,388,324
25		<u>Electric Other Production</u>					
26	340	Land and Land Rights	473,579	87.578%	414,749	-	414,749
27	341	Structures and Improvements	85,076,788	87.373%	74,334,565	-	74,334,565
28	342	Fuel Holders, Producers, Accessories	61,651,088	87.490%	53,938,792	-	53,938,792
29	343	Prime Movers	647,382,513	87.398%	565,799,100	-	565,799,100

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 2 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$		\$	\$	\$
30	344	Generators	130,733,466	87.399%	114,259,847	-	114,259,847
31	345	Accessory Electric Equipment	67,325,169	87.339%	58,801,258	-	58,801,258
32	346	Misc Power Plant Equipment	9,109,569	87.469%	7,968,048	-	7,968,048
33	347	ARO Cost Other Production	403,344	87.578%	353,240	(353,240)	-
34		Total Electric Other Production	1,002,155,515		875,869,601	(353,240)	875,516,361
35		<u>Electric Transmission</u>					
36	350	Land and Land Rights	31,789,265	89.708%	28,517,661	-	28,517,661
37	352	Structures and Improvements	28,829,721	89.841%	25,901,047	-	25,901,047
38	353	Station Equipment	299,234,853	88.074%	263,547,345	-	263,547,345
39	354	Towers and Fixtures	76,371,013	91.635%	69,982,317	-	69,982,317
40	355	Poles and Fixtures	286,024,581	91.204%	260,865,376	-	260,865,376
41	356	OH Conductors and Devices	182,031,393	87.533%	159,337,932	-	159,337,932
42	357	Underground Conduit	448,760	95.285%	427,601	-	427,601
43	358	UG Conductors and Devices	1,116,714	95.297%	1,064,191	-	1,064,191
44	359	ARO Cost Elec Transmission	413,451	95.582%	395,186	(395,186)	-
45		Total Electric Transmission	906,259,751		810,038,657	(395,186)	809,643,471
46		<u>Electric Distribution</u>					
47	360	Land and Land Rights	8,626,046	95.856%	8,268,598	-	8,268,598
48	361	Structures and Improvements	12,509,664	93.218%	11,661,225	-	11,661,225
49	362	Station Equipment	190,967,979	93.727%	178,988,612	-	178,988,612
50	364	Poles, Towers, and Fixtures	377,046,488	92.393%	348,365,724	(24,513)	348,341,211
51	365	OH Conductors and Devices	369,385,848	92.961%	343,386,372	(21,938)	343,364,434
52	366	Underground Conduit	2,381,228	100.000%	2,381,228	(171,003)	2,210,225
53	367	UG Conductors and Devices	192,954,764	97.305%	187,754,076	(1,290,373)	186,463,703
54	368	Line Transformers	315,269,603	95.799%	302,025,558	-	302,025,558
55	369	Services	102,761,819	94.649%	97,262,577	-	97,262,577
56	370	Meters	78,445,770	94.514%	74,142,066	-	74,142,066
57	371	Install on Customer Premise	205,376	100.000%	205,376	-	205,376
58	373	Street Lighting / Signal Systems	115,408,992	96.778%	111,690,733	-	111,690,733
59	374	ARO Cost Elec Distribution	904,897	100.000%	904,897	(904,897)	-
60		Total Electric Distribution	1,766,868,471		1,667,037,042	(2,412,724)	1,664,624,319

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 3 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$		\$	\$	\$
61		<u>Electric General Plant</u>					
62	389	Land and Land Rights	3,410,792	90.241%	3,077,943	-	3,077,943
63	390	Structures and Improvements	61,758,525	90.241%	55,731,696	-	55,731,696
64	391	Office Furniture and Equipment	45,046,030	90.241%	40,650,123	-	40,650,123
65	392	Transportation Equipment	7,277,719	90.241%	6,567,509	(131,088)	6,436,421
66	393	Stores Equipment	1,513,642	90.241%	1,365,930	-	1,365,930
67	394	Tools, Shop, and Garage Equipment	13,321,798	90.241%	12,021,764	-	12,021,764
68	395	Laboratory Equipment	-		-	-	-
69	396	Power Operated Equipment	2,370,877	90.241%	2,139,510	-	2,139,510
70	397	Communication Equipment	55,971,611	91.851%	51,410,433	(9,232,005)	42,178,428
71	398	Miscellaneous Equipment	-	90.241%	-	-	-
72		Total Electric General Plant	<u>190,670,994</u>		<u>172,964,907</u>	<u>(9,363,092)</u>	<u>163,601,815</u>
73		TOTAL ELECTRIC PLANT IN SERVICE	<u>9,282,639,662</u>		<u>8,236,570,931</u>	<u>(1,472,734,602)</u>	<u>6,763,836,329</u>

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING: __X__ ORIGINAL ___ UPDATED ___ REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	13 MO AVG FORECAST PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$		\$	\$	\$
1		<u>Electric Intangible Plant</u>					
2	301	Organization	44,456	88.837%	39,493	-	39,493
3	302	Franchises and Consents	55,919	100.000%	55,919	-	55,919
4	303	Misc Intangible Plant	115,922,919	88.837%	102,982,045	-	102,982,045
5		Total Intangible Plant	116,023,293		103,077,457	-	103,077,457
6		<u>Electric Steam Production</u>					
7	310	Land and Land Rights	24,155,713	87.578%	21,155,024	(11,211,257)	9,943,767
8	311	Structures and Improvements	339,581,331	86.660%	294,279,885	(10,418,640)	283,861,245
9	312	Boiler Plant Equipment	4,015,791,238	86.962%	3,492,214,600	(1,157,702,273)	2,334,512,327
9	313	Engines and engine-driven generators	-		-	-	-
10	314	Turbogenerator Units	340,427,141	86.511%	294,505,952	-	294,505,952
11	315	Accessory Electric Equipment	226,547,405	86.463%	195,880,703	(8,234,467)	187,646,236
12	316	Misc Power Plant Equip	40,745,531	87.015%	35,454,705	(717,807)	34,736,899
13	317	ARO Cost Steam Production	331,002,428	87.578%	289,884,399	(289,884,399)	-
14		Total Electric Steam Production	5,318,250,787		4,623,375,268	(1,478,168,843)	3,145,206,425
15		<u>Electric Hydro Production</u>					
16	330	Land and Land Rights	879,311	87.578%	770,081	-	770,081
17	331	Structures and Improvements	2,930,164	87.578%	2,566,171	-	2,566,171
18	332	Reservoirs, Dams, and Water	21,885,646	87.406%	19,129,335	-	19,129,335
19	333	Water Wheels, Turbines, Generators	14,046,742	87.213%	12,250,584	-	12,250,584
20	334	Accessory Electric Equipment	1,362,585	87.328%	1,189,919	-	1,189,919
21	335	Misc Power Plant Equipment	316,947	87.351%	276,857	-	276,857
22	336	Roads, Railroads, and Bridges	890,278	87.578%	779,686	-	779,686
23	337	ARO Cost Hydro Production	274,311	87.578%	240,235	(240,235)	-
24		Total Electric Hydro Production	42,585,984		37,202,866	(240,235)	36,962,632
25		<u>Electric Other Production</u>					
26	340	Land and Land Rights	473,579	87.578%	414,749	-	414,749
27	341	Structures and Improvements	85,397,942	87.374%	74,615,824	-	74,615,824
28	342	Fuel Holders, Producers, Accessories	61,751,088	87.491%	54,026,370	-	54,026,370
29	343	Prime Movers	656,944,962	87.401%	574,173,676	-	574,173,676

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING: __X__ ORIGINAL _____ UPDATED _____ REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	13 MO AVG FORECAST PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$		\$	\$	\$
30	344	Generators	131,343,466	87.400%	114,794,072	-	114,794,072
31	345	Accessory Electric Equipment	75,937,065	87.366%	66,343,361	-	66,343,361
32	346	Misc Power Plant Equipment	11,867,345	87.494%	10,383,247	-	10,383,247
33	347	ARO Cost Other Production	403,344	87.578%	353,240	(353,240)	-
34		Total Electric Other Production	1,024,118,791		895,104,539	(353,240)	894,751,299
35		<u>Electric Transmission</u>					
36	350	Land and Land Rights	31,789,265	89.708%	28,517,661	-	28,517,661
37	352	Structures and Improvements	28,829,721	89.841%	25,901,047	-	25,901,047
38	353	Station Equipment	314,860,883	88.414%	278,380,113	-	278,380,113
39	354	Towers and Fixtures	76,371,013	91.635%	69,982,317	-	69,982,317
40	355	Poles and Fixtures	342,219,520	91.870%	314,396,862	-	314,396,862
41	356	OH Conductors and Devices	185,411,223	87.680%	162,568,456	-	162,568,456
42	357	Underground Conduit	448,760	95.285%	427,601	-	427,601
43	358	UG Conductors and Devices	1,116,714	95.297%	1,064,191	-	1,064,191
44	359	ARO Cost Elec Transmission	413,451	95.582%	395,186	(395,186)	-
45		Total Electric Transmission	981,460,549		881,633,434	(395,186)	881,238,248
46		<u>Electric Distribution</u>					
47	360	Land and Land Rights	8,841,834	94.669%	8,370,504	-	8,370,504
48	361	Structures and Improvements	13,999,367	93.939%	13,150,929	-	13,150,929
49	362	Station Equipment	200,108,094	94.014%	188,128,728	-	188,128,728
50	364	Poles, Towers, and Fixtures	387,247,022	92.542%	358,366,452	(24,553)	358,341,900
51	365	OH Conductors and Devices	386,260,066	92.890%	358,797,886	(21,922)	358,775,965
52	366	Underground Conduit	2,381,228	100.000%	2,381,228	(171,003)	2,210,225
53	367	UG Conductors and Devices	205,579,047	97.288%	200,004,754	(1,290,158)	198,714,596
54	368	Line Transformers	321,787,312	95.884%	308,543,267	-	308,543,267
55	369	Services	102,761,819	94.649%	97,262,577	-	97,262,577
56	370	Meters	87,291,433	95.070%	82,987,729	-	82,987,729
57	371	Install on Customer Premise	282,792	100.000%	282,792	-	282,792
58	373	Street Lighting / Signal Systems	118,728,680	96.714%	114,827,799	-	114,827,799
59	374	ARO Cost Elec Distribution	904,897	100.000%	904,897	(904,897)	-
60		Total Electric Distribution	1,836,173,591		1,734,009,542	(2,412,531)	1,731,597,011

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	13 MO AVG FORECAST PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$		\$	\$	\$
61		<u>Electric General Plant</u>					
62	389	Land and Land Rights	3,987,715	90.371%	3,603,740	-	3,603,740
63	390	Structures and Improvements	72,437,003	90.371%	65,462,088	-	65,462,088
64	391	Office Furniture and Equipment	44,896,469	90.371%	40,573,415	-	40,573,415
65	392	Transportation Equipment	7,583,831	90.371%	6,853,589	(407,913)	6,445,676
66	393	Stores Equipment	1,513,642	90.371%	1,367,894	-	1,367,894
67	394	Tools, Shop, and Garage Equipment	13,878,615	90.371%	12,542,252	-	12,542,252
68	395	Laboratory Equipment	-		-	-	-
69	396	Power Operated Equipment	2,370,877	90.371%	2,142,586	-	2,142,586
70	397	Communication Equipment	61,030,463	92.074%	56,193,404	(10,795,860)	45,397,544
71	398	Miscellaneous Equipment	-	90.371%	-	-	-
72		Total Electric General Plant	207,698,615		188,738,969	(11,203,773)	177,535,196
73		TOTAL ELECTRIC PLANT IN SERVICE	9,526,311,610		8,463,142,075	(1,492,773,807)	6,970,368,268

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.2

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
			\$		\$		
1	310	Land and Land Rights	(11,813,295)	87.578%	(10,345,815)		ECR amounts excluded from rate base
2	311	Structures and Improvements	(12,022,485)	86.648%	(10,417,262)		ECR amounts excluded from rate base
3	312	Boiler Plant Equipment	(1,311,416,207)	86.957%	(1,140,370,882)		ECR amounts excluded from rate base
4	315	Accessory Electric Equipment	(9,523,639)	86.462%	(8,234,340)		ECR amounts excluded from rate base
5	316	Misc Power Plant Equip	(824,923)	86.969%	(717,428)		ECR amounts excluded from rate base
6	317	ARO Cost Steam Production	(331,002,428)	87.578%	(289,884,399)		ARO amounts excluded from rate base
7	337	ARO Cost Hydro Production	(274,311)	87.578%	(240,235)		ARO amounts excluded from rate base
8	347	ARO Cost Other Production	(403,344)	87.578%	(353,240)		ARO amounts excluded from rate base
9	359	ARO Cost Elec Transmission	(413,451)	95.582%	(395,186)		ARO amounts excluded from rate base
10	364	Poles, Towers, and Fixtures	(26,531)	92.393%	(24,513)		ECR amounts excluded from rate base
11	365	OH Conductors and Devices	(23,599)	92.961%	(21,938)		ECR amounts excluded from rate base
12	366	Underground Conduit	(171,003)	100.000%	(171,003)		ECR amounts excluded from rate base
13	367	UG Conductors and Devices	(1,326,115)	97.305%	(1,290,373)		ECR amounts excluded from rate base
14	374	ARO Cost Elec Distribution	(904,897)	100.000%	(904,897)		ARO amounts excluded from rate base
15	392	Transportation Equipment	(145,263)	90.241%	(131,088)		ECR amounts excluded from rate base
16	397	Communication Equipment	(9,232,005)	100.000%	(9,232,005)		DSM amounts excluded from rate base
17		TOTAL ADJUSTMENTS	<u>(1,689,523,497)</u>		<u>(1,472,734,602)</u>		

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
AS OF JUNE 30, 2018

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

SCHEDULE B-2.2

PAGE 2 OF 2

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
			\$		\$		
1	310	Land and Land Rights	(12,801,494)	87.578%	(11,211,257)		ECR amounts excluded from rate base
2	311	Structures and Improvements	(12,022,485)	86.660%	(10,418,640)		ECR amounts excluded from rate base
3	312	Boiler Plant Equipment	(1,331,272,896)	86.962%	(1,157,702,273)		ECR amounts excluded from rate base
4	315	Accessory Electric Equipment	(9,523,639)	86.463%	(8,234,467)		ECR amounts excluded from rate base
5	316	Misc Power Plant Equip	(824,923)	87.015%	(717,807)		ECR amounts excluded from rate base
6	317	ARO Cost Steam Production	(331,002,428)	87.578%	(289,884,399)		ARO amounts excluded from rate base
7	337	ARO Cost Hydro Production	(274,311)	87.578%	(240,235)		ARO amounts excluded from rate base
8	347	ARO Cost Other Production	(403,344)	87.578%	(353,240)		ARO amounts excluded from rate base
9	359	ARO Cost Elec Transmission	(413,451)	95.582%	(395,186)		ARO amounts excluded from rate base
10	364	Poles, Towers, and Fixtures	(26,531)	92.542%	(24,553)		ECR amounts excluded from rate base
11	365	OH Conductors and Devices	(23,599)	92.890%	(21,922)		ECR amounts excluded from rate base
12	366	Underground Conduit	(171,003)	100.000%	(171,003)		ECR amounts excluded from rate base
13	367	UG Conductors and Devices	(1,326,115)	97.288%	(1,290,158)		ECR amounts excluded from rate base
14	374	ARO Cost Elec Distribution	(904,897)	100.000%	(904,897)		ARO amounts excluded from rate base
15	392	Transportation Equipment	(451,375)	90.371%	(407,913)		ECR amounts excluded from rate base
16	397	Communication Equipment	(10,795,860)	100.000%	(10,795,860)		DSM amounts excluded from rate base
17		TOTAL ADJUSTMENTS	<u>(1,712,238,352)</u>		<u>(1,492,773,807)</u>		

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS

FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.3

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD ENDING BALANCE
			\$	\$	\$	\$	\$
1		<u>Electric Intangible Plant</u>					
2	301	Organization	44,456	-	-	-	44,456
3	302	Franchises and Consents	55,919	-	-	-	55,919
4	303	Misc Intangible Plant	93,497,219	13,594,707	(5,834,514)	-	101,257,412
5		Total Intangible Plant	93,597,593	13,594,707	(5,834,514)	-	101,357,786
6		<u>Electric Steam Production</u>					
7	310	Land and Land Rights	22,958,202	475,000	(103,619)	(162,070)	23,167,514
8	311	Structures and Improvements	338,074,045	3,122,813	(877,459)	(4,924,909)	335,394,490
9	312	Boiler Plant Equipment	3,791,160,275	201,337,085	(13,077,808)	4,982,727	3,984,402,278
9	313	Engines and engine-driven generators	-	-	-	-	-
10	314	Turbogenerator Units	329,044,971	6,810,367	(371,149)	-	335,484,189
11	315	Accessory Electric Equipment	221,766,132	4,639,489	(128,517)	-	226,277,105
12	316	Misc Power Plant Equip	36,595,259	1,183,205	(51,721)	(57,817)	37,668,925
13	317	ARO Cost Steam Production	329,221,435	1,780,993	-	-	331,002,428
14		Total Electric Steam Production	5,068,820,321	219,348,952	(14,610,273)	(162,070)	5,273,396,929
15		<u>Electric Hydro Production</u>					
16	330	Land and Land Rights	879,311	-	-	-	879,311
17	331	Structures and Improvements	2,928,677	1,487	-	-	2,930,164
18	332	Reservoirs, Dams, and Water	21,885,646	-	-	-	21,885,646
19	333	Water Wheels, Turbines, Generators	14,046,742	-	-	-	14,046,742
20	334	Accessory Electric Equipment	1,368,154	(5,569)	-	-	1,362,585
21	335	Misc Power Plant Equipment	316,947	-	-	-	316,947
22	336	Roads, Railroads, and Bridges	234,509	-	-	-	234,509
23	337	ARO Cost Hydro Production	274,311	-	-	-	274,311
24		Total Electric Hydro Production	41,934,296	(4,082)	-	-	41,930,215
25		<u>Electric Other Production</u>					
26	340	Land and Land Rights	311,508	-	-	162,070	473,579
27	341	Structures and Improvements	83,427,929	1,827,280	(178,421)	-	85,076,788
28	342	Fuel Holders, Producers, Accessories	160,059,128	(98,408,040)	-	-	61,651,088
29	343	Prime Movers	473,841,058	173,545,766	(4,312)	-	647,382,513

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS

FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.3

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 2 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD ENDING BALANCE
			\$	\$	\$	\$	\$
30	344	Generators	172,529,396	(41,425,535)	(370,395)	-	130,733,466
31	345	Accessory Electric Equipment	73,546,591	(6,221,422)	-	-	67,325,169
32	346	Misc Power Plant Equipment	5,655,608	3,461,466	(7,506)	-	9,109,569
33	347	ARO Cost Other Production	403,344	-	-	-	403,344
34		Total Electric Other Production	969,774,564	32,779,515	(560,633)	162,070	1,002,155,515
35		<u>Electric Transmission</u>					
36	350	Land and Land Rights	31,789,265	-	-	-	31,789,265
37	352	Structures and Improvements	25,510,117	3,328,398	(8,794)	-	28,829,721
38	353	Station Equipment	266,144,624	34,061,173	(1,277,561)	306,617	299,234,853
39	354	Towers and Fixtures	76,386,996	2,912	(18,895)	-	76,371,013
40	355	Poles and Fixtures	231,267,997	56,636,548	(1,743,504)	(136,459)	286,024,581
41	356	OH Conductors and Devices	179,410,948	3,812,705	(1,192,260)	-	182,031,393
42	357	Underground Conduit	448,760	-	-	-	448,760
43	358	UG Conductors and Devices	1,173,303	-	(2,412)	(54,177)	1,116,714
44	359	ARO Cost Elec Transmission	413,451	-	-	-	413,451
45		Total Electric Transmission	812,545,461	97,841,736	(4,243,426)	115,980	906,259,751
46		<u>Electric Distribution</u>					
47	360	Land and Land Rights	7,842,857	897,071	-	(113,882)	8,626,046
48	361	Structures and Improvements	12,363,664	156,280	(10,280)	-	12,509,664
49	362	Station Equipment	177,353,780	14,674,425	(890,070)	(170,157)	190,967,979
50	364	Poles, Towers, and Fixtures	363,606,045	15,500,445	(2,060,002)	-	377,046,488
51	365	OH Conductors and Devices	347,947,251	31,764,800	(10,380,380)	54,177	369,385,848
52	366	Underground Conduit	2,175,967	207,446	(2,186)	-	2,381,228
53	367	UG Conductors and Devices	183,771,556	9,872,281	(689,073)	-	192,954,764
54	368	Line Transformers	308,657,327	8,810,907	(2,198,632)	-	315,269,603
55	369	Services	94,952,825	8,040,797	(231,803)	-	102,761,819
56	370	Meters	76,867,764	1,731,461	(153,455)	-	78,445,770
57	371	Install on Customer Premise	17,053,369	209,833	-	(17,057,827)	205,376
58	373	Street Lighting / Signal Systems	97,550,422	6,503,099	(5,702,357)	17,057,827	115,408,992
59	374	ARO Cost Elec Distribution	907,695	-	(2,799)	-	904,897
60		Total Electric Distribution	1,691,050,523	98,368,846	(22,321,036)	(229,862)	1,766,868,471

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.3

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 3 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD ENDING BALANCE
			\$	\$	\$	\$	\$
61		<u>Electric General Plant</u>					
62	389	Land and Land Rights	2,810,082	600,710	-	-	3,410,792
63	390	Structures and Improvements	57,339,357	4,743,710	(324,542)	-	61,758,525
64	391	Office Furniture and Equipment	44,899,879	8,902,111	(8,755,960)	-	45,046,030
65	392	Transportation Equipment	5,576,344	1,967,964	(266,589)	-	7,277,719
66	393	Stores Equipment	1,507,726	5,916	-	-	1,513,642
67	394	Tools, Shop, and Garage Equipment	12,507,895	912,259	(98,356)	-	13,321,798
68	395	Laboratory Equipment	-	-	-	-	-
69	396	Power Operated Equipment	2,278,515	92,362	-	-	2,370,877
70	397	Communication Equipment	52,570,950	3,400,662	-	-	55,971,611
71	398	Miscellaneous Equipment	-	-	-	-	-
72		Total Electric General Plant	179,490,747	20,625,694	(9,445,446)	-	190,670,994
73		TOTAL ELECTRIC PLANT IN SERVICE	8,857,213,505	482,555,368	(57,015,329)	(113,882)	9,282,639,662

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM JULY 1, 2017 TO JUNE 30, 2018

DATA: ___BASE PERIOD __X__FORECASTED PERIOD

SCHEDULE B-2.3

TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	FORECAST PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	FORECAST PERIOD ENDING BALANCE	FORECAST PERIOD 13 MONTH AVERAGE
			\$	\$	\$	\$	\$	\$
1		<u>Electric Intangible Plant</u>						
2	301	Organization	44,456	-	-	-	44,456	44,456
3	302	Franchises and Consents	55,919	-	-	-	55,919	55,919
4	303	Misc Intangible Plant	100,266,856	28,469,530	(8,247,620)	-	120,488,766	115,922,919
5		Total Intangible Plant	100,367,230	28,469,530	(8,247,620)	-	120,589,140	116,023,293
6		<u>Electric Steam Production</u>						
7	310	Land and Land Rights	23,167,514	1,835,227	-	-	25,002,740	24,155,713
8	311	Structures and Improvements	336,901,275	7,860,804	-	-	344,762,078	339,581,331
9	312	Boiler Plant Equipment	4,003,541,396	42,662,483	(16,651,556)	-	4,029,552,324	4,015,791,238
9	313	Engines and engine-driven generators	-	-	-	-	-	-
10	314	Turbogenerator Units	337,471,527	7,347,609	-	-	344,819,136	340,427,141
11	315	Accessory Electric Equipment	226,547,405	-	-	-	226,547,405	226,547,405
12	316	Misc Power Plant Equip	39,172,021	3,356,609	-	-	42,528,629	40,745,531
13	317	ARO Cost Steam Production	331,002,428	-	-	-	331,002,428	331,002,428
14		Total Electric Steam Production	5,297,803,565	63,062,732	(16,651,556)	-	5,344,214,741	5,318,250,787
15		<u>Electric Hydro Production</u>						
16	330	Land and Land Rights	879,311	-	-	-	879,311	879,311
17	331	Structures and Improvements	2,930,164	-	-	-	2,930,164	2,930,164
18	332	Reservoirs, Dams, and Water	21,885,646	-	-	-	21,885,646	21,885,646
19	333	Water Wheels, Turbines, Generators	14,046,742	-	-	-	14,046,742	14,046,742
20	334	Accessory Electric Equipment	1,362,585	-	-	-	1,362,585	1,362,585
21	335	Misc Power Plant Equipment	316,947	-	-	-	316,947	316,947
22	336	Roads, Railroads, and Bridges	234,509	775,000	-	-	1,009,509	890,278
23	337	ARO Cost Hydro Production	274,311	-	-	-	274,311	274,311
24		Total Electric Hydro Production	41,930,215	775,000	-	-	42,705,215	42,585,984
25		<u>Electric Other Production</u>						
26	340	Land and Land Rights	473,579	-	-	-	473,579	473,579
27	341	Structures and Improvements	85,076,788	484,000	-	-	85,560,788	85,397,942
28	342	Fuel Holders, Producers, Accessories	61,751,088	-	-	-	61,751,088	61,751,088
29	343	Prime Movers	647,382,513	14,409,501	-	-	661,792,014	656,944,962
30	344	Generators	131,343,466	-	-	-	131,343,466	131,343,466
31	345	Accessory Electric Equipment	67,325,169	12,772,739	-	-	80,097,908	75,937,065
32	346	Misc Power Plant Equipment	11,512,269	464,500	-	-	11,976,769	11,867,345
33	347	ARO Cost Other Production	403,344	-	-	-	403,344	403,344
34		Total Electric Other Production	1,005,268,215	28,130,741	-	-	1,033,398,956	1,024,118,791

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM JULY 1, 2017 TO JUNE 30, 2018

DATA: ___BASE PERIOD ___X___FORECASTED PERIOD

SCHEDULE B-2.3

TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	FORECAST PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	FORECAST PERIOD ENDING BALANCE	FORECAST PERIOD 13 MONTH AVERAGE
			\$	\$	\$	\$	\$	\$
35		<u>Electric Transmission</u>						
36	350	Land and Land Rights	31,789,265	-	-	-	31,789,265	31,789,265
37	352	Structures and Improvements	28,829,721	-	-	-	28,829,721	28,829,721
38	353	Station Equipment	301,239,964	30,747,381	(1,928,336)	-	330,059,010	314,860,883
39	354	Towers and Fixtures	76,371,013	-	-	-	76,371,013	76,371,013
40	355	Poles and Fixtures	314,643,851	60,258,243	-	-	374,902,094	342,219,520
41	356	OH Conductors and Devices	183,164,637	3,015,765	-	-	186,180,402	185,411,223
42	357	Underground Conduit	448,760	-	-	-	448,760	448,760
43	358	UG Conductors and Devices	1,116,714	-	-	-	1,116,714	1,116,714
44	359	ARO Cost Elec Transmission	413,451	-	-	-	413,451	413,451
45		Total Electric Transmission	938,017,377	94,021,389	(1,928,336)	-	1,030,110,430	981,460,549
46		<u>Electric Distribution</u>						
47	360	Land and Land Rights	8,626,046	400,750	-	-	9,026,796	8,841,834
48	361	Structures and Improvements	12,509,664	1,648,306	-	-	14,157,970	13,999,367
49	362	Station Equipment	190,615,737	18,674,232	(1,138,218)	-	208,151,750	200,108,094
50	364	Poles, Towers, and Fixtures	381,095,394	13,760,511	(1,491,576)	-	393,364,328	387,247,022
51	365	OH Conductors and Devices	375,869,831	25,664,435	(4,566,109)	-	396,968,157	386,260,066
52	366	Underground Conduit	2,381,228	-	-	-	2,381,228	2,381,228
53	367	UG Conductors and Devices	198,059,972	15,078,564	-	-	213,138,535	205,579,047
54	368	Line Transformers	317,713,097	9,367,556	(1,505,673)	-	325,574,981	321,787,312
55	369	Services	102,761,819	-	-	-	102,761,819	102,761,819
56	370	Meters	78,874,712	32,403,512	(17,157,408)	-	94,120,816	87,291,433
57	371	Install on Customer Premise	237,042	88,500	-	-	325,542	282,792
58	373	Street Lighting / Signal Systems	116,712,711	6,964,319	(2,899,257)	-	120,777,773	118,728,680
59	374	ARO Cost Elec Distribution	904,897	-	-	-	904,897	904,897
60		Total Electric Distribution	1,786,362,147	124,050,685	(28,758,241)	-	1,881,654,592	1,836,173,591
61		<u>Electric General Plant</u>						
62	389	Land and Land Rights	3,410,792	1,000,000	-	-	4,410,792	3,987,715
63	390	Structures and Improvements	67,763,103	7,661,544	-	-	75,424,648	72,437,003
64	391	Office Furniture and Equipment	43,110,949	6,027,531	(3,631,008)	-	45,507,471	44,896,469
65	392	Transportation Equipment	7,277,719	497,432	-	-	7,775,151	7,583,831
66	393	Stores Equipment	1,513,642	-	-	-	1,513,642	1,513,642
67	394	Tools, Shop, and Garage Equipment	13,457,772	1,068,550	(231,421)	-	14,294,901	13,878,615
68	395	Laboratory Equipment	-	-	-	-	-	-
69	396	Power Operated Equipment	2,370,877	-	-	-	2,370,877	2,370,877
70	397	Communication Equipment	57,125,461	6,233,293	-	-	63,358,754	61,030,463

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM JULY 1, 2017 TO JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.3

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	FORECAST PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	FORECAST PERIOD ENDING BALANCE	FORECAST PERIOD 13 MONTH AVERAGE
			\$	\$	\$	\$	\$	\$
71	398	Miscellaneous Equipment	-	-	-	-	-	-
72		Total Electric General Plant	196,030,315	22,488,350	(3,862,429)	-	214,656,236	207,698,615
73		TOTAL ELECTRIC PLANT IN SERVICE	9,365,779,064	360,998,426	(59,448,182)	-	9,667,329,308	9,526,311,610

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PROPERTY MERGED OR ACQUIRED
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.4

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION OF PROPERTY	ACQUISITION COST	COST BASIS	ACQUISITION ADJUSTMENT	COMMISSION APPROVAL DATE (DOCKET NO.)	DATE OF ACQUISITION	EXPLANATION OF TREATMENT
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THE COMPANY HAS NOT MERGED OR ACQUIRED PROPERTY FROM OTHER THAN AFFILIATED COMPANIES.

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PROPERTY MERGED OR ACQUIRED
AS OF JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD

SCHEDULE B-2.4

TYPE OF FILING: __X__ ORIGINAL ___ UPDATED ___ REVISED

PAGE 2 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION OF PROPERTY	ACQUISITION COST	COST BASIS	ACQUISITION ADJUSTMENT	COMMISSION APPROVAL DATE (DOCKET NO.)	DATE OF ACQUISITION	EXPLANATION OF TREATMENT
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THE COMPANY HAS NOT MERGED OR ACQUIRED PROPERTY FROM OTHER THAN AFFILIATED COMPANIES.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

LEASED PROPERTY

AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.5

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	IDENTIFICATION OR REFERENCE NUMBER	DESCRIPTION OF TYPE AND USE OF PROPERTY	NAME OF LESSEE	FREQUENCY OF PAYMENT	AMOUNT OF LEASE PAYMENT	DOLLAR VALUE OF PROPERTY INVOLVED	EXPLANATION METHOD OF CAPITALIZATION
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THE COMPANY DOES NOT HAVE ANY CAPITAL LEASES.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

LEASED PROPERTY

AS OF JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.5

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 2 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	IDENTIFICATION OR REFERENCE NUMBER	DESCRIPTION OF TYPE AND USE OF PROPERTY	NAME OF LESSEE	FREQUENCY OF PAYMENT	AMOUNT OF LEASE PAYMENT	DOLLAR VALUE OF PROPERTY INVOLVED	EXPLANATION METHOD OF CAPITALIZATION
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THE COMPANY DOES NOT HAVE ANY CAPITAL LEASES.

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
AS OF FEBRUARY 28, 2017

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

SCHEDULE B-2.6
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION AND LOCATION OF PROPERTY	ACQUISITION DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	JURIS PERCENT	NET ORIGINAL COST	REVENUE REALIZED			EXPENSES INCURRED		
							AMOUNT	ACCT NO.	DESCRIPTION	AMOUNT	ACCT NO.	DESCRIPTION
			\$	\$		\$	\$			\$		
1	Land located at Green River CC GT intended for Generation	1-Jul-2014	309,541	-	87.578%	271,089	-			-		
2	Land and site prep located at London, Kentucky intended for Substation	1-Aug-2011	113,882	-	100.000%	113,882	-			-		
3	Land and site prep located at Pennington Gap intended for Substation	28-Dec-2011	324,088	-	0.000%	-	-			-		

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
AS OF JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.6
PAGE 2 OF 2
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION AND LOCATION OF PROPERTY	ACQUISITION DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	JURIS PERCENT	NET ORIGINAL COST	REVENUE REALIZED			EXPENSES INCURRED		
							AMOUNT	ACCT NO.	DESCRIPTION	AMOUNT	ACCT NO.	DESCRIPTION
			\$	\$		\$	\$			\$		
1	Land located at Green River CC GT intended for Generation	1-Jul-2014	309,541	-	87.578%	271,089	-			-		
2	Land and site prep located at London, Kentucky intended for Substation	1-Aug-2011	113,882	-	100.000%	113,882	-			-		
3	Land and site prep located at Pennington Gap intended for Substation	28-Dec-2011	324,088	-	0.000%	-	-			-		

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PROPERTY EXCLUDED FROM RATE BASE
(FOR REASONS OTHER THAN JURISDICTIONAL ALLOCATION)
AS OF FEBRUARY 28, 2017

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

SCHEDULE B-2.7

PAGE 1 OF 2

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR DESCRIPTION OF EXCLUDED PROPERTY	IN-SERVICE DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	NET ORIGINAL COST	PERIOD REVENUE AND EXPENSE		REASONS FOR EXCLUSION
							AMOUNT	ACCT NO.	
				\$	\$	\$	\$		
1		Land and Land Rights:							
2	121	Augusta	31-Jul-1973	7,073	-	7,073			Non-utility property not included in rate base
3	121	Blackmount Substation	31-Dec-1959	2,210	-	2,210			Non-utility property not included in rate base
4	121	Campbellsville	31-Jul-1991	29,789	-	29,789			Non-utility property not included in rate base
5	121	Carrollton	31-Dec-1941	75	-	75			Non-utility property not included in rate base
6	121	Cumberland Substation	31-Aug-1941	500	-	500			Non-utility property not included in rate base
7	121	Graham Generating Plant	28-Feb-1941	962	-	962			Non-utility property not included in rate base
8	121	Iron Works Pike Substation	31-Oct-1953	212	-	212			Non-utility property not included in rate base
9	121	Lexington Generating Plant	30-Sep-1940	12,950	-	12,950			Non-utility property not included in rate base
10	121	Lexington	31-Oct-1967	79,502	-	79,502			Non-utility property not included in rate base
11	121	Middlesboro	31-Dec-1941	250	-	250			Non-utility property not included in rate base
12	121	Nortonville	31-Aug-1950	429	-	429			Non-utility property not included in rate base
13	121	Pineville	31-Dec-1941	150	-	150			Non-utility property not included in rate base
14	121	Polo Club Distribution Substation	28-Feb-2010	792,599	-	792,599			Non-utility property not included in rate base
15	121	Williamsburg	31-Dec-1941	850	-	850			Non-utility property not included in rate base
16	121	Retired Great Crossing substation 0672	30-Sep-1949	146	-	146			Non-utility property not included in rate base
17	121	Retired London Substation 0533	30-Sep-1941	3,591	-	3,591			Non-utility property not included in rate base
18	121	Richmond Substation	31-Aug-1990	193	-	193			Non-utility property not included in rate base
19	121	Richmond Valley View Plant Site	31-Jan-1999	3,403	-	3,403			Non-utility property not included in rate base
20	121	Russell Springs	31-Jul-1958	160	-	160			Non-utility property not included in rate base
21	121	Salt Lick	31-Dec-1941	73	-	73			Non-utility property not included in rate base
22	121	Stamping Ground	31-Dec-1941	60	-	60			Non-utility property not included in rate base
23	121	Winchester	31-Oct-1985	28,294	-	28,294			Non-utility property not included in rate base
24	121	Graham Generating Plant - Land Rights	28-Feb-1941	800	-	800			Non-utility property not included in rate base
25	121	Morehead - Land Rights	30-Apr-1941	87	-	87			Non-utility property not included in rate base
26	121	Nortonville - Land Rights	31-Aug-1950	2,857	-	2,857			Non-utility property not included in rate base
27	121	Williamsburg - Land Rights	31-Dec-1959	4,100	-	4,100			Non-utility property not included in rate base
28		TOTAL		971,313	-	971,313			Non-utility property not included in rate base

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
PROPERTY EXCLUDED FROM RATE BASE
(FOR REASONS OTHER THAN JURISDICTIONAL ALLOCATION)
AS OF JUNE 30, 2018

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

SCHEDULE B-2.7
PAGE 2 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR DESCRIPTION OF EXCLUDED PROPERTY	IN-SERVICE DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	NET ORIGINAL COST	PERIOD REVENUE AND EXPENSE		REASONS FOR EXCLUSION
							AMOUNT	ACCT NO.	
				\$	\$	\$	\$		
1		Land and Land Rights:							
2	121	Augusta	31-Jul-1973	7,073	-	7,073			Non-utility property not included in rate base
3	121	Blackmount Substation	31-Dec-1959	2,210	-	2,210			Non-utility property not included in rate base
4	121	Campbellsville	31-Jul-1991	29,789	-	29,789			Non-utility property not included in rate base
5	121	Carrollton	31-Dec-1941	75	-	75			Non-utility property not included in rate base
6	121	Cumberland Substation	31-Aug-1941	500	-	500			Non-utility property not included in rate base
7	121	Graham Generating Plant	28-Feb-1941	962	-	962			Non-utility property not included in rate base
8	121	Iron Works Pike Substation	31-Oct-1953	212	-	212			Non-utility property not included in rate base
9	121	Lexington Generating Plant	30-Sep-1940	12,950	-	12,950			Non-utility property not included in rate base
10	121	Lexington	31-Oct-1967	79,502	-	79,502			Non-utility property not included in rate base
11	121	Middlesboro	31-Dec-1941	250	-	250			Non-utility property not included in rate base
12	121	Nortonville	31-Aug-1950	429	-	429			Non-utility property not included in rate base
13	121	Pineville	31-Dec-1941	150	-	150			Non-utility property not included in rate base
14	121	Polo Club Distribution Substation	28-Feb-2010	792,599	-	792,599			Non-utility property not included in rate base
15	121	Williamsburg	31-Dec-1941	850	-	850			Non-utility property not included in rate base
16	121	Retired Great Crossing substation 0672	30-Sep-1949	146	-	146			Non-utility property not included in rate base
17	121	Retired London Substation 0533	30-Sep-1941	3,591	-	3,591			Non-utility property not included in rate base
18	121	Richmond Substation	31-Aug-1990	193	-	193			Non-utility property not included in rate base
19	121	Richmond Valley View Plant Site	31-Jan-1999	3,403	-	3,403			Non-utility property not included in rate base
20	121	Russell Springs	31-Jul-1958	160	-	160			Non-utility property not included in rate base
21	121	Salt Lick	31-Dec-1941	73	-	73			Non-utility property not included in rate base
22	121	Stamping Ground	31-Dec-1941	60	-	60			Non-utility property not included in rate base
23	121	Winchester	31-Oct-1985	28,294	-	28,294			Non-utility property not included in rate base
24	121	Graham Generating Plant - Land Rights	28-Feb-1941	800	-	800			Non-utility property not included in rate base
25	121	Morehead - Land Rights	30-Apr-1941	87	-	87			Non-utility property not included in rate base
26	121	Nortonville - Land Rights	31-Aug-1950	2,857	-	2,857			Non-utility property not included in rate base
27	121	Williamsburg - Land Rights	31-Dec-1959	4,100	-	4,100			Non-utility property not included in rate base
28		TOTAL		971,313	-	971,313	-		Non-utility property not included in rate base

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-3

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	RESERVE BALANCES					
			BASE PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$		\$	\$	\$
1		<u>Electric Intangible Plant</u>						
2	301	Organization	44,456	-	88.728%	-	-	-
3	302	Franchises and Consents	55,919	(64,830)	100.000%	(64,830)	-	(64,830)
4	303	Misc Intangible Plant	101,257,412	(52,553,326)	88.728%	(46,629,435)	-	(46,629,435)
5		Total Intangible Plant	101,357,786	(52,618,156)		(46,694,265)	-	(46,694,265)
6		<u>Electric Steam Production</u>						
7	310	Land and Land Rights	23,167,514	-	86.366%	-	-	-
8	311	Structures and Improvements	335,394,490	(176,802,708)	86.366%	(152,697,668)	358,354	(152,339,313)
9	312	Boiler Plant Equipment	3,984,402,278	(1,092,514,780)	86.366%	(943,562,801)	51,868,780	(891,694,021)
9	313	Engines and engine-driven generators	-	-	86.366%	-	-	-
10	314	Turbogenerator Units	335,484,189	(167,256,243)	86.366%	(144,452,754)	-	(144,452,754)
11	315	Accessory Electric Equipment	226,277,105	(105,499,002)	86.366%	(91,115,412)	218,649	(90,896,762)
12	316	Misc Power Plant Equip	37,668,925	(16,795,961)	86.366%	(14,506,023)	14,950	(14,491,073)
13	317	ARO Cost Steam Production	331,002,428	(107,311,096)	86.366%	(92,680,447)	92,680,447	-
14		Total Electric Steam Production	5,273,396,929	(1,666,179,790)		(1,439,015,104)	145,141,180	(1,293,873,924)
15		<u>Electric Hydro Production</u>						
16	330	Land and Land Rights	879,311	(912,333)	87.458%	(797,909)	-	(797,909)
17	331	Structures and Improvements	2,930,164	(299,237)	87.458%	(261,707)	-	(261,707)
18	332	Reservoirs, Dams, and Water	21,885,646	(8,849,845)	87.458%	(7,739,904)	-	(7,739,904)
19	333	Water Wheels, Turbines, Generators	14,046,742	(1,404,736)	87.458%	(1,228,555)	-	(1,228,555)
20	334	Accessory Electric Equipment	1,362,585	(276,152)	87.458%	(241,518)	-	(241,518)
21	335	Misc Power Plant Equipment	316,947	(132,754)	87.458%	(116,104)	-	(116,104)
22	336	Roads, Railroads, and Bridges	234,509	(81,101)	87.458%	(70,929)	-	(70,929)
23	337	ARO Cost Hydro Production	274,311	(33,724)	87.458%	(29,494)	29,494	-
24		Total Electric Hydro Production	41,930,215	(11,989,881)		(10,486,120)	29,494	(10,456,625)
25		<u>Electric Other Production</u>						
26	340	Land and Land Rights	473,579	(121,143)	87.192%	(105,627)	-	(105,627)
27	341	Structures and Improvements	85,076,788	(21,299,551)	87.192%	(18,571,600)	-	(18,571,600)
28	342	Fuel Holders, Producers, Accessories	61,651,088	(17,414,469)	87.192%	(15,184,101)	-	(15,184,101)
29	343	Prime Movers	647,382,513	(184,451,324)	87.192%	(160,827,622)	-	(160,827,622)

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-3

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 2 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	RESERVE BALANCES					
			BASE PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$		\$	\$	\$
30	344	Generators	130,733,466	(38,022,105)	87.192%	(33,152,403)	-	(33,152,403)
31	345	Accessory Electric Equipment	67,325,169	(23,485,418)	87.192%	(20,477,511)	-	(20,477,511)
32	346	Misc Power Plant Equipment	9,109,569	(3,237,975)	87.192%	(2,823,270)	-	(2,823,270)
33	347	ARO Cost Other Production	403,344	(36,444)	87.192%	(31,776)	31,776	-
34		Total Electric Other Production	1,002,155,515	(288,068,428)		(251,173,910)	31,776	(251,142,134)
35		<u>Electric Transmission</u>						
36	350	Land and Land Rights	31,789,265	(17,373,663)	87.361%	(15,177,857)	-	(15,177,857)
37	352	Structures and Improvements	28,829,721	(7,162,678)	87.361%	(6,257,409)	-	(6,257,409)
38	353	Station Equipment	299,234,853	(80,272,741)	87.361%	(70,127,307)	-	(70,127,307)
39	354	Towers and Fixtures	76,371,013	(50,317,317)	87.361%	(43,957,861)	-	(43,957,861)
40	355	Poles and Fixtures	286,024,581	(67,492,668)	87.361%	(58,962,470)	-	(58,962,470)
41	356	OH Conductors and Devices	182,031,393	(115,216,999)	87.361%	(100,655,065)	-	(100,655,065)
42	357	Underground Conduit	448,760	(241,530)	87.361%	(211,004)	-	(211,004)
43	358	UG Conductors and Devices	1,116,714	(963,579)	87.361%	(841,795)	-	(841,795)
44	359	ARO Cost Elec Transmission	413,451	(53,493)	87.361%	(46,733)	46,733	-
45		Total Electric Transmission	906,259,751	(339,094,669)		(296,237,502)	46,733	(296,190,769)
46		<u>Electric Distribution</u>						
47	360	Land and Land Rights	8,626,046	(1,468,493)	93.551%	(1,373,796)	-	(1,373,796)
48	361	Structures and Improvements	12,509,664	(2,485,970)	93.551%	(2,325,659)	-	(2,325,659)
49	362	Station Equipment	190,967,979	(49,903,227)	93.551%	(46,685,159)	-	(46,685,159)
50	364	Poles, Towers, and Fixtures	377,046,488	(156,712,993)	93.551%	(146,607,169)	1,422	(146,605,748)
51	365	OH Conductors and Devices	369,385,848	(117,065,589)	93.551%	(109,516,476)	1,753	(109,514,723)
52	366	Underground Conduit	2,381,228	(900,571)	100.000%	(900,571)	11,350	(889,221)
53	367	UG Conductors and Devices	192,954,764	(44,432,498)	93.551%	(41,567,215)	72,280	(41,494,935)
54	368	Line Transformers	315,269,603	(147,748,585)	93.551%	(138,220,842)	-	(138,220,842)
55	369	Services	102,761,819	(63,544,691)	93.551%	(59,446,937)	-	(59,446,937)
56	370	Meters	78,445,770	(39,843,247)	93.551%	(37,273,908)	-	(37,273,908)
57	371	Install on Customer Premise	205,376	4,675	93.551%	4,373	-	4,373
58	373	Street Lighting / Signal Systems	115,408,992	(37,011,619)	93.551%	(34,624,880)	-	(34,624,880)
59	374	ARO Cost Elec Distribution	904,897	(129,707)	100.000%	(129,707)	129,707	-
60		Total Electric Distribution	1,766,868,471	(661,242,515)		(618,667,946)	216,513	(618,451,433)

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-3

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 3 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	RESERVE BALANCES					
			BASE PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$		\$	\$	\$
61		<u>Electric General Plant</u>						
62	389	Land and Land Rights	3,410,792	17,050	90.714%	15,467	-	15,467
63	390	Structures and Improvements	61,758,525	(12,416,136)	90.714%	(11,263,149)	-	(11,263,149)
64	391	Office Furniture and Equipment	45,046,030	(21,931,975)	90.714%	(19,895,328)	-	(19,895,328)
65	392	Transportation Equipment	7,277,719	(3,673,365)	90.714%	(3,332,249)	33,058	(3,299,191)
66	393	Stores Equipment	1,513,642	(401,154)	90.714%	(363,902)	-	(363,902)
67	394	Tools, Shop, and Garage Equipment	13,321,798	(4,117,230)	90.714%	(3,734,896)	-	(3,734,896)
68	395	Laboratory Equipment	-	-	90.714%	-	-	-
69	396	Power Operated Equipment	2,370,877	(976,113)	90.714%	(885,469)	-	(885,469)
70	397	Communication Equipment	55,971,611	(20,320,131)	90.714%	(18,433,163)	981,867	(17,451,296)
71	398	Miscellaneous Equipment	-	-	90.714%	-	-	-
72		Total Electric General Plant	190,670,994	(63,819,054)		(57,892,690)	1,014,926	(56,877,765)
73		TOTAL ELECTRIC PLANT	9,282,639,662	(3,083,012,494)		(2,720,167,537)	146,480,622	(2,573,686,914)

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF JUNE 30, 2018

DATA: ___ BASE PERIOD ___ FORECASTED PERIOD

SCHEDULE B-3

TYPE OF FILING: ___ ORIGINAL ___ UPDATED ___ REVISED

PAGE 4 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

		13 MONTH AVERAGE RESERVE BALANCES						
LINE NO.	ACCT. NO.	ACCOUNT TITLE	13 MO AVG FORECAST PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$		\$	\$	\$
1		<u>Electric Intangible Plant</u>						
2	301	Organization	44,456	-	88.837%	-	-	-
3	302	Franchises and Consents	55,919	(69,345)	100.000%	(69,345)	-	(69,345)
4	303	Misc Intangible Plant	115,922,919	(58,427,277)	88.837%	(51,904,840)	-	(51,904,840)
5		Total Intangible Plant	116,023,293	(58,496,623)		(51,974,185)	-	(51,974,185)
6		<u>Electric Steam Production</u>						
7	310	Land and Land Rights	24,155,713	-	86.424%	-	-	-
8	311	Structures and Improvements	339,581,331	(181,203,409)	86.424%	(156,602,352)	522,649	(156,079,703)
9	312	Boiler Plant Equipment	4,015,791,238	(1,180,652,620)	86.424%	(1,020,361,475)	84,024,732	(936,336,743)
9	313	Engines and engine-driven generators	-	-	86.424%	-	-	-
10	314	Turbogenerator Units	340,427,141	(172,963,292)	86.424%	(149,480,954)	-	(149,480,954)
11	315	Accessory Electric Equipment	226,547,405	(110,134,338)	86.424%	(95,181,964)	328,786	(94,853,179)
12	316	Misc Power Plant Equip	40,745,531	(17,126,011)	86.424%	(14,800,900)	24,466	(14,776,435)
13	317	ARO Cost Steam Production	331,002,428	(144,994,287)	86.424%	(125,309,157)	125,309,157	-
14		Total Electric Steam Production	5,318,250,787	(1,807,073,956)		(1,561,736,803)	210,209,790	(1,351,527,013)
15		<u>Electric Hydro Production</u>						
16	330	Land and Land Rights	879,311	(912,333)	87.452%	(797,853)	-	(797,853)
17	331	Structures and Improvements	2,930,164	(351,394)	87.452%	(307,301)	-	(307,301)
18	332	Reservoirs, Dams, and Water	21,885,646	(9,316,374)	87.452%	(8,147,356)	-	(8,147,356)
19	333	Water Wheels, Turbines, Generators	14,046,742	(1,847,208)	87.452%	(1,615,420)	-	(1,615,420)
20	334	Accessory Electric Equipment	1,362,585	(318,052)	87.452%	(278,143)	-	(278,143)
21	335	Misc Power Plant Equipment	316,947	(143,340)	87.452%	(125,353)	-	(125,353)
22	336	Roads, Railroads, and Bridges	890,278	(98,023)	87.452%	(85,723)	-	(85,723)
23	337	ARO Cost Hydro Production	274,311	(38,202)	87.452%	(33,409)	33,409	-
24		Total Electric Hydro Production	42,585,984	(13,024,926)		(11,390,559)	33,409	(11,357,150)
25		<u>Electric Other Production</u>						
26	340	Land and Land Rights	473,579	(122,627)	87.214%	(106,948)	-	(106,948)
27	341	Structures and Improvements	85,397,942	(23,606,983)	87.214%	(20,588,520)	-	(20,588,520)
28	342	Fuel Holders, Producers, Accessories	61,751,088	(19,194,612)	87.214%	(16,740,328)	-	(16,740,328)
29	343	Prime Movers	656,944,962	(206,383,833)	87.214%	(179,994,948)	-	(179,994,948)

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF JUNE 30, 2018

DATA: ___ BASE PERIOD ___ X FORECASTED PERIOD

SCHEDULE B-3

TYPE OF FILING: ___ X ORIGINAL ___ UPDATED ___ REVISED

PAGE 5 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

13 MONTH AVERAGE RESERVE BALANCES								
LINE NO.	ACCT. NO.	ACCOUNT TITLE	13 MO AVG FORECAST PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$		\$	\$	\$
30	344	Generators	131,343,466	(41,765,304)	87.214%	(36,425,061)	-	(36,425,061)
31	345	Accessory Electric Equipment	75,937,065	(25,763,424)	87.214%	(22,469,232)	-	(22,469,232)
32	346	Misc Power Plant Equipment	11,867,345	(3,591,695)	87.214%	(3,132,449)	-	(3,132,449)
33	347	ARO Cost Other Production	403,344	(53,798)	87.214%	(46,919)	46,919	-
34		Total Electric Other Production	1,024,118,791	(320,482,276)		(279,504,405)	46,919	(279,457,486)
35		<u>Electric Transmission</u>						
36	350	Land and Land Rights	31,789,265	(17,594,380)	87.397%	(15,376,886)	-	(15,376,886)
37	352	Structures and Improvements	28,829,721	(7,615,611)	87.397%	(6,655,783)	-	(6,655,783)
38	353	Station Equipment	314,860,883	(83,342,538)	87.397%	(72,838,527)	-	(72,838,527)
39	354	Towers and Fixtures	76,371,013	(51,308,907)	87.397%	(44,842,229)	-	(44,842,229)
40	355	Poles and Fixtures	342,219,520	(72,512,539)	87.397%	(63,373,478)	-	(63,373,478)
41	356	OH Conductors and Devices	185,411,223	(118,585,164)	87.397%	(103,639,375)	-	(103,639,375)
42	357	Underground Conduit	448,760	(248,741)	87.397%	(217,391)	-	(217,391)
43	358	UG Conductors and Devices	1,116,714	(971,359)	87.397%	(848,934)	-	(848,934)
44	359	ARO Cost Elec Transmission	413,451	(60,488)	87.397%	(52,864)	52,864	-
45		Total Electric Transmission	981,460,549	(352,239,727)		(307,845,469)	52,864	(307,792,604)
46		<u>Electric Distribution</u>						
47	360	Land and Land Rights	8,841,834	(1,477,738)	93.474%	(1,381,297)	-	(1,381,297)
48	361	Structures and Improvements	13,999,367	(2,661,736)	93.474%	(2,488,024)	-	(2,488,024)
49	362	Station Equipment	200,108,094	(52,128,912)	93.474%	(48,726,833)	-	(48,726,833)
50	364	Poles, Towers, and Fixtures	387,247,022	(162,352,105)	93.474%	(151,756,553)	1,944	(151,754,609)
51	365	OH Conductors and Devices	386,260,066	(120,943,509)	93.474%	(113,050,398)	2,262	(113,048,136)
52	366	Underground Conduit	2,381,228	(950,815)	100.000%	(950,815)	14,873	(935,942)
53	367	UG Conductors and Devices	205,579,047	(47,895,389)	93.474%	(44,769,602)	97,074	(44,672,528)
54	368	Line Transformers	321,787,312	(151,839,488)	93.474%	(141,930,018)	-	(141,930,018)
55	369	Services	102,761,819	(65,122,058)	93.474%	(60,872,011)	-	(60,872,011)
56	370	Meters	87,291,433	(38,100,397)	93.474%	(35,613,859)	-	(35,613,859)
57	371	Install on Customer Premise	282,792	3,523	93.474%	3,293	-	3,293
58	373	Street Lighting / Signal Systems	118,728,680	(38,246,447)	93.474%	(35,750,377)	-	(35,750,377)
59	374	ARO Cost Elec Distribution	904,897	(148,552)	100.000%	(148,552)	148,552	-
60		Total Electric Distribution	1,836,173,591	(681,863,624)		(637,435,046)	264,705	(637,170,341)

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF JUNE 30, 2018

DATA: ___ BASE PERIOD ___ X FORECASTED PERIOD

SCHEDULE B-3

TYPE OF FILING: ___ X ___ ORIGINAL ___ UPDATED ___ REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

13 MONTH AVERAGE RESERVE BALANCES								
LINE NO.	ACCT. NO.	ACCOUNT TITLE	13 MO AVG FORECAST PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$		\$	\$	\$
61		<u>Electric General Plant</u>						
62	389	Land and Land Rights	3,987,715	17,050	90.872%	15,494	-	15,494
63	390	Structures and Improvements	72,437,003	(12,968,200)	90.872%	(11,784,406)	-	(11,784,406)
64	391	Office Furniture and Equipment	44,896,469	(21,885,943)	90.872%	(19,888,097)	-	(19,888,097)
65	392	Transportation Equipment	7,583,831	(3,879,451)	90.872%	(3,525,318)	45,043	(3,480,275)
66	393	Stores Equipment	1,513,642	(460,035)	90.872%	(418,041)	-	(418,041)
67	394	Tools, Shop, and Garage Equipment	13,878,615	(4,367,562)	90.872%	(3,968,872)	-	(3,968,872)
68	395	Laboratory Equipment	-	-	90.872%	-	-	-
69	396	Power Operated Equipment	2,370,877	(1,113,347)	90.872%	(1,011,716)	-	(1,011,716)
70	397	Communication Equipment	61,030,463	(23,761,860)	90.872%	(21,592,772)	1,864,701	(19,728,072)
71	398	Miscellaneous Equipment	-	-	90.872%	-	-	-
72		Total Electric General Plant	207,698,615	(68,419,348)		(62,173,728)	1,909,744	(60,263,984)
73		TOTAL ELECTRIC PLANT	9,526,311,610	(3,301,600,481)		(2,912,060,195)	212,517,431	(2,699,542,764)

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION

AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-3.1

TYPE OF FILING: ORIGINAL UPDATED REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
			\$		\$		
1	311	Structures and Improvements	414,925	86.366%	358,354		ECR amounts excluded from rate base
2	312	Boiler Plant Equipment	60,056,849	86.366%	51,868,780		ECR amounts excluded from rate base
3	315	Accessory Electric Equipment	253,165	86.366%	218,649		ECR amounts excluded from rate base
4	316	Accessory Electric Equipment	17,310	86.366%	14,950		ECR amounts excluded from rate base
5	317	ARO Cost Steam Production	107,311,096	86.366%	92,680,447		ARO amounts excluded from rate base
6	337	ARO Cost Hydro Production	33,724	87.458%	29,494		ARO amounts excluded from rate base
7	347	ARO Cost Other Production	36,444	87.192%	31,776		ARO amounts excluded from rate base
8	359	ARO Cost Elec Transmission	53,493	87.361%	46,733		ARO amounts excluded from rate base
9	364	Poles, Towers, and Fixtures	1,520	93.551%	1,422		ECR amounts excluded from rate base
10	365	OH Conductors and Devices	1,874	93.551%	1,753		ECR amounts excluded from rate base
11	366	Underground Conduit	11,350	100.000%	11,350		ECR amounts excluded from rate base
12	367	UG Conductors and Devices	77,263	93.551%	72,280		ECR amounts excluded from rate base
13	374	ARO Cost Elec Distribution	129,707	100.000%	129,707		ARO amounts excluded from rate base
14	392	Transportation Equipment	36,442	90.714%	33,058		ECR amounts excluded from rate base
15	397	Communication Equipment	981,867	100.000%	981,867		DSM amounts excluded from rate base
16		TOTAL ADJUSTMENTS	<u>169,417,030</u>		<u>146,480,622</u>		

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION

AS OF JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD

SCHEDULE B-3.1

TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED

PAGE 2 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
			\$		\$		
1	311	Structures and Improvements	604,753	86.424%	522,649		ECR amounts excluded from rate base
2	312	Boiler Plant Equipment	97,224,388	86.424%	84,024,732		ECR amounts excluded from rate base
3	315	Accessory Electric Equipment	380,435	86.424%	328,786		ECR amounts excluded from rate base
4	316	Accessory Electric Equipment	28,309	86.424%	24,466		ECR amounts excluded from rate base
5	317	ARO Cost Steam Production	144,994,287	86.424%	125,309,157		ARO amounts excluded from rate base
6	337	ARO Cost Hydro Production	38,202	87.452%	33,409		ARO amounts excluded from rate base
7	347	ARO Cost Other Production	53,798	87.214%	46,919		ARO amounts excluded from rate base
8	359	ARO Cost Elec Transmission	60,488	87.397%	52,864		ARO amounts excluded from rate base
9	364	Poles, Towers, and Fixtures	2,080	93.474%	1,944		ECR amounts excluded from rate base
10	365	OH Conductors and Devices	2,420	93.474%	2,262		ECR amounts excluded from rate base
11	366	Underground Conduit	14,873	100.000%	14,873		ECR amounts excluded from rate base
12	367	UG Conductors and Devices	103,851	93.474%	97,074		ECR amounts excluded from rate base
13	374	ARO Cost Elec Distribution	148,552	100.000%	148,552		ARO amounts excluded from rate base
14	392	Transportation Equipment	49,568	90.872%	45,043		ECR amounts excluded from rate base
15	397	Communication Equipment	1,864,701	100.000%	1,864,701		DSM amounts excluded from rate base
16		TOTAL ADJUSTMENTS	<u>245,570,706</u>		<u>212,517,431</u>		

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-3.2

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 4

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

ADJUSTED JURISDICTION										
LINE NO.	ACCT. NO.	ACCOUNT TITLE OR MAJOR PROPERTY GROUPING	PLANT INVESTMENT	ACCUMULATED BALANCE	ACCRUAL RATE (1)	CALCULATED DEPRECIATION EXPENSE	% NET SALVAGE	REMAINING SERVICE LIFE	CURVE FORM	
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)	(H)	(I)	(J)	
			\$	\$						\$
1		<u>Electric Intangible Plant</u>								
2	301	Organization	39,444	-	0.00%	-		0%		
3	302	Franchises and Consents	55,919	64,830	11.62%	6,498		0%	3.3 20-SQ	
4	303	Misc Intangible Plant	89,843,522	46,629,435	11.62%	10,439,817		0%	3.9-7.5 5-SQ, SQUARE	
5		Total Intangible Plant	89,938,885	46,694,265		10,446,315				
6		<u>Electric Steam Production</u>								
7	310	Land and Land Rights	9,943,767	-	0.00%	-		0%		
8	311	Structures and Improvements	280,195,882	152,339,313	1.87%	5,226,817	-1%,-2%,-3%,-4%,-5%,-11%	31.5	100-S1	
9	312	Boiler Plant Equipment	2,324,353,982	891,694,021	2.81%	65,207,845	-2%,-3%,-4%,-5%,-11%	26.7	60-R2.5	
9	313	Engines and engine-driven generators	-	-						
10	314	Turbogenerator Units	290,177,027	144,452,754	2.08%	6,031,143	-2%,-3%,-4%,-5%,-11%	26.3	55-S1.5	
11	315	Accessory Electric Equipment	187,409,640	90,896,762	2.48%	4,656,098	-2%,-3%,-4%,-5%,-11%	25.6	70-S3	
12	316	Misc Power Plant Equip	32,042,857	14,491,073	2.95%	945,869	-1%,-2%,-3%,-4%,-5%,-11%	18.1	70-R1.5	
13	317	ARO Cost Steam Production	-	-						
14		Total Electric Steam Production	3,124,123,155	1,293,873,924		82,067,772				
15		<u>Electric Hydro Production</u>								
16	330	Land and Land Rights	770,081	797,909	0.00%	-		0%	- 100-R4	
17	331	Structures and Improvements	2,566,171	261,707	1.62%	41,572		-3%	28.2 90-S2.5	
18	332	Reservoirs, Dams, and Water	19,129,335	7,739,904	2.48%	474,408		-3%	29.0 100-S2.5	
19	333	Water Wheels, Turbines, Generators	12,250,584	1,228,555	3.66%	448,371		-3%	28.0 75-R3	
20	334	Accessory Electric Equipment	1,189,919	241,518	3.51%	41,766		-3%	24.9 40-L2.5	
21	335	Misc Power Plant Equipment	276,857	116,104	4.38%	12,126		-3%	16.9 35-L1	
22	336	Roads, Railroads, and Bridges	205,378	70,929	3.85%	7,907		-3%	19.4 55-R4	
23	337	ARO Cost Hydro Production	-	-						
24		Total Electric Hydro Production	36,388,324	10,456,625		1,026,150				
25		<u>Electric Other Production</u>								
26	340	Land and Land Rights	414,749	105,627	2.24%	9,290		0%	19.5 SQUARE	
27	341	Structures and Improvements	74,334,565	18,571,600	3.61%	2,685,237	-2%,-3%	18.4	40-R2.5	
28	342	Fuel Holders, Producers, Accessories	53,938,792	15,184,101	3.54%	1,911,566	-2%,-3%	18.1	45-R2.5	
29	343	Prime Movers	565,799,100	160,827,622	4.25%	24,061,196	-2%,-3%	16.6	35-R1.5	
30	344	Generators	114,259,847	33,152,403	3.21%	3,666,177	-2%,-3%	18.4	55-S3	
31	345	Accessory Electric Equipment	58,801,258	20,477,511	3.83%	2,253,467	-2%,-3%	18.4	45-R3	
32	346	Misc Power Plant Equipment	7,968,048	2,823,270	3.82%	304,172	-2%,-3%	16.2	35-R2	
33	347	ARO Cost Other Production	-	-						
34		Total Electric Other Production	875,516,361	251,142,134		34,891,105				
35		<u>Electric Transmission</u>								
36	350	Land and Land Rights	28,517,661	15,177,857	0.00%	-		0%		
37	352	Structures and Improvements	25,901,047	6,257,409	1.74%	450,540	-25%	34.5-55.1	60-R3, 65-S2.5	
38	353	Station Equipment	263,547,345	70,127,307	1.67%	4,401,241	-10%	44.8	60-R2, 35-R2.5	
39	354	Towers and Fixtures	69,982,317	43,957,861	1.36%	951,760	-25%	54.2	70-R4	
40	355	Poles and Fixtures	260,865,376	58,962,470	2.34%	6,104,250	-55%	46.5	55-R2	
41	356	OH Conductors and Devices	159,337,932	100,655,065	1.94%	3,091,156	-50%	42.3	60-R3	
42	357	Underground Conduit	427,601	211,004	2.27%	9,707		0%	25.6 45-R4	
43	358	UG Conductors and Devices	1,064,191	841,795	0.98%	10,429		0%	21.3 35-R3	
44	359	ARO Cost Elec Transmission	-	-						
45		Total Electric Transmission	809,643,471	296,190,769		15,019,081				

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-3.2

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 2 OF 4

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO. (A)	ACCT. NO. (B)	ACCOUNT TITLE OR MAJOR PROPERTY GROUPING (C)	ADJUSTED JURISDICTION			CALCULATED DEPRECIATION EXPENSE (G=DxF)	% NET SALVAGE (H)	REMAINING SERVICE LIFE (I)	CURVE FORM (J)
			PLANT INVESTMENT (D)	ACCUMULATED BALANCE (E)	ACCRUAL RATE (1) (F)				
			\$	\$		\$			
46		<u>Electric Distribution</u>							
47	360	Land and Land Rights	8,268,598	1,373,796	0.00%	-	0%		
48	361	Structures and Improvements	11,661,225	2,325,659	2.00%	233,225	-20%	48.3	60-R2.5
49	362	Station Equipment	178,988,612	46,685,159	2.27%	4,063,041	-20%	40.4	54-R2
50	364	Poles, Towers, and Fixtures	348,341,211	146,605,748	2.33%	8,116,350	-45%	42.3	50-R1
51	365	OH Conductors and Devices	343,364,434	109,514,723	3.23%	11,090,671	-60%	37.4	48-R1.5
52	366	Underground Conduit	2,210,225	889,221	2.70%	59,676	-5%	25.9	50-R4
53	367	UG Conductors and Devices	186,463,703	41,494,935	2.37%	4,419,190	-10%	37.7	44-R2
54	368	Line Transformers	302,025,558	138,220,842	2.45%	7,399,626	-15%	30.1	43-R2
55	369	Services	97,262,577	59,446,937	2.03%	1,974,430	-30%	32.1	43-R1.5
56	370	Meters	74,142,066	37,273,908	2.29%	1,697,853	0%	23.4	39-R2
57	371	Install on Customer Premise	205,376	(4,373)	0.81%	1,664	-10%	18.1	25-O1
58	373	Street Lighting / Signal Systems	111,690,733	34,624,880	4.00%	4,467,629	-10%	21.2	28-S0
59	374	ARO Cost Elec Distribution	-	-		-			
60		Total Electric Distribution	1,664,624,319	618,451,433		43,523,356			
61		<u>Electric General Plant</u>							
62	389	Land and Land Rights	3,077,943	(15,467)	0.00%	-	0%		
63	390	Structures and Improvements	55,731,696	11,263,149	2.01%	1,118,604	-10%	18.8-44.5	55-S0, 30-R1
64	391	Office Furniture and Equipment	40,650,123	19,895,328	14.86%	6,038,665	0%	3.2-10.0	4-SQ, 5-SQ, 20-SQ
65	392	Transportation Equipment	6,436,421	3,299,191	0.76%	49,227	0%	6.3-12.3	7-L2.5, 14-S1.5
66	393	Stores Equipment	1,365,930	363,902	5.07%	69,253	0%	13.9	25-SQ
67	394	Tools, Shop, and Garage Equipment	12,021,764	3,734,896	4.27%	513,329	0%	18.0	25-SQ
68	395	Laboratory Equipment	-	-		-			
69	396	Power Operated Equipment	2,139,510	885,469	8.89%	190,202	0%	9.9	12-L1.5
70	397	Communication Equipment	42,178,428	17,451,296	4.41%	1,858,350	0%	8.5-19.1	10-SQ, 25-S1
71	398	Miscellaneous Equipment	-	-		-			
72		Total Electric General Plant	163,601,815	56,877,765		9,837,630			
73		TOTAL ELECTRIC PLANT	6,763,836,329	2,573,686,914		196,811,410			

Notes:

(1) Accrual Rates reflect depreciation rates approved in Case No. 2012-00549.

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD

SCHEDULE B-3.2

TYPE OF FILING: __X__ ORIGINAL ___ UPDATED ___ REVISED

PAGE 3 OF 4

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO. (A)	ACCT. NO. (B)	ACCOUNT TITLE OR MAJOR PROPERTY GROUPING (C)	ADJUSTED JURISDICTION		ACCRUAL RATE (1) (F)	CALCULATED DEPRECIATION EXPENSE (G=DxF)	% NET SALVAGE (H)	REMAINING SERVICE LIFE (I)	CURVE FORM (J)
			13 MO AVG PLANT INVESTMENT (D)	13 MO AVG ACCUMULATED BALANCE (E)					
			\$	\$					
1		<u>Electric Intangible Plant</u>							
2	301	Organization	39,493	-	0.00%	-	0%		
3	302	Franchises and Consents	55,919	69,345	16.11%	9,009	0%	1.6	20-SQ
4	303	Misc Intangible Plant	102,982,045	51,904,840	16.11%	16,591,024	0%	3.1-3.5	5-SQ, SQUARE
5		Total Intangible Plant	103,077,457	51,974,185		16,600,033			
6		<u>Electric Steam Production</u>							
7	310	Land and Land Rights	9,943,767	-	0.00%	-	0%		
8	311	Structures and Improvements	283,861,245	156,079,703	2.14%	6,083,029	0%,-1%,-6%,-7%,-13%	27.4, 49.1	100-R2.5, 100-S4
9	312	Boiler Plant Equipment	2,334,512,327	936,336,743	3.70%	86,349,864	0%,-6%,-7%,-13%	20.5, 21.8	65-R2, 100-S4
9	313	Engines and engine-driven generators	-	-					
10	314	Turbogenerator Units	294,505,952	149,480,954	2.62%	7,716,056	-6%,-7%,-13%	23.0	60-R2
11	315	Accessory Electric Equipment	187,646,236	94,853,179	2.62%	4,916,331	-6%,-7%,-13%	24.1	70-R3
12	316	Misc Power Plant Equip	34,736,899	14,776,435	2.48%	861,475	-1%,-6%,-7%,-13%	25.8	75-R1.5
13	317	ARO Cost Steam Production	-	-					
14		Total Electric Steam Production	3,145,206,425	1,351,527,013		105,926,755			
15		<u>Electric Hydro Production</u>							
16	330	Land and Land Rights	770,081	797,853	0.00%	-	0%	-	100-R4
17	331	Structures and Improvements	2,566,171	307,301	2.48%	63,615	-3%	24.7	90-S2.5
18	332	Reservoirs, Dams, and Water	19,129,335	8,147,356	2.61%	498,323	-3%	25.1	105-S2.5
19	333	Water Wheels, Turbines, Generators	12,250,584	1,615,420	3.86%	472,905	-3%	25.2	75-R3
20	334	Accessory Electric Equipment	1,189,919	278,143	3.81%	45,331	-3%	22.7	40-L2.5
21	335	Misc Power Plant Equipment	276,857	125,353	3.76%	10,416	-3%	17.6	40-S0
22	336	Roads, Railroads, and Bridges	779,686	85,723	3.33%	26,000	-3%	21.9	60-R4
23	337	ARO Cost Hydro Production	-	-					
24		Total Electric Hydro Production	36,962,632	11,357,150		1,116,589			
25		<u>Electric Other Production</u>							
26	340	Land and Land Rights	414,749	106,948	0.19%	788	0%	178.7	SQUARE
27	341	Structures and Improvements	74,615,824	20,588,520	3.38%	2,519,381	-6%,-7%,-10%,-12%	25.9	50-R2.5
28	342	Fuel Holders, Producers, Accessories	54,026,370	16,740,328	3.28%	1,769,846	-6%,-7%,-10%,-12%	31.3	45-R2.5
29	343	Prime Movers	574,173,676	179,994,948	4.63%	26,577,422	-6%,-7%,-12%	16.0	35-R1.5
30	344	Generators	114,794,072	36,425,061	3.26%	3,743,273	-6%,-7%,-10%,-12%	28.0	55-S2.5
31	345	Accessory Electric Equipment	66,343,361	22,469,232	3.96%	2,627,142	-6%,-7%,-10%,-12%	20.4	50-R3
32	346	Misc Power Plant Equipment	10,383,247	3,132,449	4.36%	452,255	-6%,-7%,-10%,-12%	12.6	40-R2
33	347	ARO Cost Other Production	-	-					
34		Total Electric Other Production	894,751,299	279,457,486		37,690,107			
35		<u>Electric Transmission</u>							
36	350	Land and Land Rights	28,517,661	15,376,886	0.00%	-	0%		
37	352	Structures and Improvements	25,901,047	6,655,783	1.66%	430,381	-25%	47.9-59.5	65-R4, 70-R3
38	353	Station Equipment	278,380,113	72,838,527	1.90%	5,289,222	-15%	46.0	45-R2, 60-R2
39	354	Towers and Fixtures	69,982,317	44,842,229	1.69%	1,182,701	-40%	44.8	70-R4
40	355	Poles and Fixtures	314,396,862	63,373,478	2.93%	9,211,828	-75%	48.8	58-R2
41	356	OH Conductors and Devices	162,568,456	103,639,375	2.54%	4,129,239	-75%	43.8	65-R3
42	357	Underground Conduit	427,601	217,391	1.70%	7,269	0%	28.7	50-R4
43	358	UG Conductors and Devices	1,064,191	848,934	0.74%	7,875	0%	23.6	40-R3
44	359	ARO Cost Elec Transmission	-	-					
45		Total Electric Transmission	881,238,248	307,792,604		20,258,516			

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF JUNE 30, 2018

DATA: ___BASE PERIOD ___X___FORECASTED PERIOD

SCHEDULE B-3.2

TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED

PAGE 4 OF 4

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO. (A)	ACCT. NO. (B)	ACCOUNT TITLE OR MAJOR PROPERTY GROUPING (C)	ADJUSTED JURISDICTION		ACCRUAL RATE (1) (F)	CALCULATED DEPRECIATION EXPENSE (G=DxF)	% NET SALVAGE (H)	REMAINING SERVICE LIFE (I)	CURVE FORM (J)
			13 MO AVG PLANT INVESTMENT (D)	13 MO AVG ACCUMULATED BALANCE (E)					
			\$	\$					
			\$	\$					
46		<u>Electric Distribution</u>							
47	360	Land and Land Rights	8,370,504	1,381,297	0.00%	-	0%		
48	361	Structures and Improvements	13,150,929	2,488,024	2.15%	282,745	-25%	48.4	60-R2.5
49	362	Station Equipment	188,128,728	48,726,833	2.29%	4,308,148	-20%	40.3	54-R2
50	364	Poles, Towers, and Fixtures	358,341,900	151,754,609	2.67%	9,567,729	-50%	40.1	50-R1.5
51	365	OH Conductors and Devices	358,775,965	113,048,136	2.47%	8,861,766	-30%	38.3	47-R1
52	366	Underground Conduit	2,210,225	935,942	2.32%	51,277	0%	25.6	50-R4
53	367	UG Conductors and Devices	198,714,596	44,672,528	2.43%	4,828,765	-20%	40.2	48-R2
54	368	Line Transformers	308,543,267	141,930,018	1.79%	5,522,924	-5%	33.0	46-R2
55	369	Services	97,262,577	60,872,011	1.63%	1,585,380	-25%	36.6	48-R1
56	370	Meters	82,987,729	35,613,859	3.65%	3,025,031	0%	4.3-14.7	15-S2.5, 28-L1
57	371	Install on Customer Premise	282,792	(3,293)	0.53%	1,499	-10%	19.3	28-O1
58	373	Street Lighting / Signal Systems	114,827,799	35,750,377	4.00%	4,593,112	-10%	22.1	28-L0.5
59	374	ARO Cost Elec Distribution	-	-		-			
60		Total Electric Distribution	1,731,597,011	637,170,341		42,628,376			
61		<u>Electric General Plant</u>							
62	389	Land and Land Rights	3,603,740	(15,494)	0.00%	-	0%		
63	390	Structures and Improvements	65,462,088	11,784,406	2.42%	1,586,397	-10%,-15%	18.0-39.2	33-R1.5, 50-S0
64	391	Office Furniture and Equipment	40,573,415	19,888,097	12.29%	4,986,297	0%	2.2-9.9	4-SQ, 5-SQ, 20-SQ
65	392	Transportation Equipment	6,445,676	3,480,275	2.96%	190,686	0%	10.8-13.9	14-S2, 16-L2.5
66	393	Stores Equipment	1,367,894	418,041	4.40%	60,187	0%	18.0	25-SQ
67	394	Tools, Shop, and Garage Equipment	12,542,252	3,968,872	4.02%	504,199	0%	17.5	25-SQ
68	395	Laboratory Equipment	-	-		-			
69	396	Power Operated Equipment	2,142,586	1,011,716	5.65%	121,056	0%	12.0	16-L5
70	397	Communication Equipment	45,397,544	19,728,072	8.24%	3,741,891	0%	5.6-13.4	10-SQ, 18-L3
71	398	Miscellaneous Equipment	-	-		-			
72		Total Electric General Plant	177,535,196	60,263,984		11,190,714			
73		TOTAL ELECTRIC PLANT	6,970,368,268	2,699,542,764		235,411,090			

Notes:

(1) Accrual Rates reflect depreciation rates approved in Case No. 2012-00549.

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
CONSTRUCTION WORK IN PROGRESS
AS OF FEBRUARY 28, 2017

DATA: __X__BASE PERIOD__FORECASTED PERIOD
TYPE OF FILING: __X__ ORIGINAL ____ UPDATED ____ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-4
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	ACCUMULATED COSTS			TOTAL COSTS	JURIS. PERCENT	JURISDICTIONAL TOTAL (a)	ADJUSTMENTS	ADJUSTED JURISDICTION
		CONSTRUCTION AMOUNT	AFUDC CAPITALIZED	INDIRECT COSTS					
		\$	\$	\$	\$	\$	\$	\$	
ELECTRIC:									
1	PRODUCTION	85,928,629	463	-	85,929,091	87.577%	75,254,339	(56,214,511)	19,039,828
2	TRANSMISSION	15,536,353	-	-	15,536,353	95.466%	14,831,917		14,831,917
3	DISTRIBUTION	13,323,958	-	-	13,323,958	100.000%	13,323,958		13,323,958
4	GENERAL	24,882,578	-	-	24,882,578	90.714%	22,571,933		22,571,933
5	TOTAL ELECTRIC	139,671,518	463	-	139,671,981		125,982,146	(56,214,511)	69,767,636

(a) Excludes AFUDC Capitalized.

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
CONSTRUCTION WORK IN PROGRESS
AS OF JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-4
PAGE 2 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	ACCUMULATED COSTS								
		13 MO AVG CONSTRUCTION AMOUNT	AFUDC CAPITALIZED	INDIRECT COSTS	TOTAL COSTS	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION	
		\$	\$	\$	\$		\$	\$	\$	
ELECTRIC:										
1	PRODUCTION	215,873,792	-	-	215,873,792	87.578%	189,057,357	(160,904,288)	28,153,070	
2	TRANSMISSION	31,688,815	-	-	31,688,815	95.273%	30,190,923		30,190,923	
3	DISTRIBUTION	32,868,652	-	-	32,868,652	100.000%	32,868,652		32,868,652	
4	GENERAL	30,252,915	-	-	30,252,915	90.872%	27,491,296		27,491,296	
5	TOTAL ELECTRIC	310,684,175	-	-	310,684,175		279,608,229	(160,904,288)	118,703,941	

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-4.1

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
		\$		\$		
1	PRODUCTION	(64,188,483)	87.577%	(56,214,511)		Remove ECR CWIP
2	TRANSMISSION			-		
3	DISTRIBUTION			-		
4	GENERAL			-		
	TOTAL ADJUSTMENTS	<u>(64,188,483)</u>		<u>(56,214,511)</u>		

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS
AS OF JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD

SCHEDULE B-4.1

TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED

PAGE 2 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
		\$		\$		
1	PRODUCTION	(183,727,411)	87.578%	(160,904,288)		Remove ECR CWIP
2	TRANSMISSION			-		
3	DISTRIBUTION			-		
4	GENERAL			-		
	TOTAL ADJUSTMENTS	<u><u>(183,727,411)</u></u>		<u><u>(160,904,288)</u></u>		

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

CONSTRUCTION WORK IN PROGRESS - PERCENT COMPLETE

AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-4.2

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 9

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	PROJECT NO.	DESCRIPTION OF PROJECT	DATE CONSTRUCTION BEGAN	ESTIMATED COMPLETION DATE	PERCENT OF ELAPSED TIME	ORIGINAL BUDGET ESTIMATE	CURRENT BUDGET ESTIMATE	TOTAL PROJECT EXPENDITURES	PERCENT OF TOTAL EXPENDITURES
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)=(I) / (H)
1	019KU15	Design Tool Repl (WIM)-KU15	Jan-15	Aug-17	81%	949,999.99	2,309,955.16	1,885,698.45	82%
2	080KU14	Lockout/Tagout (LOTO)-KU14	Jan-14	Dec-17	79%	1,189,634.87	1,769,003.52	321,086.82	18%
3	081KU14	SE KY MW Buildout-KU14	Jan-14	Oct-17	82%	285,000.14	3,111,839.21	2,184,132.74	70%
4	129KU16	Implement SDE Replace-KU16	Jan-16	Dec-17	58%	150,000.00	789,504.88	511,009.98	65%
5	131203	GH4 SH Spray Valve Retrofit	Aug-14	Jun-17	88%	540,000.78	678,168.65	246,199.44	36%
6	131338	Ghent 345kV Control House	Jan-15	Dec-17	72%	594,642.34	2,697,142.87	2,419,502.50	90%
7	131355	Ghent Redesign 138kV Sub	Feb-16	Aug-18	42%	1,295,355.12	2,211,322.71	530,211.29	24%
8	131915KU	Scanning Equip-KU	Mar-16	Nov-21	17%	100,800.00	178,204.26	42,429.06	24%
9	133076KU	GS GE Dam Impnd KU	Mar-16	Dec-26	9%	60,000.00	557,779.20	11,212.66	2%
10	133468	GH3 SCR L1 Replacement	Sep-15	Dec-17	64%	2,289,000.00	2,034,971.14	928,990.22	46%
11	133470	GH4 SCR L1 Regen 2017	Feb-16	Dec-17	56%	2,289,000.00	918,711.71	449,267.65	49%
12	135361	REL LEXPLNT-PISGH 69RBLD	Nov-16	Jun-17	49%	5,500,000.00	6,527,672.96	2,678,532.16	41%
13	136480KU	GS GE Test Equip Pool KU	Feb-16	Nov-26	10%	1,220,000.00	1,307,632.79	92,447.49	7%
14	137206	BRCT 11N2 SFC Controls Upgrade	Mar-16	Nov-17	57%	1,022,000.00	896,857.76	153,837.76	17%
15	137683	GH Conveyor Belt Repl 17	Jan-17	Nov-17	17%	380,000.00	842,400.00	91,520.00	11%
16	137730	COMP-RELATED EQUIP-KU 2017	Jan-17	Dec-17	16%	50,000.00	78,840.00	13,140.00	17%
17	138KU16	PowerPlant Module Upgr-KU16	Jan-16	Apr-17	87%	21,500.04	225,235.00	212,735.00	94%
18	139595KU	GS GE DME Phase II KU	Jan-15	Nov-18	55%	176,500.00	187,160.59	82,780.59	44%
19	139670KU	GS CDM CIP Ver 6.0 KU	Sep-15	Dec-17	64%	85,500.00	346,237.76	291,499.38	84%
20	140342KU	OG MISC TOOLS KU	May-16	Dec-20	18%	50,955.50	48,194.80	12,664.80	26%
21	141310	Barlow - Pole Racks	Jan-17	Dec-17	16%	50,000.00	50,000.00	20,000.00	40%
22	141315	Campbellsville - Pole Racks	Jan-17	Dec-17	16%	55,000.00	55,000.00	10,000.00	18%
23	141329	Harlan - Pole Racks	Jan-17	Dec-17	16%	45,000.00	40,000.00	5,000.00	13%
24	142753KU	TC2 KU IGNIT FUEL 2015	Jan-14	Dec-17	79%	1,263,780.18	2,333,649.24	1,842,442.84	79%
25	144179	GH1 Boiler Lwr Sidewall Panel	Aug-15	Dec-17	65%	1,287,985.65	999,595.97	476,460.56	48%
26	144291	GH1 Coal Handling Controls	Jan-16	Dec-17	60%	147,723.89	226,666.93	125,165.01	55%
27	144306	GH2 ESS MCC Transfer Swt	Jan-17	Dec-17	16%	22,759.22	22,880.00	17,680.00	77%
28	144444	BR1&2 Permanent Vac Line	Jan-17	Aug-17	27%	68,000.00	68,000.00	30,000.00	44%
29	144475KU	GS GE CORS KU	Feb-16	Nov-18	38%	366,958.00	303,469.80	262,492.80	86%
30	144494KU	GS GE PDM Equip Upgrade KU	Jan-17	Nov-20	4%	53,210.00	104,584.00	8,562.30	8%
31	144531 KU	CR Misc Capital KU (multi)	Jun-16	Dec-26	7%	4,224,787.00	4,517,634.48	200,578.04	4%
32	144632	REL-Cawood 604 Brkr Addition	Sep-16	Dec-17	37%	350,002.69	849,999.97	99,999.94	12%
33	144636	REL-Stanford 604 Brkr Add	Sep-16	Dec-17	37%	350,086.03	849,999.97	99,999.94	12%
34	144637	REL-Camargo 604 Brkr Add	Sep-16	Dec-17	37%	350,086.03	849,999.97	99,999.94	12%
35	145011	KU CAMERAS 2017	Jan-17	Oct-17	19%	50,000.00	100,000.00	30,000.00	30%
36	145109	Etown Distr Storeroom Rack	Jan-17	Dec-17	16%	20,000.00	20,000.00	5,000.00	25%
37	145403	HR Cap Equip Improvmnts KU	Jan-15	Dec-22	27%	51,000.00	71,400.00	10,200.00	14%
38	146434	DX Dam Parapet Wall	Nov-14	Dec-19	45%	5,400,393.26	5,517,222.84	212,992.84	4%
39	147401	GH3 11th Stage Ext Val Repl	Jan-17	Dec-17	16%	276,054.24	95,680.00	8,320.00	9%
40	147405	GH1-6 Feeder & Outlet Hop Repl	Jan-16	Dec-17	57%	190,310.12	102,363.60	78,416.60	77%
41	147903	BR2 Hydrogen Coolers Retube	Jul-15	May-18	56%	96,000.00	87,520.18	41,520.18	47%
42	147905	GH1 & 2 LPSW Pipe Repl	Jan-17	Dec-17	16%	365,981.00	364,000.00	301,600.00	83%
43	147928	BR 1A Feedwater Heater Repl	Mar-16	Jun-17	80%	530,000.00	434,713.10	101,713.10	23%
44	147942	BRCT5 C Insp & Parts Recond	May-16	Dec-17	50%	4,747,000.00	4,909,000.08	1,175,000.08	24%

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
CONSTRUCTION WORK IN PROGRESS - PERCENT COMPLETE
AS OF FEBRUARY 28, 2017

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

SCHEDULE B-4.2

PAGE 2 OF 9

WITNESS: C. M. GARRETT

LINE NO.	PROJECT NO.	DESCRIPTION OF PROJECT	DATE CONSTRUCTION BEGAN	ESTIMATED COMPLETION DATE	PERCENT OF ELAPSED TIME	ORIGINAL BUDGET ESTIMATE	CURRENT BUDGET ESTIMATE	TOTAL PROJECT EXPENDITURES	PERCENT OF TOTAL EXPENDITURES
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)=(I) / (H)
45	147961	BRCT11 AVR Upgrade	Aug-16	May-17	70%	640,000.00	152,500.00	40,000.00	26%
46	148132KU	GS GE CV Landfill Instrum KU	Jan-17	Dec-26	2%	544,535.00	612,899.80	7,645.00	1%
47	148167KU	GS CDM MOD 025 KU	Jan-17	Nov-25	2%	105,180.00	105,180.00	5,166.70	5%
48	148175KU	GS CDM Industrial Defender KU	Jan-17	Nov-19	5%	122,320.00	305,770.00	30,580.00	10%
49	148370	REL-Hoover 604 Breaker Add	Sep-16	Dec-17	37%	855,804.60	849,999.97	99,999.94	12%
50	148371	REL-Earlington 604 Brkr Add	Sep-16	Dec-17	37%	855,804.60	849,999.97	99,999.94	12%
51	148391	Prop. Tax Cap. - KU Non-Mech	Jun-15	Dec-22	23%	516,492.27	2,021,136.00	39,906.00	2%
52	148740	SCM2017 DAN REPL SUB BATTERY	Jan-17	Dec-17	16%	14,274.65	14,999.37	3,435.00	23%
53	148741	SCM2017 DAN REPL LEGACY BRKR	Jan-17	Dec-17	16%	102,340.26	103,736.21	2,328.13	2%
54	148745	SCM2017 LEX REPL SUB BATTERY	Jan-17	Dec-17	16%	28,363.10	27,410.63	22,900.00	84%
55	148779	SCM2017 DAN FAILED BRKR/RECL	Jan-17	Dec-17	16%	61,794.38	62,096.85	4,656.24	7%
56	148780	SCM2017 DAN MISC CAPITAL PROJ	Jan-17	Dec-17	16%	86,938.34	65,874.96	4,656.24	7%
57	148792	SCM2017 KU RPL XFMR FANS	Jan-17	Dec-17	16%	93,481.66	43,371.26	22,900.00	53%
58	148793	SCM2017 KU LIGHTNING PROTECT	Jan-17	Dec-17	16%	52,798.27	53,468.15	11,450.00	21%
59	148794	SCM2017 LEX MISC CAPITAL SUB	Jan-17	Dec-17	16%	150,738.02	147,220.87	11,941.70	8%
60	148795	SCM2017 LEX MISC NESC COMPL	Jan-17	Dec-17	16%	45,684.33	46,459.43	11,450.00	25%
61	148797	SCM2017 LEX REPL BUSHINGS	Jan-17	Dec-17	16%	95,574.76	96,839.41	26,265.63	27%
62	148798	SCM2017 LEX REPL REGULATORS	Jan-17	Dec-17	16%	78,975.53	79,803.16	29,700.63	37%
63	148799	SCM2017 LEX WILDLIFE PROTECT	Jan-17	Dec-17	16%	34,013.18	34,072.52	2,220.63	7%
64	148980	TOYOTA SOUTH SUBSTATION	Jan-16	Dec-17	58%	3,174,087.57	3,460,036.10	3,198,393.13	92%
65	149122	BR3 F-2 Feedwater Heater Repl	Mar-16	Jun-17	80%	820,000.00	800,571.67	305,571.67	38%
66	149480	KU FURN & CHAIR 2017	Jul-15	Dec-17	66%	120,000.00	120,000.00	20,000.00	17%
67	149705	TEP-W Lex Reactor Additions	Jul-16	Dec-17	44%	1,500,035.68	1,178,124.64	421,118.47	36%
68	149992	BUILDING - NORTON VA	Sep-15	Jun-17	82%	5,752,513.83	5,752,513.83	4,039,464.18	70%
69	150080KU	GS GE Black Start KU	Oct-15	Oct-17	68%	9,171,400.00	7,096,781.75	5,500,121.75	78%
70	150218	KU Ky Wired Non-reimb	Nov-15	Jun-19	36%	690,386.31	690,386.31	179,531.31	26%
71	150644	Ghent Redesign 138KV-P&C	Feb-16	Jun-18	45%	1,998,987.24	1,998,987.24	517,038.80	26%
72	150717	N1DT WEST HICKMAN EXPANSION	Jan-16	Dec-17	56%	3,069,655.54	3,069,655.54	2,074,451.43	68%
73	150719	W. Hickman Sub Dist Circuit	Jan-17	Oct-17	21%	(3,569.34)	(3,569.34)	(719.46)	20%
74	150743	36DSP West Hickman Expansion	Jun-16	Jun-17	69%	1,083,223.45	1,083,223.45	451,442.36	42%
75	150841	PR Ghent-Scott County	Aug-16	Jun-17	63%	7,712,555.83	7,712,555.83	5,048,585.94	65%
76	151126KU	GS GE BlackStart TC KU	Oct-15	Oct-17	68%	3,902,957.49	3,902,957.49	2,815,937.49	72%
77	151177	TEP-Hardin Co Xfmr Add	Jul-16	Dec-17	44%	3,153,719.25	3,153,719.25	269,766.06	9%
78	151356	GH1 Air Bucket Replacement	Jan-17	Apr-17	49%	437,788.00	437,788.00	223,808.00	51%
79	151382	GH2 Boiler Bldg LED Lighting	Feb-17	May-17	23%	348,192.00	348,192.00	49,712.00	14%
80	151430	GH1 Hydrogen Cooler Heads	Feb-17	Jun-17	18%	238,784.00	238,784.00	208,936.00	88%
81	151554	PR Hardinsburg-C Hardin EKPC	Aug-16	Mar-17	87%	1,327,990.60	1,327,990.60	1,062,093.75	80%
82	151598	N1DT KU Spare Transformers	May-16	Dec-17	49%	6,135,259.05	6,135,259.05	4,957,413.30	81%
83	151754	KU Breaker Replacements	Jan-17	Dec-26	2%	20,360,999.98	20,360,999.98	273,750.00	1%
84	151761	Fawkes Firewall/Cap Bank	Jul-16	Dec-17	44%	641,158.87	641,158.87	298,049.36	46%
85	151763	KU Coupling Capacitor Rpl	Jan-17	Dec-26	2%	1,463,879.97	1,463,879.97	28,703.61	2%
86	151764	KU Fence Replacements	Jan-17	Dec-21	3%	5,435,760.02	5,435,760.02	136,714.43	3%
87	151765	KU Physical Security Upgrades	Jan-17	Dec-26	2%	8,629,000.01	8,629,000.01	54,750.00	1%
88	151777	Finchville Control House	Sep-16	Dec-18	21%	1,741,592.90	1,741,592.90	99,736.20	6%

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

CONSTRUCTION WORK IN PROGRESS - PERCENT COMPLETE

AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-4.2

TYPE OF FILING: ORIGINAL UPDATED REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	PROJECT NO.	DESCRIPTION OF PROJECT	DATE CONSTRUCTION BEGAN	ESTIMATED COMPLETION DATE	PERCENT OF ELAPSED TIME	ORIGINAL BUDGET ESTIMATE	CURRENT BUDGET ESTIMATE	TOTAL PROJECT EXPENDITURES	PERCENT OF TOTAL EXPENDITURES
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89	151885	BR3-F Htr Extraction Chk Valve	May-16	May-17	77%	45,000.00	45,000.00	30,000.00	67%
90	151987	BR FGD Abs Inlet Exp Jnt Repl	Jul-16	May-18	35%	130,000.00	130,000.00	40,000.00	31%
91	152003	BR SCR Arsenic Mitigation	Jun-16	Jul-17	64%	1,650,000.00	1,650,000.00	600,000.00	36%
92	152049KU	TC2 BOILER WW REPL	Sep-16	Dec-17	37%	4,192,661.25	4,192,661.25	121,500.00	3%
93	152225	Brown N 345kV 934 Brkr Rpl	Jul-16	Dec-17	44%	550,000.00	550,000.00	200,000.03	36%
94	152358	TEP-Hardin Co Xfmr Add-P&C	Jul-16	Dec-17	44%	403,524.87	403,524.87	165,118.92	41%
95	152401	Green River C&P/Switch Rpl	Jun-16	Dec-17	47%	734,364.15	734,364.15	239,011.06	33%
96	152582	DCC Fac Enhance KU	Jan-16	Dec-18	39%	5,600,000.00	5,600,000.00	466,000.00	8%
97	152589	Corbin US Steel Substation	Aug-16	Dec-17	41%	1,565,999.99	1,565,999.99	744,832.20	48%
98	152619	KU Spare Misc Equip	Jan-17	Dec-17	16%	660,000.00	660,000.00	62,439.34	9%
99	152756	GH 1-2 CWP Major Overhaul	Jan-17	Dec-17	16%	156,832.00	156,832.00	15,600.00	10%
100	152824	Transmission LnCI KU 2017	Jan-17	Dec-18	8%	1,131,620.00	1,131,620.00	92,190.00	8%
101	152829	Dist Crossing Rel for NRP	Jan-17	Dec-17	16%	120,285.00	120,285.00	16,970.00	14%
102	152832	URD Cable Rep/Rejuv KU 2017	Jan-17	Dec-17	16%	524,480.72	524,480.72	2,306.65	0%
103	152865	N1DT STR Stonewall 2 Dist	Jan-17	Dec-18	8%	800,430.00	800,430.00	73,150.00	9%
104	152975	KU Dist Automation	Jan-17	Dec-22	3%	47,842,623.39	47,842,623.39	326,694.30	1%
105	152976	REL KU CIFI RAP -2017	Jan-17	Dec-21	3%	9,478,860.00	9,478,860.00	112,050.00	1%
106	152998	KU CEMI RAP - 2017	Jan-17	Dec-21	3%	3,874,105.00	3,874,105.00	24,700.00	1%
107	152999	REL SYS Hard KU RAP 2017	Jan-17	Dec-21	3%	13,368,245.00	13,368,245.00	112,050.00	1%
108	153000	KU Enhanced Tap Ln Coor	Jan-17	Dec-21	3%	2,352,145.00	2,352,145.00	24,700.00	1%
109	153208	BRCT8 AVR Upgrade	Aug-16	May-17	70%	152,500.00	152,500.00	40,000.00	26%
110	153210	BRCT9 AVR Upgrade	Aug-16	May-17	70%	152,500.00	152,500.00	40,000.00	26%
111	153211	BRCT10 AVR Upgrade	Aug-16	May-17	70%	152,500.00	152,500.00	40,000.00	26%
112	200KU16	Application Sec Enhance-KU16	Jan-16	Dec-17	58%	50,000.00	58,177.95	6,250.00	11%
113	203KU16	PS 9.2 Upgrade-KU16	Jan-16	Jul-17	73%	626,525.00	633,836.38	446,381.88	70%
114	204KU16	SAP CRM/ECC Upgr-KU16	Oct-15	Aug-17	74%	12,880,000.16	15,121,058.71	11,675,358.08	77%
115	IT0003K	AIS Deciscion Trans-KU17	Jan-17	May-17	39%	168,000.00	168,000.00	67,200.00	40%
116	IT0004K	Analog Sunset-KU17	Jan-17	Nov-17	17%	122,359.70	122,359.70	16,099.98	13%
117	IT0006K	Aspect Workfor Sched App-KU17	Feb-17	Apr-17	31%	84,000.00	84,000.00	28,000.00	33%
118	IT0008K	Bulk Power & Env Sys-KU17	Jan-17	Oct-17	19%	57,499.64	57,499.64	6,899.96	12%
119	IT0011K	Cascade Biennial Tech-KU17	Jan-17	Dec-17	16%	279,999.91	279,999.91	140,000.00	50%
120	IT0015K	CIP Compliance Tools Yr7-KU17	Jan-17	Dec-17	16%	114,999.94	114,999.94	20,240.00	18%
121	IT0018K	CIP Compliance Infr Yr7-KU17	Jan-17	Dec-17	16%	230,000.16	230,000.16	41,400.04	18%
122	IT0024K	Daily Shift Log Repl-KU17	Jan-17	Oct-17	19%	196,000.00	196,000.00	28,000.00	14%
123	IT0029K	Electric Inspect Enhance-KU17	Jan-17	May-17	39%	140,000.10	140,000.10	56,000.08	40%
124	IT0044K	Impedance App-KU17	Jan-17	Apr-17	49%	56,000.00	56,000.00	28,000.00	50%
125	IT0048K	IT Security CIP Lab Enhn-KU17	Feb-17	Dec-17	8%	23,000.00	23,000.00	3,832.72	17%
126	IT0049K	KU MW Tower Repl Badger-KU17	Feb-17	Dec-17	8%	206,999.90	206,999.90	6,210.01	3%
127	IT0050K	Next Gen Radio Sys Des-KU17	Jan-17	Dec-17	16%	218,499.90	218,499.90	25,299.96	12%
128	IT0051K	Louisville Elect Upgrds-KU17	Feb-17	Oct-17	10%	23,000.00	23,000.00	4,600.00	20%
129	IT0053K	Microsoft AppV Major Upg-KU17	Jan-17	Aug-17	24%	25,760.00	25,760.00	3,680.00	14%
130	IT0056K	Microsoft Office Upgrade-KU17	Jan-17	Nov-17	17%	50,139.93	50,139.93	8,740.00	17%
131	IT0059K	Mob Disp Rep (Elect OMS)-KU17	Jan-17	Oct-17	19%	644,000.10	644,000.10	128,800.04	20%
132	IT0060K	Mobile Infra-KU17	Jan-17	Dec-17	16%	196,000.00	196,000.00	33,600.00	17%

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

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AS OF FEBRUARY 28, 2017

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133	IT0061K	Mobile Radio-KU17	Jan-17	Nov-17	17%	91,999.55	91,999.55	4,600.00	5%
134	IT0062K	Monitor Replacement-KU17	Jan-17	Dec-17	16%	48,760.00	48,760.00	3,220.00	7%
135	IT0067K	Network Access Dev-KU17	Feb-17	Dec-17	8%	68,999.59	68,999.59	2,069.96	3%
136	IT0071K	Network Test Equip-KU17	Jan-17	Oct-17	19%	46,000.00	46,000.00	2,760.00	6%
137	IT0073K	OpenText HR- Mercer file-KU17	Jan-17	Jul-17	27%	75,000.00	75,000.00	17,500.00	23%
138	IT0074K	OpenText Reg and Rates-KU17	Feb-17	May-17	23%	69,000.00	69,000.00	11,500.00	17%
139	IT0077K	Oracle NMS Upgrade-KU17	Oct-16	Oct-18	20%	700,000.12	700,000.12	252,000.06	36%
140	IT0079K	Outside Cable Plant-KU17	Jan-17	Dec-17	16%	91,999.74	91,999.74	6,899.95	7%
141	IT0084K	Purch/Rebuild Radio Site-KU17	Jan-17	Aug-17	24%	100,739.96	100,739.96	3,449.99	3%
142	IT0085K	Rate Case 2017-KU17	Jan-17	Dec-17	16%	168,000.00	168,000.00	22,400.00	13%
143	IT0094K	Server Hardware Refr-KU17	Feb-17	Nov-17	9%	390,540.07	390,540.07	4,600.00	1%
144	IT0101K	Smallworld GIS Upgr-KU17-19	Jan-17	Oct-19	6%	7,941,117.85	7,941,117.85	308,000.20	4%
145	IT0103K	Sys Lab software replace-KU16	Jan-17	Mar-17	65%	42,000.00	42,000.00	28,000.00	67%
146	IT0105K	Tech Refresh desk/lap-KU17	Jan-17	Dec-17	16%	1,347,691.71	1,347,691.71	81,880.02	6%
147	IT0106K	Telecom Shelter Renov-KU17	Feb-17	Dec-17	8%	45,999.59	45,999.59	1,379.95	3%
148	IT0114K	TRMS Upgrade-KU17	Jan-17	Mar-17	65%	77,000.00	77,000.00	56,000.00	73%
149	IT0115K	TRODS-KU17	Jan-17	Jul-17	27%	97,999.97	97,999.97	28,000.02	29%
150	IT0119K	Upgrade Vmware Infra-KU17	Feb-17	Nov-17	9%	69,000.00	69,000.00	736.00	1%
151	IT0121K	Phone Expansion-KU17	Feb-17	Dec-17	8%	50,370.08	50,370.08	2,300.01	5%
152	IT0122K	Windows 10 Remediation-KU17	Jan-17	Oct-17	19%	36,799.91	36,799.91	7,360.00	20%
153	IT0125K	NE KY Build Des&Yr 1/3-KU16-18	Jul-16	Dec-18	27%	904,474.94	904,474.94	3,708.72	0%

KENTUCKY UTILITIES COMPANY

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1	123906	BRCT6 C Inspection	Jun-16	Dec-21	37%	18,278,840.00	15,090,470.00	3,840,280.00	25%
2	131865	CIP-KU-2018	Jan-18	Dec-18	49%	324,996.00	650,840.00	564,067.43	87%
3	131915KU	Scanning Equip-KU	Mar-16	Nov-21	41%	100,800.00	178,204.26	42,429.06	24%
4	131972	BRCT7 C Inspection	Mar-16	Dec-22	34%	22,234,440.00	14,599,082.40	122,760.00	1%
5	131980	GH3 Primary SH Tube Repl	Jan-17	Nov-18	78%	5,000,000.00	3,333,200.00	2,132,000.00	64%
6	131986	GH3 HP-IP Turbine	Jan-17	Nov-18	78%	14,500,000.00	4,072,616.51	1,005,310.81	25%
7	134256	DSP VERSAILLES SUB	Sep-17	Dec-18	62%	2,151,707.43	1,874,857.71	1,279,960.39	68%
8	137532	Fiber/Telecomm Upgrades - 2018	Jan-18	Dec-18	49%	300,000.00	280,000.00	242,669.29	87%
9	137731	COMP-RELATED EQUIP-KU 2018	Jan-18	Dec-18	49%	50,000.00	78,120.00	39,060.00	50%
10	138168	DSP PAYNES MILL SUB PROJ	Mar-17	Jul-20	39%	4,530,854.89	5,000,586.18	3,250,496.45	65%
11	138842	Grn Rvr Plnt-Hllsd 69kV Relo	Jan-18	Nov-18	54%	526,092.56	784,523.20	50,346.00	6%
12	139595KU	GS GE DME Phase II KU	Jan-15	Nov-18	89%	176,500.00	187,160.59	159,160.59	85%
13	139630	Test Lab Equipment-2018-KU	Jan-18	Dec-18	49%	127,335.03	120,000.00	104,001.13	87%
14	139696	LEX UNDRGD-PHASE 1	Oct-17	Dec-19	33%	11,388,000.00	21,752,290.80	6,662,540.80	31%
15	140026	GH Misc Motors 18	Jan-18	Dec-18	49%	123,460.80	124,800.00	62,400.00	50%
16	140059	EMS DBASE EXPANSION-KU-2018	Mar-18	Dec-18	40%	68,273.83	204,000.00	195,840.00	96%
17	140182	GH Conveyor Belt Repl 18	Jan-18	Nov-18	54%	695,495.84	703,040.00	335,920.00	48%
18	140342KU	OG MISC TOOLS KU	May-16	Dec-20	46%	50,955.50	48,194.80	23,114.80	48%
19	140614KU	TC2 KU EXPANS JOINTS	Jan-18	Dec-26	5%	621,641.20	1,539,620.08	312,470.08	20%
20	141391	Environmental Equipment KU	Jan-15	Dec-21	50%	320,000.00	162,500.00	65,000.00	40%
21	141643	Meter Shop 2018 KU Lexington	May-18	Jul-18	66%	66,500.00	76,125.00	10,150.00	13%
22	142368	Retail Hardware KU 2018	Jan-18	Dec-18	49%	168,000.00	140,000.00	42,000.00	30%
23	144118	GR 69kV Control House Rpl	Aug-16	Dec-18	79%	1,634,980.06	3,916,059.51	3,607,439.77	92%
24	144302	GH2 4kv Switchgear	Jan-17	Dec-19	51%	8,572,984.37	7,746,426.74	1,149,945.49	15%
25	144303	GH3 Precip Rebuild	Jan-17	Dec-18	78%	1,913,843.50	1,924,000.00	52,000.00	3%
26	144311	GH3 Upper Econ Upper Bank	Jan-17	Dec-18	78%	3,722,901.48	1,534,738.40	104,000.00	7%
27	144316	GH3 Electromatic Valve	Jan-18	Dec-18	54%	200,815.98	201,881.69	20,800.00	10%
28	144426	BR Vehicle Replacement	Jan-17	Jun-26	16%	171,000.00	167,000.00	31,000.00	19%
29	144434	BR3 HP Htr Repls (F2, G1 & G2)	May-18	Dec-19	10%	4,871,000.00	1,938,648.00	725,000.00	37%
30	144488	TEP-Rodburn 138/69kV Xfrmr	Jan-17	Dec-18	75%	4,060,136.19	3,741,115.75	1,809,799.41	48%
31	144494KU	GS GE PDM Equip Upgrade KU	Jan-17	Nov-20	38%	53,210.00	104,584.00	51,374.00	49%
32	144510KU	GS CDM CIP Ver 7.0 KU	Jan-18	Dec-19	25%	214,060.00	173,694.40	70,334.00	40%
33	144531 KU	CR Misc Capital KU (multi)	Jun-16	Dec-26	20%	4,224,787.00	4,517,634.48	694,447.72	15%
34	144541	BRCT Gas Pipeline Relocation	Aug-17	Dec-19	38%	11,000,000.00	10,900,000.00	1,818,181.80	17%
35	144909	DSP HUME ROAD SUB PHASE2	Jan-16	Dec-18	83%	467,080.82	4,301,925.97	4,237,683.43	99%
36	145017	KU CAMERAS 2018	Jan-18	Oct-18	59%	50,000.00	75,000.00	65,000.00	87%
37	145020	KU FIRE SYSTEMS 2018	Jan-18	Dec-18	49%	75,000.00	75,000.00	55,000.00	73%
38	145022	KU SECURITY EQUIPMENT 2018	Jan-18	Dec-18	49%	25,000.00	50,000.00	35,000.00	70%
39	145122	Richmond Remove Rise Pad	Jan-18	Dec-18	49%	60,000.00	100,000.00	50,000.00	50%
40	145403	HR Cap Equip Improvmnts KU	Jan-15	Dec-22	44%	51,000.00	71,400.00	30,600.00	43%
41	146434	DX Dam Parapet Wall	Nov-14	Dec-19	71%	5,400,393.26	5,517,222.84	212,992.84	4%
42	147225	TEP-Hardinsburg-B.Branch Term2	Mar-18	Dec-18	40%	175,000.00	172,593.99	149,583.07	87%
43	147818	SPIR Projects KU 2016-2025	Jun-17	Dec-25	13%	10,071,197.50	10,071,197.50	808,500.02	8%
44	147949	BRCT11 C Insp & Parts Recond	Jan-17	Dec-18	78%	10,624,000.00	10,709,804.00	2,550,000.00	24%

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45	148119	TEP-Haeftling Line Riser Rpl	Jan-18	Dec-18	49%	52,310.92	51,883.99	44,966.60	87%
46	148167KU	GS CDM MOD 025 KU	Jan-17	Nov-25	17%	105,180.00	105,180.00	31,000.00	29%
47	148175KU	GS CDM Industrial Defender KU	Jan-17	Nov-19	51%	122,320.00	305,770.00	214,038.00	70%
48	148685	DSP MT VERNON SUBSTATION PROJ	Jan-17	Dec-18	75%	1,353,562.48	2,199,819.48	1,980,067.15	90%
49	148710	DSP RICHMOND NORTH SUB PROJ	Jan-17	Dec-18	75%	3,225,369.96	3,873,921.53	3,836,907.76	99%
50	148720	N-1 DIST XFMR VILEY 2 SUB	Jan-17	Dec-18	75%	2,358,664.84	3,976,473.90	2,170,744.01	55%
51	148892	N-1 DIST XFMR STONEWALL 2 SUB	Jan-17	Dec-19	50%	2,466,361.12	3,053,895.65	2,926,546.52	96%
52	148901	SCM2018 DAN REPL SUB BATTERY	Jan-18	Dec-18	49%	14,265.39	13,856.88	11,527.92	83%
53	148902	SCM2018 DAN REPL LEGACY BRKR	Jan-18	Dec-18	49%	85,454.98	86,186.72	62,975.00	73%
54	148904	SCM2018 EARL REPL LEGACY BRKRS	Jan-18	Dec-18	49%	308,301.28	300,021.80	140,601.28	47%
55	148905	SCM2018 KU LEGACY RELAY REPL	Jan-18	Dec-18	49%	57,036.63	65,265.00	50,380.00	77%
56	148906	SCM2018 LEX REPL SUB BATTERY	Jan-18	Dec-18	49%	28,353.95	28,529.06	26,287.03	92%
57	148907	SCM2018 LEX LEGACY RTU REPL	Jan-18	Dec-18	49%	142,328.79	143,737.22	64,012.22	45%
58	148908	SCM2018 LEX REPL LEGACY BRKR	Jan-18	Dec-18	49%	116,474.21	116,910.17	112,426.10	96%
59	148915	SCM2018 PINE RPL 22KV&34KV BRK	Jan-18	Dec-18	49%	300,205.19	302,699.11	152,496.83	50%
60	148917	SCM2018 PINE REPL LEGACY BRKR	Jan-18	Dec-18	49%	114,690.12	115,944.55	74,425.00	64%
61	148918	SCM2018 PINE REPL SUB BATTERY	Jan-18	Dec-18	49%	24,882.30	24,723.39	19,691.13	80%
62	148926	SCM2018 DAN FAILED BRKR/RECL	Jan-18	Dec-18	49%	59,357.96	59,812.75	43,510.00	73%
63	148927	SCM2018 DAN MISC CAPITAL PROJ	Jan-18	Dec-18	49%	67,807.52	68,295.33	41,570.68	61%
64	148928	SCM2018 DAN MISC NESC COMPL	Jan-18	Dec-18	49%	26,146.99	28,858.79	24,200.86	84%
65	148929	SCM2018 DAN WILDLIFE PROTECT	Jan-18	Dec-18	49%	20,218.70	21,988.80	15,001.90	68%
66	148931	SCM2018 EARL FAILED BRKR/RECL	Jan-18	Dec-18	49%	77,675.56	74,715.45	21,603.77	29%
67	148932	SCM2018 EARL MISC CAPITAL SUB	Jan-18	Dec-18	49%	211,095.06	208,440.10	102,833.80	49%
68	148936	SCM2018 KU 34KV SUB MISC	Jan-18	Dec-18	49%	72,019.60	71,943.13	67,459.07	94%
69	148937	SCM2018 KU LTC OIL FILT ADDS	Jan-18	Dec-18	49%	84,756.21	84,442.21	70,798.14	84%
70	148938	SCM2018 KU OIL CONTAINMENT UPG	Jan-18	Dec-18	49%	236,622.56	232,195.16	77,716.10	33%
71	148940	SCM2018 KU LIGHTNING PROTECT	Jan-18	Dec-18	49%	55,012.78	53,479.23	29,626.09	55%
72	148941	SCM2018 LEX MISC CAPITAL SUB	Jan-18	Dec-18	49%	155,002.27	156,314.22	80,923.69	52%
73	148942	SCM2018 LEX MISC NESC COMPL	Jan-18	Dec-18	49%	45,629.43	46,609.24	31,868.14	68%
74	148943	SCM2018 LEX REPL BREAKERS	Jan-18	Dec-18	49%	127,643.73	127,952.20	123,468.13	96%
75	148944	SCM2018 LEX REPL BUSHINGS	Jan-18	Dec-18	49%	97,798.44	99,279.22	54,816.09	55%
76	148945	SCM2018 LEX REPL REGULATORS	Jan-18	Dec-18	49%	78,929.78	78,765.16	54,864.06	70%
77	148946	SCM2018 LEX WILDLIFE PROTECT	Jan-18	Dec-18	49%	35,162.24	35,303.12	15,886.09	45%
78	148956	SCM2018 PINE FAILED BRKR/RECL	Jan-18	Dec-18	49%	90,673.30	92,079.56	57,250.00	62%
79	148957	SCM2018 PINE MISC CAPITAL SUB	Jan-18	Dec-18	49%	117,039.36	116,396.84	58,575.00	50%
80	148958	SCM2018 PINE MISC NESC COMPL	Jan-18	Dec-18	49%	55,114.52	56,917.26	26,335.00	46%
81	148959	SCM2018 PINE WILDLIFE PROTECT	Jan-18	Dec-18	49%	55,676.38	53,560.25	35,947.28	67%
82	148960	SCM2018 PINE SUB BLDNG & GND	Jan-18	Dec-18	49%	33,772.64	35,162.28	15,065.00	43%
83	148962	2018 KU TRANSFORMER REWIND	Jan-18	Dec-18	49%	1,307,754.34	1,313,315.00	652,650.00	50%
84	148964	SCM2018 PINE TOOLS & EQUIPMENT	Jan-18	Dec-18	49%	22,527.54	21,755.00	10,305.00	47%
85	148965	SCM2018 EARL TOOLS & EQUIPMENT	Jan-18	Dec-18	49%	22,527.54	21,755.00	16,030.00	74%
86	148970	SCM2018 DAN TOOLS & EQUIPMENT	Jan-18	Jul-19	31%	14,227.92	28,625.00	12,595.00	44%
87	149345	SC CAPITAL - 2016 BP - KU	Jan-16	Dec-21	42%	69,500.00	611,200.00	341,200.00	56%
88	149479	KU FAILED EQP REPLACE 2018	Jul-15	Dec-18	85%	104,000.00	104,000.00	52,000.00	50%

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89	149482	KU FURN & CHAIR 2018	Jul-15	Dec-18	85%	122,000.00	122,000.00	60,999.98	50%
90	149486	KU FAC IMPROVE 2018	Jul-15	Dec-18	85%	312,000.00	312,000.00	162,000.00	52%
91	149489	CARPET/FLOORING - KU 2018	Jul-15	Dec-18	85%	47,000.00	47,000.00	20,000.00	43%
92	149495	KU REFURB & BRANDING 2018	Jul-15	Dec-18	85%	800,000.00	800,000.00	400,000.00	50%
93	150058KU	TC KU COAL HAND BUILD ROOF	Jun-16	Dec-18	80%	55,257.32	37,440.00	18,720.00	50%
94	150218	KU Ky Wired Non-reimb	Nov-15	Jun-19	73%	690,386.31	690,386.31	654,956.31	95%
95	150221	KU Ky Wired Reimbursable	Nov-15	Jun-19	73%	(28,078.38)	(28,078.38)	(25,437.15)	91%
96	151369	GH2 SH Outlet DMW Repl	May-18	May-19	15%	1,472,016.02	1,472,016.02	49,738.01	3%
97	151390	GH Stn Srvc Water Piping Repl	Jan-17	Dec-25	17%	1,440,000.00	1,440,000.00	360,000.00	25%
98	151401	GH3 RearWW Nose Arch Lwr Bends	Nov-17	Nov-18	61%	477,542.01	477,542.01	169,078.01	35%
99	151403	GH3 RH Ott Terminal Tube Repl	Mar-18	Nov-18	44%	338,208.00	338,208.00	29,848.00	9%
100	151423	GH2 Diesel Generators Upgrade	Jun-18	Oct-18	19%	298,480.00	298,480.00	248,768.00	83%
101	151465	Mobile Control House	Jan-18	Dec-19	25%	3,959,725.31	3,959,725.31	17,762.10	0%
102	151746	REL-Hodgenville Switch Motor	Jan-18	Dec-18	49%	246,563.00	246,563.00	213,690.24	87%
103	151754	KU Breaker Replacements	Jan-17	Dec-26	15%	20,360,999.98	20,360,999.98	5,437,476.37	27%
104	151763	KU Coupling Capacitor Rpl	Jan-17	Dec-26	15%	1,463,879.97	1,463,879.97	395,999.99	27%
105	151764	KU Fence Replacements	Jan-17	Dec-21	30%	5,435,760.02	5,435,760.02	1,584,000.03	29%
106	151765	KU Physical Security Upgrades	Jan-17	Dec-26	15%	8,629,000.01	8,629,000.01	1,574,224.98	18%
107	151766	KU SST Additions	Jan-17	Dec-26	15%	2,037,000.01	2,037,000.01	746,670.41	37%
108	151767	KU Transformer Bushing Rpl	Jan-17	Dec-26	15%	444,300.02	444,300.02	118,200.44	27%
109	151775	Hillside Control House	Jan-18	Dec-19	25%	1,708,181.81	1,708,181.81	16,857.31	1%
110	151777	Finchville Control House	Sep-16	Dec-18	78%	1,741,592.90	1,741,592.90	1,493,230.22	86%
111	151809	TEP-Rodburn 138/69kV-P&C	Jan-17	Dec-18	75%	1,195,976.98	1,195,976.98	478,992.79	40%
112	151880	ESR Existing Switch Repl	Jan-18	Dec-26	5%	26,969,149.51	26,969,149.51	863,734.79	3%
113	152005	GH2 Burner Replacement 17-19	Jan-17	Dec-19	50%	312,614.67	312,614.67	104,204.89	33%
114	152006	GH1 Burner Replacement 17-19	Jan-17	Dec-19	50%	312,614.67	312,614.67	104,204.89	33%
115	152126KU	GS GE TR ONLINE DGA KU	Jan-18	Nov-20	17%	220,176.00	220,176.00	36,696.00	17%
116	152140	REL-Etown 4 811-615 Motor-Auto	Jan-18	Dec-18	49%	198,717.01	198,717.01	172,223.28	87%
117	152143	REL-Corbin 1 844-605 Auto	Jan-18	Dec-18	49%	198,717.01	198,717.01	172,223.28	87%
118	152146	REL-Mt Sterling 737-615 Auto	Jan-18	Dec-18	49%	198,717.01	198,717.01	172,223.28	87%
119	152333	KU FAC CONSOLIDATION 2017-18	Jan-17	Dec-18	75%	5,029,244.52	5,029,244.52	3,457,593.39	69%
120	152582	DCC Fac Enhance KU	Jan-16	Dec-18	83%	5,600,000.00	5,600,000.00	4,198,000.00	75%
121	152613	KU Station Grounding	Jan-17	Dec-21	30%	3,725,040.13	3,725,040.13	924,000.04	25%
122	152630	KU Cap and Pin Rpl	Jan-17	Dec-21	30%	5,111,040.07	5,111,040.07	2,587,213.00	51%
123	152638	KU Online Monitoring Equipment	Jan-17	Dec-21	30%	1,749,000.00	1,749,000.00	494,999.98	28%
124	152661KU	TC2 B ID FAN OVERHAUL	Jan-17	Dec-23	21%	1,218,605.51	1,218,605.51	546,171.86	45%
125	152665KU	TC2 KU B FD FAN OVERHAUL	Jan-18	Dec-24	7%	503,944.96	503,944.96	234,596.96	47%
126	152693KU	TC OFFICE UPGRADES	Jan-17	Dec-27	14%	430,731.88	430,731.88	77,497.20	18%
127	152695KU	TC2 MS TURBINE BYPASS VALVE	Jan-17	Dec-27	14%	722,039.47	722,039.47	166,740.50	23%
128	152697KU	TC2 HRH TURBINE BYPASS VALVE	Jan-17	Dec-26	15%	657,461.32	657,461.32	202,050.16	31%
129	152792	Richmond N. Sub	Jan-18	Dec-18	49%	942,091.20	942,091.20	471,045.60	50%
130	152793	Mt. Vernon Substation Dist	Jan-18	Dec-18	49%	400,336.48	400,336.48	267,774.32	67%
131	152824	Transmission LnCI KU 2017	Jan-17	Dec-18	75%	1,131,620.00	1,131,620.00	847,050.02	75%
132	152838	Dist Capacitors KU 2018	Jan-18	Dec-18	49%	130,884.54	130,884.54	4,616.84	4%

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133	152840	Hume Rd Sub phase 2 dist	Jan-18	Dec-18	49%	1,576,250.00	1,576,250.00	786,980.00	50%
134	152860	Paynes Mill Rd Sub/Dist/fds	Jan-18	Dec-18	49%	341,665.00	341,665.00	84,300.00	25%
135	152865	N1DT STR Stonewall 2 Dist	Jan-17	Dec-18	75%	800,430.00	800,430.00	670,880.00	84%
136	152868	URD Cable Repl/rejuv 2018	Jan-18	Dec-18	49%	531,668.11	531,668.11	194,888.56	37%
137	152904	GH Misc Safety/ERT	Jan-17	Dec-21	30%	150,000.00	150,000.00	30,000.00	20%
138	152975	KU Dist Automation	Jan-17	Dec-22	25%	47,842,623.39	47,842,623.39	8,986,567.66	19%
139	152976	REL KU CIFI RAP -2017	Jan-17	Dec-21	30%	9,478,860.00	9,478,860.00	3,339,930.00	35%
140	152981	BR3 BCWP Overhauls	Nov-16	Dec-26	16%	855,357.00	855,357.00	79,040.00	9%
141	152987	BR BFP Overhauls	Nov-16	Dec-23	23%	1,054,680.00	1,054,680.00	132,080.00	13%
142	152988	BR Condensate Pump Overhauls	Nov-16	Dec-23	23%	568,662.00	568,662.00	88,400.00	16%
143	152998	KU CEMI RAP - 2017	Jan-17	Dec-21	30%	3,874,105.00	3,874,105.00	935,315.00	24%
144	152999	REL SYS Hard KU RAP 2017	Jan-17	Dec-21	30%	13,368,245.00	13,368,245.00	2,376,940.00	18%
145	153000	KU Enhanced Tap Ln Coor	Jan-17	Dec-21	30%	2,352,145.00	2,352,145.00	617,480.00	26%
146	153085	AMI - MDMS & LICENSES - KU	Jan-17	Dec-19	50%	52,982,500.00	52,982,500.00	28,258,750.00	53%
147	153370	Battery Replacements - KU	Jan-17	Dec-21	30%	1,385,567.02	1,385,567.02	554,229.58	40%
148	153371	DFR Installations - KU	Jan-17	Dec-21	30%	1,421,052.65	1,421,052.65	530,528.97	37%
149	153372	PLC Replacements - KU	Jan-17	Dec-21	30%	2,582,706.75	2,582,706.75	964,215.38	37%
150	BRMISCCAP	BR Miscellaneous Cap	Nov-16	Dec-26	16%	5,000,000.00	5,000,000.00	500,000.00	10%
151	IT0026K	Data Protection-KU17-18	Apr-17	Dec-18	71%	22,540.00	22,540.00	19,780.00	88%
152	IT0075K	OpenText Transmission-KU17-18	Mar-17	Oct-18	80%	335,999.79	335,999.79	260,399.90	78%
153	IT0101K	Smallworld GIS Upgr-KU17-19	Jan-17	Oct-19	53%	7,941,117.85	7,941,117.85	3,220,581.94	41%
154	IT0111K	Transmission Work Mgt-KU17-18	Mar-17	Nov-18	76%	167,999.99	167,999.99	97,999.99	58%
155	IT0125K	NE KY Build Des&Yr 1/3-KU16-18	Jul-16	Dec-18	80%	904,474.94	904,474.94	361,191.97	40%
156	IT0201K	ABB Upgrade-KU18	Mar-18	Aug-18	66%	448,000.00	448,000.00	336,000.00	75%
157	IT0202K	Access Switch Rotation-KU18	Jun-18	Sep-18	24%	229,999.43	229,999.43	137,999.62	60%
158	IT0204K	Analog Sunset-KU18	Jan-18	Dec-18	49%	122,359.22	122,359.22	71,299.66	58%
159	IT0206K	Bulk Power & Env Syst-KU18	Jan-18	Dec-18	49%	57,500.06	57,500.06	39,100.07	68%
160	IT0207K	Cabling Server Connect-KU18	Mar-18	Sep-18	57%	20,700.00	20,700.00	13,800.00	67%
161	IT0209K	CERUS IV-KU18	Apr-18	Aug-18	59%	183,999.90	183,999.90	91,999.95	50%
162	IT0211K	CIP Compliance Tools Yr8-KU18	Jan-18	Dec-18	49%	229,999.69	229,999.69	121,439.82	53%
163	IT0212K	Citrix XenDsktp Mjr Upg-KU18	Jan-18	Aug-18	74%	50,139.80	50,139.80	40,939.88	82%
164	IT0213K	Citrix XenMobile Upgr-KU18	Feb-18	Aug-18	71%	76,359.68	76,359.68	57,959.73	76%
165	IT0215K	CIP Compl Infrastrct Yr8-KU18	Jan-18	Dec-18	49%	206,999.28	206,999.28	103,499.64	50%
166	IT0216K	Computer HW for LOB's-KU18	Mar-18	Oct-18	50%	170,200.00	170,200.00	66,700.00	39%
167	IT0219K	EE DSM Filing-KU18-19	Apr-18	Mar-19	25%	573,999.99	573,999.99	142,799.99	25%
168	IT0220K	Elec Facility Enhance-KU18-19	Jan-18	Jun-19	33%	223,999.99	223,999.99	111,999.99	50%
169	IT0221K	EMS CIP-KU18	May-18	Sep-18	39%	57,086.89	57,086.89	44,799.96	78%
170	IT0224K	Exchange 20xx Upgrade-KU18	May-18	Jul-18	66%	68,999.94	68,999.94	45,999.96	67%
171	IT0234K	IT Security Infrs-KU18	Jan-18	Dec-18	49%	34,500.00	34,500.00	17,250.00	50%
172	IT0237K	KU Tower RepL Bch Grove-KU18	Feb-18	Dec-18	45%	206,999.82	206,999.82	82,799.98	40%
173	IT0238K	Louisv Electrical Upgr-KU18	Feb-18	Oct-18	55%	23,000.00	23,000.00	13,800.00	60%
174	IT0241K	Maximo Upgrade-KU18-19	Mar-18	Nov-19	19%	559,999.96	559,999.96	98,000.00	18%
175	IT0242K	Megastar & DVM MW Repl-KU18	Feb-18	Dec-18	45%	223,099.21	223,099.21	89,239.62	40%
176	IT0244K	Microsoft Lic True-up-KU18	Apr-18	Dec-18	33%	69,000.00	69,000.00	23,000.00	33%

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177	IT0245K	Mbl & Wrkst Lic True-up-KU18	Mar-18	Oct-18	50%	34,960.00	34,960.00	15,640.00	45%
178	IT0246K	Mobile Dispatch Enhance-KU18	Jan-18	Oct-18	59%	531,999.99	531,999.99	319,199.99	60%
179	IT0247K	Mobile Infrastructure-KU18	Jan-18	Dec-18	49%	140,000.00	140,000.00	67,200.00	48%
180	IT0248K	Mobile Radio-KU18	Jan-18	Nov-18	54%	91,999.54	91,999.54	48,299.74	52%
181	IT0249K	Monitor Replacement-KU18	Jan-18	Dec-18	49%	48,760.00	48,760.00	26,680.00	55%
182	IT0250K	MR Hardware-KU18	Jun-18	Jul-18	48%	28,000.00	28,000.00	14,000.00	50%
183	IT0251K	Multi-Func Dev Ref-KU18	Feb-18	Nov-18	49%	18,400.00	18,400.00	9,200.00	50%
184	IT0253K	Network Access Infrast-KU18	Feb-18	Dec-18	45%	68,999.17	68,999.17	27,599.62	40%
185	IT0254K	Network Access Gateways-KU18	May-18	Aug-18	49%	23,000.00	23,000.00	11,500.00	50%
186	IT0256K	Network Test Equip-KU18	Jan-18	Nov-18	54%	57,500.00	57,500.00	32,660.00	57%
187	IT0258K	Open Text Data Automate-KU18	May-18	Aug-18	49%	69,999.99	69,999.99	34,999.99	50%
188	IT0259K	OTN Ext Lex-Dix Ring-KU18	Jan-18	Dec-18	49%	400,199.54	400,199.54	257,599.81	64%
189	IT0260K	Outside Cable Plant-KU18	Jan-18	Dec-18	49%	91,999.42	91,999.42	41,399.71	45%
190	IT0261K	PeopleSoft Tools Enhance-KU18	May-18	Jul-18	66%	74,999.99	74,999.99	49,999.99	67%
191	IT0263K	Purch/Rebuild Radio Site-KU18	Jan-18	Oct-18	59%	138,000.01	138,000.01	85,099.99	62%
192	IT0264K	Rate Case 2018-KU18-19	Jun-18	Mar-19	10%	447,999.99	447,999.99	27,999.99	6%
193	IT0265K	Replace Video Units-KU18	Mar-18	Sep-18	57%	46,000.00	46,000.00	23,000.00	50%
194	IT0266K	Reporting/Business Intel-KU18	Mar-18	Dec-18	40%	111,999.99	111,999.99	44,799.99	40%
195	IT0274K	SAP Roadmap Strategy -KU18	Feb-18	Nov-18	49%	419,997.99	419,997.99	209,998.99	50%
196	IT0275K	Security Infrast Enhance-KU18	May-18	Sep-18	39%	46,000.00	46,000.00	23,000.00	50%
197	IT0276K	Server Cap Expn & Reliab-KU18	Mar-18	Oct-18	50%	39,099.86	39,099.86	19,342.87	49%
198	IT0277K	Server Hardware Refresh-KU18	Feb-18	Nov-18	49%	211,599.59	211,599.59	193,199.63	91%
199	IT0280K	Simpsonville Elect Upgr-KU18	Apr-18	Oct-18	42%	23,000.00	23,000.00	11,500.00	50%
200	IT0282K	Site Security Improvemts-KU18	Mar-18	Oct-18	50%	22,999.80	22,999.80	9,659.91	42%
201	IT0283K	SOA Middleware Upgrade-KU18	Apr-18	Jul-18	74%	115,000.00	115,000.00	80,500.00	70%
202	IT0287K	Tech Refresh desk/lap-KU18	Jan-18	Dec-18	49%	1,313,322.76	1,313,322.76	643,999.42	49%
203	IT0288K	Telecom Shelter Reno-KU18	Jan-18	Nov-18	54%	45,999.42	45,999.42	16,099.76	35%
204	IT0289K	TOA-KU18	Apr-18	Oct-18	42%	56,000.00	56,000.00	8,400.00	15%
205	IT0290K	Transmission Map-KU18	May-18	Aug-18	49%	55,999.99	55,999.99	27,999.99	50%
206	IT0291K	TRODS-KU18	Mar-18	Dec-18	40%	97,999.69	97,999.69	33,599.87	34%
207	IT0295K	Upgrade Vmware Infrast-KU18	Feb-18	Nov-18	49%	73,600.00	73,600.00	2,116.00	3%
208	IT0296K	Video Streaming Appl Upg-KU18	Apr-18	Jul-18	74%	45,999.96	45,999.96	34,499.97	75%
209	IT0297K	Phone Expan/Break Fix-KU18	Feb-18	Dec-18	45%	68,999.98	68,999.98	33,119.99	48%
210	IT0298K	Wireless Buildout-KU18	Apr-18	Sep-18	49%	69,000.00	69,000.00	46,000.00	67%
211	IT0299K	WMS Work Mgmt Sys Enh-KU18	May-18	Aug-18	49%	55,999.99	55,999.99	27,999.99	50%
212	IT0300K	WMS Upgrade-KU18-19	Jan-18	Aug-19	30%	1,091,999.54	1,091,999.54	335,999.81	31%
213	IT0301K	Rep ASTRO Spectra Yr 1/3-KU18	Jan-18	Dec-18	49%	436,999.51	436,999.51	390,999.74	89%
214	IT0305K	Repl Quant Repeat Yr 1/2-KU18	Jan-18	Dec-18	49%	218,499.96	218,499.96	197,800.04	91%

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
ALLOWANCE FOR WORKING CAPITAL
FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-5

TYPE OF FILING: ORIGINAL UPDATED REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	WORKING CAPITAL COMPONENT	DESCRIPTION OF METHODOLOGY USED TO DETERMINE JURISDICTIONAL REQUIREMENT	WORKPAPER REFERENCE NO.	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
				\$		\$
	ELECTRIC:					
1	FUEL STOCK	13 MONTH AVERAGE BALANCE	B-5.1	100,950,356	87.938%	88,773,969
2	MATERIAL AND SUPPLIES	13 MONTH AVERAGE BALANCE	B-5.1	54,089,820	88.465%	47,850,447
3	PREPAYMENTS (a)	13 MONTH AVERAGE BALANCE	B-5.1	14,433,442	93.927%	13,556,946
4	EMISSION ALLOWANCES (b)	13 MONTH AVERAGE BALANCE	B-5.1	0	87.578%	0
5	CASH WORKING CAPITAL	1/8 O&M METHOD LESS PURCHASED POWER EXPENSE	B-5.2	<u>113,452,441</u>	89.026%	<u>101,002,227</u>
6	TOTAL WORKING CAPITAL REQUIREMENTS			<u><u>282,926,059</u></u>		<u><u>251,183,590</u></u>

(a) Excludes PSC fees.

(b) Excludes ECR amounts.

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
ALLOWANCE FOR WORKING CAPITAL
FROM JULY 1, 2017 TO JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-5

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WITNESS: C. M. GARRETT

LINE NO.	WORKING CAPITAL COMPONENT	DESCRIPTION OF METHODOLOGY USED TO DETERMINE JURISDICTIONAL REQUIREMENT	WORKPAPER REFERENCE NO.	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
				\$		\$
	ELECTRIC:					
1	FUEL STOCK	13 MONTH AVERAGE BALANCE	B-5.1	81,295,505	87.938%	71,489,839
2	MATERIAL AND SUPPLIES	13 MONTH AVERAGE BALANCE	B-5.1	54,563,930	88.554%	48,318,505
3	PREPAYMENTS (a)	13 MONTH AVERAGE BALANCE	B-5.1	17,200,529	94.016%	16,171,254
4	EMISSION ALLOWANCES (b)	13 MONTH AVERAGE BALANCE	B-5.1	0	87.578%	0
5	CASH WORKING CAPITAL	1/8 O&M METHOD LESS PURCHASED POWER EXPENSE	B-5.2	<u>119,318,931</u>	89.130%	<u>106,348,560</u>
6	TOTAL WORKING CAPITAL REQUIREMENTS			<u><u>272,378,895</u></u>		<u><u>242,328,158</u></u>

(a) Excludes PSC fees.

(b) Excludes ECR amounts.

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
OTHER WORKING CAPITAL COMPONENTS
FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-5.1

TYPE OF FILING: ORIGINAL UPDATED REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MONTH AVERAGE FOR PERIOD		
		TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
		\$		\$
	ELECTRIC:			
1	FUEL STOCK	100,950,356	87.938%	88,773,969
2	MATERIAL AND SUPPLIES	54,089,820	88.465%	47,850,447
3	PREPAYMENTS (a)	14,433,442	93.927%	13,556,946
4	EMISSION ALLOWANCES (b)	0	87.578%	0
5	TOTAL OTHER WORKING CAPITAL	169,473,618		150,181,362

(a) Excludes PSC fees.

(b) Excludes ECR amounts.

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
OTHER WORKING CAPITAL COMPONENTS
FROM JULY 1, 2017 TO JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-5.1

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MONTH AVERAGE FOR PERIOD		
		TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
		\$		\$
	ELECTRIC:			
1	FUEL STOCK	81,295,505	87.938%	71,489,839
2	MATERIAL AND SUPPLIES	54,563,930	88.554%	48,318,505
3	PREPAYMENTS (a)	17,200,529	94.016%	16,171,254
4	EMISSION ALLOWANCES (b)	0	87.578%	0
5	TOTAL OTHER WORKING CAPITAL	<u>153,059,964</u>		<u>135,979,598</u>

(a) Excludes PSC fees.

(b) Excludes ECR amounts.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

CASH WORKING CAPITAL COMPONENTS

BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-5.2

TYPE OF FILING: ORIGINAL UPDATED REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
		\$		\$
	ELECTRIC:			
1	OPERATING AND MAINTENANCE EXPENSE (a)	953,343,404	88.971%	848,198,287
2	ELECTRIC POWER PURCHASED	45,723,874	87.876%	40,180,467
3	O&M LESS PURCHASE POWER EXPENSE (LINE 1 - 2)	907,619,530		808,017,820
4	CASH WORKING CAPITAL (12.5% OF LINE 3)	113,452,441		101,002,227

(a) Excludes ECR amounts.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

CASH WORKING CAPITAL COMPONENTS

FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-5.2

TYPE OF FILING: ORIGINAL UPDATED REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
		\$		\$
	ELECTRIC:			
1	OPERATING AND MAINTENANCE EXPENSE (a)	1,012,300,430	89.059%	901,541,819
2	ELECTRIC POWER PURCHASED	<u>57,748,982</u>	87.886%	<u>50,753,339</u>
3	O&M LESS PURCHASE POWER EXPENSE (LINE 1 - 2)	<u>954,551,448</u>		<u>850,788,480</u>
4	CASH WORKING CAPITAL (12.5% OF LINE 3)	<u>119,318,931</u>		<u>106,348,560</u>

(a) Excludes ECR amounts.

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
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SCHEDULE B-6
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$		\$	\$	\$
1	252	Customer Advances for Construction	1,576,406	98.306%	1,549,704	-	1,549,704
2	255	Deferred Investment Tax Credits	94,865,036	87.006%	82,538,337	-	82,538,337
3	190, 282, 283	Deferred Income Taxes (a)	1,198,800,295	89.002%	1,066,958,828	(247,375,434)	819,583,394
4	101, 108, 182, 230	Unamortized Closure Cost (a)	(4,288,025)	87.578%	(3,755,355)	3,755,355	-

(a) Adjustment reflects applicable ECR and DSM jurisdictional amounts.

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
FROM JULY 1, 2017 TO JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
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SCHEDULE B-6
PAGE 2 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION	THIRTEEN MONTH AVERAGE FOR PERIOD				
			FORECAST PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTED JURISDICTION	
			\$		\$	\$	\$
1	252	Customer Advances for Construction	1,576,406	98.306%	1,549,704	-	1,549,704
2	255	Deferred Investment Tax Credits	93,303,580	87.012%	81,185,411	-	81,185,411
3	190, 282, 283	Deferred Income Taxes (a)	1,320,499,235	89.343%	1,179,774,203	(269,346,505)	910,427,698
4	101, 108, 182, 230	Unamortized Closure Cost (a)	(27,237,539)	87.578%	(23,854,017)	23,854,017	-

(a) Adjustment reflects applicable ECR and DSM jurisdictional amounts.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

JURISDICTIONAL PERCENTAGE

BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: X BASE PERIOD FORECASTED PERIOD
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SCHEDULE B-7

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTIONS BY ACCOUNT OR MAJOR GROUPINGS	JURIS. PERCENT	ALLOCATOR	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
1		<u>PLANT IN SERVICE</u>			
2		<u>Electric Intangible Plant</u>			
3	301	Organization	88.728%	PTDGPLT	Total Production, Transmission, Distribution, and General plant
4	302	Franchises and Consents	100.000%	KURETPLT	Total Kentucky Retail Production, Transmission, Distribution, and General plant
5	303	Misc Intangible Plant	88.728%	PTDGPLT	Total Production, Transmission, Distribution, and General plant
6		<u>Electric Steam Production</u>			
7	310	Land and Land Rights	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
8	311	Structures and Improvements	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
9	312	Boiler Plant Equipment	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
9	313	Engines and engine-driven generators	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
10	314	Turbogenerator Units	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
11	315	Accessory Electric Equipment	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
12	316	Misc Power Plant Equip	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
13	317	ARO Cost Steam Production	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
14	311-316	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
15		<u>Electric Hydro Production</u>			
16	330	Land and Land Rights	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
17	331	Structures and Improvements	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
18	332	Reservoirs, Dams, and Water	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
19	333	Water Wheels, Turbines, Generators	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
20	334	Accessory Electric Equipment	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
21	335	Misc Power Plant Equipment	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
22	336	Roads, Railroads, and Bridges	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
23	337	ARO Cost Hydro Production	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
24	332-335	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
25		<u>Electric Other Production</u>			
26	340	Land and Land Rights	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
27	341	Structures and Improvements	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
28	342	Fuel Holders, Producers, Accessories	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
29	343	Prime Movers	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
30	344	Generators	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
31	345	Accessory Electric Equipment	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
32	346	Misc Power Plant Equipment	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
33	347	ARO Cost Other Production	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
34	341-346	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
35		<u>Electric Transmission</u>			
36		<u>Kentucky System Property</u>			
37	350	Land and Land Rights	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
38	352	Structures and Improvements	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
39	353	Station Equipment	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
40	354	Towers and Fixtures	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
41	355	Poles and Fixtures	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
42	356	OH Conductors and Devices	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
43	357	Underground Conduit	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
44	358	UG Conductors and Devices	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

JURISDICTIONAL PERCENTAGE

BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: X BASE PERIOD FORECASTED PERIOD
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTIONS BY ACCOUNT OR MAJOR GROUPINGS	JURIS. PERCENT	ALLOCATOR	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
45	359	ARO Cost Elec Transmission	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
46	350-358	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
47		<u>Virginia Property</u>			
48	350	Land and Land Rights	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
49	352	Structures and Improvements	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
50	353	Station Equipment	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
51	354	Towers and Fixtures	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
52	355	Poles and Fixtures	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
53	356	OH Conductors and Devices	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
54	352-356	Allowance for Funds Used During Construction	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
47		<u>Electric Distribution</u>			
48		<u>Kentucky System Property</u>			
49	360	Land and Land Rights	99.889%	DIRECT	Kentucky Situs Plant Directly Assigned to Retail and Wholesale
50	361	Structures and Improvements	97.068%	DIRECT	Kentucky Situs Plant Directly Assigned to Retail and Wholesale
51	362	Station Equipment	97.986%	DIRECT	Kentucky Situs Plant Directly Assigned to Retail and Wholesale
52	364	Poles, Towers, and Fixtures	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
53	365	OH Conductors and Devices	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
54	366	Underground Conduit	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
55	367	UG Conductors and Devices	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
56	368	Line Transformers	99.829%	DPRODKY, DIRECT	Assigned
57	369	Services	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
58	370	Meters	99.515%	DIRECT	Kentucky Situs Plant Directly Assigned to Retail and Wholesale
59	371	Install on Customer Premise	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
60	373	Street Lighting / Signal Systems	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
61	374	ARO Cost Elec Distribution	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
62		<u>Virginia Property</u>			
63	360	Land and Land Rights	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
64	361	Structures and Improvements	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
65	362	Station Equipment	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
66	364	Poles, Towers, and Fixtures	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
67	365	OH Conductors and Devices	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
68	366	Underground Conduit	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
69	367	UG Conductors and Devices	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
70	368	Line Transformers	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
71	369	Services	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
72	370	Meters	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
73	371	Install on Customer Premise	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
74	373	Street Lighting / Signal Systems	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
75		<u>Tennessee Property</u>			
76	360	Land and Land Rights	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
77	361	Structures and Improvements	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
78	362	Station Equipment	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
79	364	Poles, Towers, and Fixtures	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
80	365	OH Conductors and Devices	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
81	366	Underground Conduit	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
82	367	UG Conductors and Devices	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL PERCENTAGE
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: X BASE PERIOD FORECASTED PERIOD
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTIONS BY ACCOUNT OR MAJOR GROUPINGS	JURIS. PERCENT	ALLOCATOR	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
83	368	Line Transformers	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
84	369	Services	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
85	370	Meters	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
86	371	Install on Customer Premise	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
87		<u>Electric General Plant</u>			
88	389	Land and Land Rights	90.241%	LABOR	Allocated O&M Labor Expense
89	390	Structures and Improvements	90.241%	LABOR	Allocated O&M Labor Expense
90	391	Office Furniture and Equipment	90.241%	LABOR	Allocated O&M Labor Expense
91	392	Transportation Equipment	90.241%	LABOR	Allocated O&M Labor Expense
92	393	Stores Equipment	90.241%	LABOR	Allocated O&M Labor Expense
93	394	Tools, Shop, and Garage Equipment	90.241%	LABOR	Allocated O&M Labor Expense
94	395	Laboratory Equipment	90.241%	LABOR	Allocated O&M Labor Expense
95	396	Power Operated Equipment	90.241%	LABOR	Allocated O&M Labor Expense
96	397	Communication Equipment	91.851%	LABOR, DIRECT	Allocated O&M Labor Expense, DSM Plant Directly Assigned to Kentucky Retail
97	398	Miscellaneous Equipment	90.241%	LABOR	Allocated O&M Labor Expense
98		<u>AMORTIZATION</u>			
99	302	Franchises and Consents	100.000%	PLT302TOT	Plant Account 302
100	303	Misc Intangible Plant	88.728%	PLT303TOT	Plant Account 303
101	310-317	Electric Steam Production	87.578%	STMSYS	Total Steam Production Plant
102	330-337	Electric Hydro Production	87.578%	HYDSYS	Total Hydraulic Production Plant
103	340-347	Electric Other Production	87.578%	OTHSYS	Total Other Production Plant
104	350-359	Kentucky System Transmission Property	95.064%	KYTRPLT	Kentucky System Transmission Plant
105	350-356	Virginia Transmission Property	13.102%	TRPLTVA	Virginia System Transmission Plant
106	360-374	Kentucky Distribution System	99.706%	DISTPLTK	Total Kentucky Distribution Plant
107	360-371	Virginia and Tennessee Distribution System	0.000%	DIRACDEP	Total Virginia and Tennessee Distribution Plant
108	389-398	General Plant	90.714%	GENPLT	Total General Plant
109	ALL	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
110		<u>CONSTRUCTION WORK IN PROGRESS</u>			
111	310-347	Production Plant	87.578%	PRODSYS	Total Production System Plant
112	350-359	Kentucky System Transmission Property	95.466%	KYTRPLT	Kentucky System Transmission Plant
113	350-356	Virginia Transmission Property	0.000%	VATRPLT	Virginia Transmission Plant
114	360-374	Kentucky Distribution System	100.000%	PLANTKY	Total Kentucky Electric Plant
115	360-371	Virginia and Tennessee Distribution System	0.000%	DIRCWIP	Virginia and Tennessee Directly Assigned
116	389-398	General Plant	90.714%	GENPLT	Total General Plant
117	ALL	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
118		<u>WORKING CAPITAL</u>			
119	151	Fuel Inventory	87.938%	ENERGY	Energy at Generation Level
120	154	Material and Supplies	88.465%	FUNCTIONAL	Production, Transmission, and Distribution Functional Plant
121	158	Emission Allowances	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
122	163	Stores Undistributed	88.465%	M&S	Total Material and Supplies
123	165	Prepayments	89.353%	EXP9245	Total Account 924 and 925 Expense
124		<u>CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAX</u>			
125	190, 282, 283	Production Plant	87.578%	PRODSYS	Total Production System Plant
126	190, 282, 283	Kentucky System Transmission Property	95.466%	KYTRPLT	Kentucky System Transmission Plant
127	190, 282, 283	Virginia Transmission Property	0.000%	VATRPLT	Virginia Transmission Plant

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL PERCENTAGE
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTIONS BY ACCOUNT OR MAJOR GROUPINGS	JURIS. PERCENT	ALLOCATOR	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
128	190, 282, 283	Kentucky and Tennessee Distribution System	100.000%	PLANTKY	Total Kentucky Electric Plant
129	190, 282, 283	Virginia Distribution System	0.000%	DIRCWIP	Virginia Directly Assigned
130	190, 282, 283	General Plant	90.714%	GENPLT	Total General Plant
131	190, 282, 283	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
132	252	Customer Advances for Construction	98.306%	CUSTADV	Directly Assigned
133	255	Deferred Investment Tax Credits	87.006%	PRODPLT	Total Production Plant
134	101, 108, 182, 230	Unamortized Closure Cost	87.578%	STMSYS	Total Steam Production Plant

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL PERCENTAGE
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD ___X___FORECASTED PERIOD
TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S):.

SCHEDULE B-7

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTIONS BY ACCOUNT OR MAJOR GROUPINGS	JURIS. PERCENT	ALLOCATOR	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
1		<u>PLANT IN SERVICE</u>			
2		<u>Electric Intangible Plant</u>			
3	301	Organization	88.837%	PTDGPLT	Total Production, Transmission, Distribution, and General plant
4	302	Franchises and Consents	100.000%	KURETPLT	Total Kentucky Retail Production, Transmission, Distribution, and General plant
5	303	Misc Intangible Plant	88.837%	PTDGPLT	Total Production, Transmission, Distribution, and General plant
6		<u>Electric Steam Production</u>			
7	310	Land and Land Rights	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
8	311	Structures and Improvements	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
9	312	Boiler Plant Equipment	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
9	313	Engines and engine-driven generators	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
10	314	Turbogenerator Units	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
11	315	Accessory Electric Equipment	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
12	316	Misc Power Plant Equip	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
13	317	ARO Cost Steam Production	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
14	311-316	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
15		<u>Electric Hydro Production</u>			
16	330	Land and Land Rights	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
17	331	Structures and Improvements	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
18	332	Reservoirs, Dams, and Water	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
19	333	Water Wheels, Turbines, Generators	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
20	334	Accessory Electric Equipment	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
21	335	Misc Power Plant Equipment	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
22	336	Roads, Railroads, and Bridges	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
23	337	ARO Cost Hydro Production	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
24	332-335	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
25		<u>Electric Other Production</u>			
26	340	Land and Land Rights	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
27	341	Structures and Improvements	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
28	342	Fuel Holders, Producers, Accessories	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
29	343	Prime Movers	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
30	344	Generators	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
31	345	Accessory Electric Equipment	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
32	346	Misc Power Plant Equipment	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
33	347	ARO Cost Other Production	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
34	341-346	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
35		<u>Electric Transmission</u>			
36		<u>Kentucky System Property</u>			
37	350	Land and Land Rights	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
38	352	Structures and Improvements	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
39	353	Station Equipment	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
40	354	Towers and Fixtures	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
41	355	Poles and Fixtures	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
42	356	OH Conductors and Devices	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
43	357	Underground Conduit	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
44	358	UG Conductors and Devices	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

JURISDICTIONAL PERCENTAGE

FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD ___X___FORECASTED PERIOD

SCHEDULE B-7

TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTIONS BY ACCOUNT OR MAJOR GROUPINGS	JURIS. PERCENT	ALLOCATOR	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
45	359	ARO Cost Elec Transmission	95.582%	DEMTRANNF	Retail Demand - Average 12 Coincident Peaks
46	350-358	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
47		<u>Virginia Property</u>			
48	350	Land and Land Rights	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
49	352	Structures and Improvements	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
50	353	Station Equipment	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
51	354	Towers and Fixtures	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
52	355	Poles and Fixtures	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
53	356	OH Conductors and Devices	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
54	352-356	Allowance for Funds Used During Construction	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
47		<u>Electric Distribution</u>			
48		<u>Kentucky System Property</u>			
49	360	Land and Land Rights	99.891%	DIRECT	Kentucky Situs Plant Directly Assigned to Retail and Wholesale
50	361	Structures and Improvements	97.392%	DIRECT	Kentucky Situs Plant Directly Assigned to Retail and Wholesale
51	362	Station Equipment	98.082%	DIRECT	Kentucky Situs Plant Directly Assigned to Retail and Wholesale
52	364	Poles, Towers, and Fixtures	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
53	365	OH Conductors and Devices	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
54	366	Underground Conduit	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
55	367	UG Conductors and Devices	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
56	368	Line Transformers	99.832%	DPRODKY, DIRECT	Assigned
57	369	Services	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
58	370	Meters	99.566%	DIRECT	Kentucky Situs Plant Directly Assigned to Retail and Wholesale
59	371	Install on Customer Premise	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
60	373	Street Lighting / Signal Systems	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
61	374	ARO Cost Elec Distribution	100.000%	DIRECT	Kentucky Situs Plant Directly Assigned
62		<u>Virginia Property</u>			
63	360	Land and Land Rights	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
64	361	Structures and Improvements	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
65	362	Station Equipment	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
66	364	Poles, Towers, and Fixtures	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
67	365	OH Conductors and Devices	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
68	366	Underground Conduit	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
69	367	UG Conductors and Devices	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
70	368	Line Transformers	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
71	369	Services	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
72	370	Meters	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
73	371	Install on Customer Premise	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
74	373	Street Lighting / Signal Systems	0.000%	DIRECT	Virginia Situs Plant Directly Assigned
75		<u>Tennessee Property</u>			
76	360	Land and Land Rights	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
77	361	Structures and Improvements	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
78	362	Station Equipment	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
79	364	Poles, Towers, and Fixtures	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
80	365	OH Conductors and Devices	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
81	366	Underground Conduit	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
82	367	UG Conductors and Devices	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL PERCENTAGE
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD ___X___FORECASTED PERIOD
TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S):.

SCHEDULE B-7
PAGE 7 OF 8
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTIONS BY ACCOUNT OR MAJOR GROUPINGS	JURIS. PERCENT	ALLOCATOR	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
83	368	Line Transformers	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
84	369	Services	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
85	370	Meters	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
86	371	Install on Customer Premise	0.000%	DIRECT	Tennessee Situs Plant Directly Assigned
87		<u>Electric General Plant</u>			
88	389	Land and Land Rights	90.371%	LABOR	Allocated O&M Labor Expense
89	390	Structures and Improvements	90.371%	LABOR	Allocated O&M Labor Expense
90	391	Office Furniture and Equipment	90.371%	LABOR	Allocated O&M Labor Expense
91	392	Transportation Equipment	90.371%	LABOR	Allocated O&M Labor Expense
92	393	Stores Equipment	90.371%	LABOR	Allocated O&M Labor Expense
93	394	Tools, Shop, and Garage Equipment	90.371%	LABOR	Allocated O&M Labor Expense
94	395	Laboratory Equipment	90.371%	LABOR	Allocated O&M Labor Expense
95	396	Power Operated Equipment	90.371%	LABOR	Allocated O&M Labor Expense
96	397	Communication Equipment	92.074%	LABOR, DIRECT	Allocated O&M Labor Expense, DSM Plant Directly Assigned to Kentucky Retail
97	398	Miscellaneous Equipment	90.371%	LABOR	Allocated O&M Labor Expense
98		<u>AMORTIZATION</u>			
99	302	Franchises and Consents	100.000%		Plant Account 302
100	303	Misc Intangible Plant	88.837%		Plant Account 303
101	310-317	Electric Steam Production	87.578%	STMSYS	Total Steam Production Plant
102	330-337	Electric Hydro Production	87.578%	HYDSYS	Total Hydraulic Production Plant
103	340-347	Electric Other Production	87.578%	OTHSYS	Total Other Production Plant
104	350-359	Kentucky System Transmission Property	95.106%	KYTRPLT	Kentucky System Transmission Plant
105	350-356	Virginia Transmission Property	13.040%	TRPLTVA	Virginia System Transmission Plant
106	360-374	Kentucky Distribution System	99.717%	DISTPLTK	Total Kentucky Distribution Plant
107	360-371	Virginia and Tennessee Distribution System	0.000%	DIRACDEP	Total Virginia and Tennessee Distribution Plant
108	389-398	General Plant	90.872%	GENPLT	Total General Plant
109	ALL	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
110		<u>CONSTRUCTION WORK IN PROGRESS</u>			
111	310-347	Production Plant	87.578%	PRODSYS	Total Production System Plant
112	350-359	Kentucky System Transmission Property	95.475%	KYTRPLTXF	Kentucky System Transmission Plant
113	350-356	Virginia Transmission Property	0.000%	VATRPLT	Virginia Transmission Plant
114	360-374	Kentucky Distribution System	100.000%	PLANTKY	Total Kentucky Electric Plant
115	360-371	Virginia and Tennessee Distribution System	0.000%	DIRCWIP	Virginia and Tennessee Directly Assigned
116	389-398	General Plant	90.872%	GENPLT	Total General Plant
117	ALL	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
118		<u>WORKING CAPITAL</u>			
119	151	Fuel Inventory	87.938%	ENERGY	Energy at Generation Level
120	154	Material and Supplies	88.554%	FUNCTIONAL	Production, Transmission, and Distribution Functional Plant
121	158	Emission Allowances	87.578%	DEMPROD	System Demand - Average 12 Coincident Peaks
122	163	Stores Undistributed	88.554%	M&S	Total Material and Supplies
123	165	Prepayments	89.465%	EXP9245	Total Account 924 and 925 Expense
124		<u>CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAX</u>			
125	190, 282, 283	Production Plant	87.578%	PRODSYS	Total Production System Plant
126	190, 282, 283	Kentucky System Transmission Property	95.475%	KYTRPLTXF	Kentucky System Transmission Plant
127	190, 282, 283	Virginia Transmission Property	0.000%	VATRPLT	Virginia Transmission Plant

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL PERCENTAGE
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S):.

SCHEDULE B-7
PAGE 8 OF 8
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTIONS BY ACCOUNT OR MAJOR GROUPINGS	JURIS. PERCENT	ALLOCATOR	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
128	190, 282, 283	Kentucky and Tennessee Distribution System	100.000%	PLANTKY	Total Kentucky Electric Plant
129	190, 282, 283	Virginia Distribution System	0.000%	DIRCWIP	Virginia Directly Assigned
130	190, 282, 283	General Plant	90.872%	GENPLT	Total General Plant
131	190, 282, 283	Allowance for Funds Used During Construction	0.000%	DEMFERC	Demand - Virginia and FERC Jurisdictions
132	252	Customer Advances for Construction	98.306%	CUSTADV	Directly Assigned
133	255	Deferred Investment Tax Credits	87.012%	PRODPLT	Total Production Plant
134	101, 108, 182, 230	Unamortized Closure Cost	87.578%	STMSYS	Total Steam Production Plant

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

JURISDICTIONAL STATISTICS - RATE BASE

BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-7.1

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	RATE BASE COMPONENT	STATISTIC TOTAL COMPANY	ADJUSTMENT TO TOTAL COMPANY STATISTIC	ADJUSTED STATISTIC FOR TOTAL COMPANY	STATISTIC FOR RATE AREA (SCHEDULE B-1)	ALLOCATION FACTOR %
(A)	(B)	(C)	(D)	(E=C+D)	(F)	(G=F/E)
1	Plant in Service	9,282,639,662	(1,689,523,497)	7,593,116,165	6,763,836,329	89.079%
2	Property Held for Future Use	747,511	-	747,511	384,971	51.500%
3	Accumulated Depreciation and Amortization	(3,083,012,494)	169,417,030	(2,913,595,464)	(2,573,686,914)	88.334%
4	Net Plant in Service (Lines 1+2+3)	6,200,374,679	(1,520,106,467)	4,680,268,212	4,190,534,386	89.536%
5	Construction Work in Progress	139,671,981	(64,188,483)	75,483,498	69,767,636	92.428%
6	Net Plant (Lines 4+5)	6,340,046,660	(1,584,294,950)	4,755,751,710	4,260,302,022	89.582%
7	Cash Working Capital Allowance	111,647,266	(3,109,255)	108,538,011	101,002,227	93.057%
8	Other Working Capital Allowances	169,611,005	(136,560)	169,474,445	150,181,362	88.616%
9	Customer Advances for Construction	(1,576,406)	-	(1,576,406)	(1,549,704)	98.306%
10	Deferred Income Taxes	(1,198,800,295)	280,314,806	(918,485,489)	(819,583,394)	89.232%
11	Investment Tax Credits	(94,865,036)	-	(94,865,036)	(82,538,337)	87.006%
12	Other Items	4,288,025	(4,288,025)	-	-	0.000%
13	Rate Base (Lines 6 through 12)	5,330,351,219	(1,311,513,984)	4,018,837,235	3,607,814,177	89.773%

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

JURISDICTIONAL STATISTICS - RATE BASE

FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD

SCHEDULE B-7.1

TYPE OF FILING: __X__ ORIGINAL ___ UPDATED ___ REVISED

PAGE 2 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	RATE BASE COMPONENT	STATISTIC TOTAL COMPANY	ADJUSTMENT TO TOTAL COMPANY STATISTIC	ADJUSTED STATISTIC FOR TOTAL COMPANY	STATISTIC FOR RATE AREA (SCHEDULE B-1)	ALLOCATION FACTOR %
(A)	(B)	(C)	(D)	(E=C+D)	(F)	(G=F/E)
1	Plant in Service	9,526,311,610	(1,712,238,352)	7,814,073,258	6,970,368,268	89.203%
2	Property Held for Future Use	747,511	-	747,511	384,971	51.500%
3	Accumulated Depreciation and Amortization	(3,301,600,481)	245,570,706	(3,056,029,774)	(2,699,542,764)	88.335%
4	Net Plant in Service (Lines 1+2+3)	6,225,458,640	(1,466,667,646)	4,758,790,995	4,271,210,475	89.754%
5	Construction Work in Progress	310,684,175	(183,727,411)	126,956,764	118,703,941	93.500%
6	Net Plant (Lines 4+5)	6,536,142,815	(1,650,395,056)	4,885,747,759	4,389,914,416	89.851%
7	Cash Working Capital Allowance	117,152,090	(2,988,450)	114,163,640	106,348,560	93.154%
8	Other Working Capital Allowances	153,196,524	(136,560)	153,059,964	135,979,598	88.841%
9	Customer Advances for Construction	(1,576,406)	-	(1,576,406)	(1,549,704)	98.306%
10	Deferred Income Taxes	(1,320,499,235)	305,379,172	(1,015,120,063)	(910,427,698)	89.687%
11	Investment Tax Credits	(93,303,580)	-	(93,303,580)	(81,185,411)	87.012%
12	Other Items	27,237,539	(27,237,539)	-	-	0.000%
13	Rate Base (Lines 6 through 12)	5,418,349,747	(1,375,378,432)	4,042,971,315	3,639,079,760	90.010%

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES - RATE BASE

BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-7.2

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION	PROCEDURES APPROVED IN PRIOR CASE	RATIONALE FOR CHANGE
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THERE HAVE BEEN NO CHANGES IN JURISDICTIONAL PROCEDURES FROM PRIOR CASE.

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY
AS OF DECEMBER 31, 2011 - 2015 AND BASE AND FORECASTED PERIODS

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

SCHEDULE B-8
PAGE 1 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST		BASE		2015	% CHANGE	2014	% CHANGE	2013	% CHANGE	2012	% CHANGE	2011
		PERIOD	% CHANGE	PERIOD	% CHANGE									
1	ASSETS													
2	UTILITY PLANT													
3	Utility Plant	\$ 9,527,059,121	2.62%	\$ 9,283,387,173	5.31%	\$ 8,814,981,934	13.19%	\$ 7,787,639,370	11.73%	\$ 6,969,992,612	3.39%	\$ 6,741,590,336	4.63%	\$ 6,443,488,241
4	Construction Work in Progress	310,684,175	122.44%	139,671,981	-47.69%	267,026,968	-69.66%	880,068,809	-22.71%	1,138,612,872	132.28%	490,181,659	44.29%	339,711,432
5	Total Utility Plant	\$ 9,837,743,295	4.40%	\$ 9,423,059,154	3.76%	\$ 9,082,008,901	4.78%	\$ 8,667,708,179	6.90%	\$ 8,108,605,484	12.12%	\$ 7,231,771,995	6.61%	\$ 6,783,199,672
6	Less: Accumulated Provision for Depreciation	3,301,600,481	7.09%	3,083,012,484	8.18%	2,849,851,989	1.82%	2,798,968,737	5.72%	2,647,410,913	5.07%	2,519,600,372	5.20%	2,395,037,773
7	Net Utility Plant	\$ 6,536,142,814	3.09%	\$ 6,340,046,660	1.73%	\$ 6,232,156,912	6.19%	\$ 5,868,739,442	7.46%	\$ 5,461,194,571	15.90%	\$ 4,712,171,624	7.38%	\$ 4,388,161,900
8	OTHER PROPERTY AND INVESTMENTS													
9	Nonutility Property-Less Reserve	\$ 971,313	0.00%	\$ 971,313	0.00%	\$ 971,313	0.00%	\$ 971,313	-0.04%	\$ 971,720	0.00%	\$ 971,720	442.49%	\$ 179,121
10	Investment in Subsidiary Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	13,628,645
11	Other Investments	250,000	0.00%	250,000	0.00%	250,000	0.00%	250,000	0.00%	250,000	0.00%	250,000	0.00%	250,000
12	Special Funds	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
13	Total Other Property and Investments	\$ 1,221,313	0.00%	\$ 1,221,313	0.00%	\$ 1,221,313	0.00%	\$ 1,221,313	-0.03%	\$ 1,221,720	0.00%	\$ 1,221,720	-91.31%	\$ 14,057,765
14	CURRENT AND ACCRUED ASSETS													
15	Cash	\$ 5,000,000	0.00%	\$ 5,000,000	-29.98%	\$ 7,140,988	1.89%	\$ 7,008,866	40.29%	\$ 4,995,915	-30.25%	\$ 7,162,535	-76.97%	\$ 31,096,140
16	Special Deposits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	100.00%	45,500
17	Working Funds	61,030	0.00%	61,030	0.00%	61,030	0.00%	61,030	58.40%	38,530	0.00%	38,530	-1.28%	39,030
18	Temporary Cash Investments	(0)	100.00%	9,033,499	112.40%	4,253,006	4.58%	4,066,766	-74.02%	15,653,517	14.49%	13,671,874	31204.03%	43,674
19	Customer Accounts Receivable	127,149,953	-5.40%	134,412,179	13.19%	118,748,901	-6.28%	126,706,511	2.92%	123,112,411	61.96%	76,011,996	6.50%	71,373,905
20	Other Accounts Receivable	3,766,533	0.00%	3,766,533	-52.27%	7,890,513	40.69%	5,608,374	-49.86%	11,185,718	-9.30%	12,332,418	-9.99%	13,700,580
21	Less: Accum Prov. for Uncollectable Accts-Credit	1,796,899	0.00%	1,796,899	-1.92%	1,832,010	-24.22%	2,417,633	-44.85%	4,383,968	91.53%	2,288,955	14.22%	2,004,312
22	Accounts Receivable from Associated Companies	4,333,388	463.10%	769,557	-9.25%	847,986	-98.58%	59,765,613	91415.64%	65,306	-99.13%	7,502,801	18839.01%	39,616
23	Fuel	81,295,505	-12.98%	93,419,541	-3.74%	97,051,051	-2.25%	99,282,056	27.60%	77,808,312	-11.59%	88,011,247	-9.03%	96,745,429
24	Plant Materials and Operating Supplies	44,048,859	-0.62%	44,324,299	7.63%	41,183,222	6.54%	38,655,516	6.18%	36,405,243	2.25%	35,604,100	4.60%	34,036,932
25	Allowances	136,560	0.00%	136,560	-2.70%	140,356	-11.65%	158,872	-45.87%	293,509	-9.52%	324,397	-27.99%	450,462
26	Stores Expense Undistributed	10,515,071	0.00%	10,515,071	12.20%	9,371,630	-11.37%	10,574,016	3.53%	10,213,703	-1.79%	10,400,123	4.90%	9,914,010
27	Prepayments	19,426,926	7.16%	18,129,096	141.29%	7,513,312	-1.52%	7,629,374	29.01%	5,913,625	-22.92%	7,672,504	5.31%	7,285,320
28	Interest, Dividends and Rents Receivable	345,837	0.00%	345,837	-57.06%	805,401	-38.27%	1,304,680	38.62%	941,160	86.55%	504,508	2277.64%	21,219
29	Accrued Utility Revenues	105,830,480	0.00%	105,830,480	32.15%	80,083,721	-12.06%	91,068,107	-3.57%	94,441,382	12.50%	83,946,327	3.41%	81,180,950
30	Miscellaneous Current Assets	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	7,142,276	100.00%	-
31	Total Current and Accrued Assets	\$ 400,113,243	-5.62%	\$ 423,946,781	13.58%	\$ 373,259,106	-16.96%	\$ 449,472,147	19.32%	\$ 376,684,363	8.23%	\$ 348,036,681	1.18%	\$ 343,968,457
32	DEFERRED DEBITS													
33	Unamortized Debt Expense	\$ 17,630,904	-5.92%	\$ 18,740,791	-10.44%	\$ 20,924,669	12.41%	\$ 18,614,827	-6.35%	\$ 19,877,251	2.13%	\$ 19,463,065	-9.90%	\$ 21,600,913
34	Other Regulatory Assets	519,033,463	7.12%	484,527,075	27.79%	379,151,145	15.08%	329,468,702	38.68%	237,578,508	-16.91%	285,920,284	6.36%	268,828,296
35	Preliminary Survey and Inventory	5,699,778	0.00%	5,699,778	-15.70%	6,761,703	18.14%	5,723,428	141.40%	2,370,925	-54.83%	5,249,306	29.57%	4,051,457
36	Clearing Accounts	85,112	0.00%	85,112	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
37	Miscellaneous Deferred Debits	48,140,486	0.18%	48,053,670	17.17%	41,010,309	5.26%	38,961,966	-0.01%	38,965,723	-0.14%	39,021,595	-5.15%	41,140,563
38	Unamortized Loss on Re-Acquired Debt	8,686,993	-6.38%	9,279,281	4.18%	8,907,228	-7.13%	9,590,735	-0.49%	9,638,316	-13.74%	11,174,052	-5.10%	11,775,117
39	Accumulated Deferred Income Taxes	351,912,941	0.00%	351,912,941	-1.71%	358,038,656	61.50%	221,690,914	6.43%	208,306,280	28.33%	162,326,629	87.13%	86,746,693
40	Total Deferred Debits	\$ 951,189,677	3.58%	\$ 918,298,648	12.70%	\$ 814,793,709	30.57%	\$ 624,050,571	20.77%	\$ 516,737,002	-1.23%	\$ 523,154,931	20.50%	\$ 434,143,039
41	Total Assets	\$ 7,888,667,047	2.67%	\$ 7,683,513,402	3.53%	\$ 7,421,431,040	6.88%	\$ 6,943,483,474	9.25%	\$ 6,355,837,657	13.81%	\$ 5,584,584,956	7.80%	\$ 5,180,331,161

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY
AS OF DECEMBER 31, 2011 - 2015 AND BASE AND FORECASTED PERIODS

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

SCHEDULE B-8
PAGE 2 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST		BASE		2015		2014		2013		2012		2011	
		PERIOD	% CHANGE	PERIOD	% CHANGE		% CHANGE		% CHANGE		% CHANGE		% CHANGE		% CHANGE
1	LIABILITIES & PROPRIETARY CAPITAL														
2	PROPRIETARY CAPITAL														
3	Common Stock Issued	\$ 308,139,978	0.00%	\$ 308,139,978	0.00%	\$ 308,139,978	0.00%	\$ 308,139,978	0.00%	\$ 308,139,978	0.00%	\$ 308,139,978	0.00%	\$ 308,139,978	0.00%
4	Paid in Capital	574,787,293	-5.05%	605,354,638	7.36%	563,858,083	0.00%	563,858,083	19.24%	472,858,083	49.71%	315,858,083	0.00%	315,858,083	0.00%
5	(Less) Capital Stock Expense	321,289	0.00%	321,289	0.00%	321,289	0.00%	321,289	0.00%	321,289	0.00%	321,289	0.00%	321,289	0.00%
6	Other Comprehensive Income	(1,795,298)	0.00%	(1,795,298)	10.33%	(1,627,215)	32.02%	(1,232,509)	34.40%	(917,020)	121.50%	(414,003)	-83.16%	(2,457,900)	
7	Retained Earnings	1,907,762,050	3.26%	1,847,577,125	2.12%	1,809,303,187	4.65%	1,728,986,179	4.31%	1,657,535,909	7.31%	1,544,620,113	3.62%	1,490,663,791	
8	Unappropriated Undistributed Subsidiary Earnings	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	8,900,202	-45.58%	16,355,595	
9	Total Proprietary Capital	\$ 2,788,572,734	1.07%	\$ 2,758,955,153	2.97%	\$ 2,679,352,744	3.07%	\$ 2,599,430,441	6.65%	\$ 2,437,295,661	11.97%	\$ 2,176,783,084	2.28%	\$ 2,128,238,257	
10	LONG-TERM DEBT														
11	Bonds	\$ 2,350,779,405	0.00%	\$ 2,350,779,405	0.00%	\$ 2,350,779,405	11.90%	\$ 2,100,779,405	0.00%	\$ 2,100,779,405	13.51%	\$ 1,850,779,405	0.00%	\$ 1,850,779,405	
12	Long-Term Debt to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
13	Unamortized Discount on Long-Term Debt	(8,570,756)	-5.00%	(9,021,416)	-6.50%	(9,648,803)	-3.62%	(10,011,254)	-6.52%	(10,709,837)	12.11%	(9,552,594)	-6.24%	(10,187,844)	
14	Total Long-Term Debt	\$ 2,342,208,649	0.02%	\$ 2,341,757,989	0.03%	\$ 2,341,130,602	11.97%	\$ 2,090,768,151	0.03%	\$ 2,090,069,568	13.52%	\$ 1,841,226,811	0.03%	\$ 1,840,591,561	
15	OTHER NON-CURRENT LIABILITIES														
16	Accumulated Provision for Injuries and Damages	\$ 2,343,040	0.00%	\$ 2,343,040	0.00%	\$ 2,343,040	14.30%	\$ 2,049,992	-6.15%	\$ 2,184,308	-6.26%	\$ 2,330,079	-13.55%	\$ 2,695,348	
17	Accumulated Provision for Pensions and Benefits	100,363,018	-10.80%	112,513,072	20.08%	93,702,289	-20.33%	117,607,470	95.47%	60,166,262	-63.53%	164,960,206	8.88%	151,503,931	
18	Total Other Non-Current Liabilities	\$ 102,706,057	-10.58%	\$ 114,856,112	19.59%	\$ 96,045,329	-19.73%	\$ 119,657,462	91.91%	\$ 62,350,570	-62.73%	\$ 167,290,285	8.49%	\$ 154,199,279	
19	CURRENT AND ACCRUED LIABILITIES														
20	Notes Payable	\$ 129,187,211	100.00%	\$ -	-100.00%	\$ 47,997,120	-79.63%	\$ 235,592,322	57.10%	\$ 149,967,366	114.27%	\$ 69,991,513	100.00%	\$ -	
21	Accounts Payable	77,531,048	-6.62%	83,023,736	-23.38%	108,362,454	-29.19%	153,042,158	-11.36%	172,652,307	11.00%	155,544,176	29.99%	119,658,899	
22	Notes Payable to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
23	Accounts Payable to Associated Companies	48,268,450	-1.12%	48,816,329	24.60%	39,179,663	-15.91%	46,590,075	83.81%	25,347,065	-23.80%	33,264,763	0.26%	33,178,775	
24	Customer Deposits	28,000,984	0.00%	28,000,984	6.67%	26,249,503	-3.69%	27,255,893	6.24%	25,654,975	3.40%	24,810,221	8.52%	22,862,412	
25	Taxes Accrued	25,935,889	-45.82%	47,866,840	134.32%	20,427,557	46.18%	13,974,039	-57.02%	32,514,050	24.09%	26,203,000	144.20%	10,729,938	
26	Interest Accrued	23,187,440	-24.33%	30,643,072	94.43%	15,760,841	35.59%	11,624,315	0.87%	11,524,331	13.86%	10,121,873	-4.69%	10,619,839	
27	Tax Collections Payable	5,209,779	0.00%	5,209,779	30.59%	3,989,312	-23.63%	5,223,518	13.70%	4,594,183	20.85%	3,801,493	-0.10%	3,805,278	
28	Miscellaneous Current and Accrued Liabilities	28,422,230	-47.55%	54,190,996	183.61%	19,107,816	-64.21%	53,393,554	217.22%	16,831,456	-4.79%	17,677,735	15.00%	15,371,963	
29	Total Current and Accrued Liabilities	\$ 365,743,032	22.83%	\$ 297,751,736	5.93%	\$ 281,074,268	-48.59%	\$ 546,695,875	24.51%	\$ 439,085,732	28.61%	\$ 341,414,775	57.90%	\$ 216,227,104	
30	DEFERRED CREDITS														
31	Customer Advances for Construction	\$ 1,576,406	0.00%	\$ 1,576,406	-19.93%	\$ 1,968,685	-11.26%	\$ 2,218,445	-23.03%	\$ 2,882,357	-3.45%	\$ 2,985,264	-5.41%	\$ 3,155,939	
32	Accumulated Deferred Investment Tax Credits	93,303,580	-1.65%	94,865,036	1.98%	93,018,938	-1.95%	94,865,140	-1.93%	96,736,400	-1.90%	98,607,658	-2.76%	101,407,768	
33	Other Deferred Credits	6,310,542	0.00%	6,310,542	-27.30%	8,679,929	-77.45%	38,495,004	11.38%	34,563,218	41.06%	24,502,327	252.77%	6,945,601	
34	Other Regulatory Liabilities	142,182,266	-3.23%	146,924,639	-4.22%	153,390,896	12.71%	136,098,871	-9.53%	150,443,179	29.14%	116,493,151	7.55%	108,313,656	
35	Asset Retirement Obligation	367,386,595	-0.82%	370,414,220	2.28%	362,143,424	71.66%	210,966,864	17.95%	178,860,881	157.09%	69,570,067	12.59%	61,789,582	
36	Miscellaneous Long-Term Liabilities	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
37	Accumulated Deferred Income Taxes	1,678,677,187	8.29%	1,550,101,570	10.36%	1,404,626,225	27.20%	1,104,287,221	27.88%	863,550,092	15.80%	745,711,533	33.29%	559,462,412	
38	Total Deferred Credits	\$ 2,289,436,576	5.49%	\$ 2,170,192,413	7.23%	\$ 2,023,828,098	27.53%	\$ 1,586,931,544	19.58%	\$ 1,327,036,126	25.44%	\$ 1,057,870,000	25.78%	\$ 841,074,959	
39	Total Liabilities and Stockholders Equity	\$ 7,888,667,047	2.67%	\$ 7,683,513,402	3.53%	\$ 7,421,431,040	6.88%	\$ 6,943,483,474	9.25%	\$ 6,355,837,657	13.81%	\$ 5,584,584,956	7.80%	\$ 5,180,331,161	

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COMPARATIVE BALANCE SHEETS - JURISDICTIONAL
AS OF DECEMBER 31, 2011 - 2015 AND BASE AND FORECASTED PERIODS

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

SCHEDULE B-8
PAGE 3 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST		BASE		2015	% CHANGE	2014	% CHANGE	2013	% CHANGE	2012	% CHANGE	2011
		PERIOD	% CHANGE	PERIOD	% CHANGE									
1	ASSETS													
2	UTILITY PLANT													
3	Utility Plant	\$ 8,463,527,047	2.75%	\$ 8,236,955,902	5.47%	\$ 7,809,708,173	13.07%	\$ 6,907,252,256	13.06%	\$ 6,109,393,920	3.76%	\$ 5,888,197,066	4.88%	\$ 5,614,477,615
4	Construction Work in Progress	279,608,229	121.94%	125,982,146	-47.39%	239,479,528	-69.05%	773,835,127	-22.11%	993,501,971	133.39%	425,678,587	43.48%	296,680,367
5	Total Utility Plant	\$ 8,743,135,276	4.55%	\$ 8,362,938,048	3.90%	\$ 8,049,187,701	4.79%	\$ 7,681,087,383	8.14%	\$ 7,102,895,891	12.50%	\$ 6,313,875,653	6.81%	\$ 5,911,157,982
6	Less: Accumulated Provision for Depreciation	2,912,060,195	7.05%	2,720,167,537	8.14%	2,515,389,531	1.80%	2,470,919,404	7.23%	2,304,221,652	5.50%	2,184,105,856	4.96%	2,080,817,095
7	Net Utility Plant	\$ 5,831,075,081	3.34%	\$ 5,642,770,511	1.97%	\$ 5,533,798,170	6.21%	\$ 5,210,167,979	8.58%	\$ 4,798,674,239	16.20%	\$ 4,129,769,797	7.82%	\$ 3,830,340,887
8	OTHER PROPERTY AND INVESTMENTS													
9	Nonutility Property-Less Reserve	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -
10	Investment in Subsidiary Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
11	Other Investments	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
12	Special Funds	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
13	Total Other Property and Investments	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -
14	CURRENT AND ACCRUED ASSETS													
15	Cash	\$ 4,464,000	0.20%	\$ 4,455,000	-29.87%	\$ 6,352,622	1.95%	\$ 6,230,817	41.76%	\$ 4,395,326	-30.08%	\$ 6,286,161	-76.88%	\$ 27,191,099
16	Special Deposits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	39,786
17	Working Funds	54,488	0.20%	54,378	0.16%	54,292	0.07%	54,255	60.05%	33,898	0.24%	33,816	-0.92%	34,129
18	Temporary Cash Investments	-	-100.00%	8,048,847	112.74%	3,783,474	4.65%	3,615,317	-73.75%	13,771,713	14.77%	11,999,049	31319.35%	38,190
19	Customer Accounts Receivable	109,866,139	-5.40%	116,141,193	12.12%	103,591,006	-14.76%	121,522,714	14.42%	106,205,466	77.76%	59,746,879	2.91%	58,059,485
20	Other Accounts Receivable	3,362,761	0.20%	3,355,981	-52.19%	7,019,400	40.79%	4,985,792	-49.34%	9,841,015	-9.08%	10,823,482	-9.65%	11,980,067
21	Less: Accum Prov. for Uncollectable Accts-Credit	1,604,271	0.20%	1,601,037	-1.76%	1,629,756	-24.17%	2,149,253	-44.28%	3,856,945	91.99%	2,008,889	14.62%	1,752,611
22	Accounts Receivable from Associated Companies	3,916,129	463.91%	694,458	-9.16%	764,513	-98.58%	53,913,347	92231.60%	58,391	-99.13%	6,692,972	18897.39%	35,231
23	Fuel	71,489,839	-12.98%	82,151,503	-3.78%	85,381,311	-2.19%	87,293,860	28.06%	68,167,723	-11.28%	76,831,432	-8.48%	83,949,393
24	Plant Materials and Operating Supplies	39,006,996	-0.52%	39,211,399	7.88%	36,347,735	6.53%	34,118,673	7.71%	31,676,565	2.45%	30,917,960	4.65%	29,543,376
25	Allowances	119,596	0.00%	119,596	-2.76%	122,986	-11.65%	139,208	-45.64%	256,081	-9.13%	281,803	-27.82%	390,412
26	Stores Expense Undistributed	9,311,509	0.10%	9,302,135	12.39%	8,276,938	-11.37%	9,338,521	5.08%	8,887,045	-1.60%	9,031,280	4.95%	8,605,163
27	Prepayments	16,171,254	5.93%	15,266,128	127.54%	6,709,306	-3.47%	6,950,608	33.26%	5,215,668	-22.77%	6,753,680	5.47%	6,403,337
28	Interest, Dividends and Rents Receivable	308,763	0.20%	308,141	-56.99%	716,484	-38.23%	1,159,848	40.08%	828,017	87.01%	442,778	2286.43%	18,554
29	Accrued Utility Revenues	91,060,697	0.00%	91,060,697	33.16%	68,383,000	-11.28%	77,080,000	-2.54%	79,091,763	12.28%	70,441,996	3.58%	68,005,443
30	Miscellaneous Current Assets	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	6,288,381	100.00%	-
31	Total Current and Accrued Assets	\$ 347,527,900	-5.71%	\$ 368,568,419	13.10%	\$ 325,873,311	-19.39%	\$ 404,253,707	24.55%	\$ 324,571,726	10.20%	\$ 294,542,780	0.68%	\$ 292,541,054
32	DEFERRED DEBITS													
33	Unamortized Debt Expense	\$ 15,740,871	-5.73%	\$ 16,698,045	-10.30%	\$ 18,614,583	12.49%	\$ 16,548,407	-5.37%	\$ 17,487,686	2.38%	\$ 17,081,657	-9.56%	\$ 18,888,278
34	Other Regulatory Assets	450,489,434	7.12%	420,539,991	25.37%	335,436,359	13.54%	295,427,181	39.63%	211,572,234	-13.33%	244,102,090	6.27%	229,695,839
35	Preliminary Survey and Inventory	5,088,762	0.20%	5,078,502	-15.57%	6,015,210	18.22%	5,088,074	143.93%	2,085,901	-54.72%	4,607,026	30.04%	3,542,676
36	Clearing Accounts	76,917	0.14%	76,806	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
37	Miscellaneous Deferred Debits	42,169,534	0.18%	42,093,486	17.12%	35,940,789	5.26%	34,143,431	0.42%	34,001,188	0.29%	33,902,038	-4.94%	35,662,141
38	Unamortized Loss on Re-Acquired Debt	7,755,748	-6.19%	8,267,840	4.34%	7,923,869	-7.06%	8,526,074	0.55%	8,479,635	-13.53%	9,806,848	-4.75%	10,296,402
39	Accumulated Deferred Income Taxes	314,409,731	0.38%	313,210,316	-1.54%	318,105,572	60.89%	197,715,483	7.96%	183,131,021	28.33%	142,708,330	88.20%	75,828,828
40	Total Deferred Debits	\$ 835,730,997	3.69%	\$ 805,964,986	11.62%	\$ 722,036,382	29.53%	\$ 557,448,650	22.04%	\$ 456,757,665	1.01%	\$ 452,207,989	20.94%	\$ 373,914,165
41	Total Assets	\$ 7,014,333,978	2.89%	\$ 6,817,303,916	3.58%	\$ 6,581,707,863	6.64%	\$ 6,171,870,336	10.61%	\$ 5,580,003,629	14.43%	\$ 4,876,520,565	8.44%	\$ 4,496,796,106

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COMPARATIVE BALANCE SHEETS - JURISDICTIONAL
AS OF DECEMBER 31, 2011 - 2015 AND BASE AND FORECASTED PERIODS

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

SCHEDULE B-8
PAGE 4 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST		BASE		2015		2014		2013		2012		2011	
		PERIOD	% CHANGE	PERIOD	% CHANGE		% CHANGE		% CHANGE		% CHANGE		% CHANGE		% CHANGE
1	LIABILITIES & PROPRIETARY CAPITAL														
2	PROPRIETARY CAPITAL														
3	Common Stock Issued	\$ 275,107,372	0.20%	\$ 274,552,720	0.16%	\$ 274,121,285	0.07%	\$ 273,933,567	1.05%	\$ 271,096,600	0.24%	\$ 270,437,441	0.37%	\$ 269,443,873	
4	Paid in Capital	513,170,095	-4.86%	539,370,982	7.53%	501,608,079	0.07%	501,264,579	20.49%	416,012,943	50.07%	277,211,196	0.37%	276,192,742	
5	(Less) Capital Stock Expense	286,847	0.20%	286,268	0.16%	285,819	0.07%	285,623	1.05%	282,665	0.24%	281,977	0.37%	280,942	
6	Other Comprehensive Income	(1,602,842)	0.20%	(1,599,611)	10.50%	(1,447,571)	32.12%	(1,095,689)	35.81%	(806,780)	100.00%	-	0.00%	-	
7	Retained Earnings	1,703,249,958	3.47%	1,646,191,218	2.28%	1,609,555,887	4.72%	1,537,052,594	5.40%	1,458,273,456	7.57%	1,355,627,771	4.00%	1,303,466,782	
8	Unappropriated Undistributed Subsidiary Earnings	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
9	Total Proprietary Capital	\$ 2,489,637,736	1.28%	\$ 2,458,229,041	3.13%	\$ 2,383,551,861	3.15%	\$ 2,310,869,428	7.77%	\$ 2,144,293,554	12.68%	\$ 1,902,994,431	2.93%	\$ 1,848,822,455	
10	LONG-TERM DEBT														
11	Bonds	\$ 2,098,775,853	0.20%	\$ 2,094,544,450	0.16%	\$ 2,091,253,062	11.98%	\$ 1,867,573,305	1.05%	\$ 1,848,231,961	13.78%	\$ 1,624,326,873	0.37%	\$ 1,618,359,210	
12	Long-Term Debt to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
13	Unamortized Discount on Long-Term Debt	(7,651,971)	-4.80%	(8,038,082)	-6.36%	(8,583,574)	-3.55%	(8,899,911)	-5.54%	(9,422,342)	12.39%	(8,383,784)	-5.89%	(8,908,458)	
14	Total Long-Term Debt	\$ 2,091,123,882	0.22%	\$ 2,086,506,368	0.18%	\$ 2,082,669,488	12.05%	\$ 1,858,673,394	1.08%	\$ 1,838,809,619	13.79%	\$ 1,615,943,089	0.40%	\$ 1,609,450,752	
15	OTHER NON-CURRENT LIABILITIES														
16	Accumulated Provision for Injuries and Damages	\$ 2,117,430	0.14%	\$ 2,114,390	0.09%	\$ 2,112,397	14.23%	\$ 1,849,256	-5.31%	\$ 1,953,010	-6.04%	\$ 2,078,578	-13.29%	\$ 2,397,044	
17	Accumulated Provision for Pensions and Benefits	90,699,123	-10.67%	101,533,259	20.19%	84,478,470	-20.37%	106,091,313	97.21%	53,795,213	-63.44%	147,154,916	9.22%	134,736,439	
18	Total Other Non-Current Liabilities	\$ 92,816,553	-10.45%	\$ 103,647,649	19.70%	\$ 86,590,867	-19.78%	\$ 107,940,569	93.62%	\$ 55,748,223	-62.64%	\$ 149,233,494	8.82%	\$ 137,133,483	
19	CURRENT AND ACCRUED LIABILITIES														
20	Notes Payable	\$ 115,338,342	100.00%	\$ -	-100.00%	\$ 42,698,232	-79.61%	\$ 209,439,378	58.74%	\$ 131,938,878	114.79%	\$ 61,427,685	100.00%	\$ -	
21	Accounts Payable	70,065,631	-6.48%	74,921,699	-23.31%	97,695,525	-29.23%	138,056,227	-10.57%	154,370,031	11.25%	138,755,223	30.39%	106,415,812	
22	Notes Payable to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
23	Accounts Payable to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
24	Customer Deposits	26,622,984	0.00%	26,622,984	6.89%	24,908,053	-3.91%	25,921,052	4.73%	24,750,051	3.35%	23,947,834	7.20%	22,340,247	
25	Taxes Accrued	23,155,562	-45.71%	42,649,354	134.69%	18,172,353	46.28%	12,422,790	-56.57%	28,605,338	24.39%	22,996,926	145.11%	9,382,476	
26	Interest Accrued	20,701,746	-24.18%	27,302,977	94.73%	14,020,842	35.68%	10,333,908	1.92%	10,138,921	14.13%	8,883,409	-4.34%	9,286,204	
27	Tax Collections Payable	4,544,678	0.00%	4,544,677	31.99%	3,443,074	-24.03%	4,532,001	11.63%	4,059,933	26.19%	3,217,416	0.23%	3,210,022	
28	Miscellaneous Current and Accrued Liabilities	26,456,974	-47.55%	50,443,958	184.44%	17,734,450	-63.18%	48,164,634	209.16%	15,579,147	-4.68%	16,343,950	14.71%	14,247,467	
29	Total Current and Accrued Liabilities	\$ 286,885,917	26.67%	\$ 226,485,649	3.57%	\$ 218,672,529	-51.28%	\$ 448,869,990	21.50%	\$ 369,442,298	34.06%	\$ 275,572,443	67.13%	\$ 164,882,229	
30	DEFERRED CREDITS														
31	Customer Advances for Construction	\$ 1,549,704	0.00%	\$ 1,549,704	-22.93%	\$ 2,010,715	-8.15%	\$ 2,189,028	-24.05%	\$ 2,882,357	-3.45%	\$ 2,985,264	-0.43%	\$ 2,998,149	
32	Accumulated Deferred Investment Tax Credits	81,185,411	-1.64%	82,538,337	2.03%	80,894,843	-1.90%	82,459,256	-0.94%	83,238,778	-1.90%	84,848,940	-2.48%	87,006,521	
33	Other Deferred Credits	5,632,339	0.00%	5,632,339	-26.04%	7,615,538	-77.43%	33,738,882	11.88%	30,156,091	41.58%	21,299,609	252.77%	6,037,840	
34	Other Regulatory Liabilities	126,261,622	-3.23%	130,472,975	-4.67%	136,859,083	14.93%	119,078,902	-10.18%	132,568,066	31.14%	101,087,786	7.29%	94,220,138	
35	Asset Retirement Obligation	321,748,825	-0.82%	324,400,350	2.23%	317,326,124	71.66%	184,855,402	18.46%	156,052,187	158.21%	60,435,357	12.85%	53,552,579	
36	Miscellaneous Long-Term Liabilities	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
37	Accumulated Deferred Income Taxes	1,499,781,286	8.71%	1,379,624,747	10.55%	1,247,964,211	26.71%	984,860,756	29.73%	759,184,072	15.80%	655,587,120	34.05%	489,048,948	
38	Total Deferred Credits	\$ 2,036,159,187	5.82%	\$ 1,924,218,452	7.34%	\$ 1,792,670,514	27.39%	\$ 1,407,182,226	20.88%	\$ 1,164,081,551	25.68%	\$ 926,244,076	26.39%	\$ 732,864,175	
39	Total Liabilities and Stockholders Equity	\$ 6,996,623,275	2.91%	\$ 6,799,087,159	3.58%	\$ 6,564,155,260	7.02%	\$ 6,133,535,607	10.07%	\$ 5,572,375,245	14.42%	\$ 4,869,987,533	8.39%	\$ 4,493,153,094	
40	Adjustment to Balance	\$ 17,710,703		\$ 18,216,757		\$ 17,552,603		\$ 38,334,728		\$ 7,628,384		\$ 6,533,032		\$ 3,643,012	

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(c)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

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

Response:

See attached.

SCHEDULE C

JURISDICTIONAL OPERATING INCOME SUMMARY FOR THE BASE AND FORECASTED PERIOD

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL OPERATING INCOME SUMMARY
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE C-1
PAGE 1 OF 1
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	BASE PERIOD RETURN AT CURRENT RATES	FORECASTED ADJUSTMENTS AT CURRENT RATES	FORECASTED RETURN AT CURRENT RATES	PROPOSED INCREASE	FORECASTED RETURN AT PROPOSED RATES
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	<u>OPERATING REVENUES</u>					
2	ELECTRIC SALES REVENUES	1,450,014,372	3,866,578	1,453,880,950	103,098,006	1,556,978,956
3	OTHER OPERATING REVENUES	28,927,875	2,518,617	31,446,492		31,446,492
4	TOTAL OPERATING REVENUES	<u>1,478,942,247</u>	<u>6,385,194</u>	<u>1,485,327,441</u>	<u>103,098,006</u>	<u>1,588,425,448</u>
5	<u>OPERATING EXPENSES</u>					
6	OPERATION AND MAINTENANCE EXPENSE	896,654,865	36,281,258	932,936,123	362,905	933,299,028
7	DEPRECIATION AND AMORTIZATION	185,928,880	42,133,957	228,062,837		228,062,837
8	REGULATORY DEBITS	-	-	-		-
9	TAXES OTHER THAN INCOME TAXES	35,714,039	2,106,835	37,820,875	200,113	38,020,988
10	TOTAL INCOME TAXES	109,332,792	(25,335,725)	83,997,067	39,751,976	123,749,043
11	INVESTMENT TAX CREDIT	3,549,008	(3,549,008)	-		-
12	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-		-
13	TOTAL OPERATING EXPENSES	<u>1,231,179,585</u>	<u>51,637,316</u>	<u>1,282,816,901</u>	<u>40,314,994</u>	<u>1,323,131,895</u>
14	NET OPERATING INCOME	<u>247,762,662</u>	<u>(45,252,122)</u>	<u>202,510,540</u>	<u>62,783,012</u>	<u>265,293,552</u>
15	CAPITALIZATION ALLOCATED TO KENTUCKY JURISDICTION	<u>3,575,356,947</u>	<u>63,443,783</u>	<u>3,638,800,730</u>		<u>3,638,800,730</u>
16	RATE OF RETURN ON CAPITALIZATION	<u>6.93%</u>		<u>5.57%</u>		<u>7.29%</u>
17	KENTUCKY JURISDICTION RATE BASE	<u>3,607,814,177</u>	<u>31,265,584</u>	<u>3,639,079,760</u>		<u>3,639,079,760</u>
18	RATE OF RETURN ON RATE BASE	<u>6.87%</u>		<u>5.56%</u>		<u>7.29%</u>

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE C-2

PAGE 1 OF 1

WITNESS: C. M. GARRETT

LINE NO.	MAJOR ACCOUNT OR GROUP CLASSIFICATION	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD	PRO FORMA FORECASTED PERIOD JURISDICTIONAL
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	<u>OPERATING REVENUES</u>					
2	ELECTRIC SALES REVENUES	1,450,014,372	5,129,642	1,455,144,014	(1,263,064)	1,453,880,950
3	OTHER OPERATING REVENUES	28,927,875	2,518,617	31,446,492	-	31,446,492
4	TOTAL OPERATING REVENUES	1,478,942,247	7,648,258	1,486,590,505	(1,263,064)	1,485,327,441
5	<u>OPERATING EXPENSES</u>					
6	<u>OPERATION AND MAINTENANCE EXPENSES:</u>					
7	PRODUCTION EXPENSE	674,450,989	12,845,888	687,296,877	-	687,296,877
8	TRANSMISSION EXPENSE	28,276,301	7,429,710	35,706,011	-	35,706,011
9	DISTRIBUTION EXPENSE	53,479,974	4,618,375	58,098,349	-	58,098,349
10	CUSTOMER ACCOUNTS EXPENSE	31,347,647	3,319,016	34,666,664	-	34,666,664
11	CUSTOMER SERVICE AND INFORMATIONAL EXPENSE	3,034,559	317,789	3,352,348	-	3,352,348
12	SALES EXPENSE	717,528	76,689	794,217	(794,217)	-
13	ADMINISTRATIVE AND GENERAL EXPENSE	105,347,867	8,511,906	113,859,773	(43,898)	113,815,874
14	TOTAL OPERATION AND MAINTENANCE EXPENSES	896,654,865	37,119,374	933,774,239	(838,116)	932,936,123
15	DEPRECIATION AND AMORTIZATION	185,928,880	42,133,957	228,062,837	-	228,062,837
16	REGULATORY DEBITS	-	-	-	-	-
17	TAXES OTHER THAN INCOME TAXES	35,714,039	2,106,835	37,820,875	-	37,820,875
18	FEDERAL INCOME TAXES	93,546,041	(20,750,172)	72,795,869	(140,151)	72,655,718
19	STATE INCOME TAXES	15,786,752	(4,420,886)	11,365,866	(24,517)	11,341,349
20	INVESTMENT TAX CREDIT	3,549,008	(3,549,008)	-	-	-
21	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-
22	TOTAL OPERATING EXPENSES	1,231,179,585	52,640,100	1,283,819,685	(1,002,783)	1,282,816,901
23	NET OPERATING INCOME	247,762,662	(44,991,842)	202,770,820	(260,281)	202,510,540

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

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

SCHEDULE C-2.1
PAGE 1 OF 12
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	
1		<u>OPERATING REVENUES</u>						
2		<u>SALES OF ELECTRICITY:</u>						
3	440	RESIDENTIAL	641,320,774	94.039%	603,089,687	(48,925,251)	554,164,436	DIRECT ASSIGN
4	442.2	COMMERCIAL	400,071,762	95.595%	382,448,127	(29,410,105)	353,038,022	DIRECT ASSIGN
5	442.3	INDUSTRIAL	424,927,105	97.558%	414,548,826	(11,324,414)	403,224,412	DIRECT ASSIGN
6	444	PUBLIC STREET AND HIGHWAY LIGHTING	12,222,217	96.659%	11,813,864	(922,908)	10,890,956	DIRECT ASSIGN
7	445	OTHER SALES TO PUBLIC AUTHORITIES	<u>132,659,788</u>	94.975%	<u>125,993,029</u>	<u>(7,369,655)</u>	<u>118,623,374</u>	DIRECT ASSIGN
8		TOTAL SALES TO ULTIMATE CONSUMERS	1,611,201,646		1,537,893,533	(97,952,333)	1,439,941,200	
9	447	SALES FOR RESALE	135,200,814	10.533%	14,240,259	(4,167,087)	10,073,172	DIRECT ASSIGN & ENERGY
10	449.1	PROVISION FOR RATE REFUNDS	<u>-</u>	0.000%	<u>-</u>	<u>-</u>	<u>-</u>	DIRECT ASSIGN
11		TOTAL SALES OF ELECTRICITY	<u>1,746,402,460</u>		<u>1,552,133,793</u>	<u>(102,119,421)</u>	<u>1,450,014,372</u>	
12		<u>OTHER OPERATING REVENUES:</u>						
13	450	LATE PAYMENT CHARGES	4,206,243	96.418%	4,055,578	-	4,055,578	DIRECT ASSIGN
14	451	ELECTRIC SERVICE REVENUES	2,297,122	94.780%	2,177,201	-	2,177,201	DIRECT ASSIGN
15	454	RENT FROM ELECTRIC PROPERTY	3,478,458	93.322%	3,246,156	-	3,246,156	DIRECT ASSIGN
16	456	OTHER MISCELLANEOUS REVENUE	<u>20,563,477</u>	94.580%	<u>19,448,940</u>	<u>-</u>	<u>19,448,940</u>	DIRECT ASSIGN & DEMAND
17		TOTAL OTHER OPERATING REVENUES	<u>30,545,299</u>		<u>28,927,875</u>	<u>-</u>	<u>28,927,875</u>	
18		TOTAL OPERATING REVENUES	<u>1,776,947,759</u>		<u>1,581,061,668</u>	<u>(102,119,421)</u>	<u>1,478,942,247</u>	
19		<u>OPERATING EXPENSES</u>						
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>						
21		<u>STEAM GENERATION:</u>						
22	500	STEAM OPERATION SUPERVISION AND ENGINEERING	10,578,572	88.184%	9,328,587	-	9,328,587	TOTAL STEAM PLANT
23	501	FUEL	376,035,783	87.941%	330,687,946	67,705,931	398,393,877	ENERGY
24	502	STEAM EXPENSES	21,423,631	86.994%	18,637,208	(3,746,928)	14,890,280	TOTAL STEAM PLANT
25	504	STEAM TRANSFERRED-CREDIT	-	86.994%	-	-	-	TOTAL STEAM PLANT

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

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

SCHEDULE C-2.1
PAGE 2 OF 12
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	
26	505	ELECTRIC EXPENSES	7,786,803	87.050%	6,778,431	-	6,778,431	TOTAL STEAM PLANT
27	506	MISC STEAM POWER EXPENSES	31,580,869	86.977%	27,468,075	(14,176,350)	13,291,725	TOTAL STEAM PLANT
28	507	RENTS	6,000	86.929%	5,216	-	5,216	TOTAL STEAM PLANT
29	509	ALLOWANCES	7,470	86.929%	6,494	(6,494)	(0)	TOTAL STEAM PLANT
30	510	MAINTENANCE SUPERVISION AND ENGINEERING	9,771,992	87.028%	8,504,375	-	8,504,375	TOTAL STEAM PLANT
31	511	MAINTENANCE OF STRUCTURES	8,417,768	87.069%	7,329,232	-	7,329,232	TOTAL STEAM PLANT
32	512	MAINTENANCE OF BOILER PLANT	43,730,956	87.961%	38,466,106	(3,822,250)	34,643,856	ENERGY
33	513	MAINTENANCE OF ELECTRIC PLANT	8,832,857	87.964%	7,769,708	-	7,769,708	ENERGY
34	514	MAINTENANCE OF MISC STEAM PLANT	3,057,033	89.290%	2,729,619	-	2,729,619	TOTAL STEAM PLANT
35		TOTAL STEAM GENERATION	<u>521,229,734</u>		<u>457,710,998</u>	<u>45,953,909</u>	<u>503,664,907</u>	
36		<u>HYDRAULIC GENERATION:</u>						
37	535	HYDRO OPERATION SUPERVISION AND ENGINEERING	-	87.356%	-	-	-	TOTAL HYDRAULIC PLANT
38	536	WATER FOR POWER	-	87.356%	-	-	-	TOTAL HYDRAULIC PLANT
39	537	HYDRAULIC EXPENSES	-	87.356%	-	-	-	TOTAL HYDRAULIC PLANT
40	538	ELECTRIC EXPENSES	-	87.356%	-	-	-	TOTAL HYDRAULIC PLANT
41	539	MISC HYDRAULIC POWER GENERATION EXPENSES	39,921	87.356%	34,874	-	34,874	TOTAL HYDRAULIC PLANT
42	540	RENTS	-	87.356%	-	-	-	TOTAL HYDRAULIC PLANT
43	541	HYDRO MAINTENANCE SUPERVISION AND ENGINEERING	173,075	87.356%	151,191	-	151,191	TOTAL HYDRAULIC PLANT
44	542	MAINTENANCE OF STRUCTURES	207,088	87.356%	180,904	-	180,904	TOTAL HYDRAULIC PLANT
45	543	MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS	12,586	87.356%	10,995	-	10,995	TOTAL HYDRAULIC PLANT
46	544	MAINTENANCE OF ELECTRIC PLANT	68,848	87.938%	60,544	-	60,544	ENERGY
47	545	MAINTENANCE OF MISC HYDRAULIC PLANT	8,600	87.356%	7,513	-	7,513	TOTAL HYDRAULIC PLANT
48		TOTAL HYDRAULIC GENERATION	<u>510,119</u>		<u>446,020</u>	-	<u>446,020</u>	
49		<u>OTHER GENERATION:</u>						
50	546	OTHER OPERATION SUPERVISION AND ENGINEERING	1,263,588	87.399%	1,104,358	-	1,104,358	TOTAL OTHER PROD PLANT
51	547	OTHER FUEL	131,025,892	87.938%	115,221,867	(72,370)	115,149,497	ENERGY
52	548	GENERATION EXPENSES	437,463	87.399%	382,336	-	382,336	TOTAL OTHER PROD PLANT

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	
53	549	MISC OTHER POWER GENERATION EXPENSES	3,912,336	87.399%	3,419,326	-	3,419,326	TOTAL OTHER PROD PLANT
54	550	RENTS	14,632	87.399%	12,788	-	12,788	TOTAL OTHER PROD PLANT
55	551	MAINTENANCE SUPERVISION AND ENGINEERING	473,978	87.399%	414,250	-	414,250	TOTAL OTHER PROD PLANT
56	552	MAINTENANCE OF STRUCTURES	777,179	87.399%	679,243	-	679,243	TOTAL OTHER PROD PLANT
57	553	MAINTENANCE OF GENERATING AND ELECTRIC PLANT	4,307,096	87.399%	3,764,340	-	3,764,340	TOTAL OTHER PROD PLANT
58	554	MAINTENANCE OF MISC OTHER POWER GENERATION PLANT	4,730,328	87.399%	4,134,239	-	4,134,239	TOTAL OTHER PROD PLANT
59		TOTAL OTHER GENERATION	146,942,491		129,132,748	(72,370)	129,060,377	
60		<u>OTHER POWER SUPPLY:</u>						
61	555	PURCHASED POWER	45,723,874	87.876%	40,180,467	(546,724)	39,633,744	DEMAND AND ENERGY
62	556	SYSTEM CONTROL AND LOAD DISPATCHING	1,876,650	87.578%	1,643,527	-	1,643,527	DEMAND
63	557	OTHER EXPENSES	32,032	87.006%	27,869	(25,456)	2,413	TOTAL PRODUCTION PLANT
64		TOTAL OTHER POWER SUPPLY	47,632,555		41,851,864	(572,180)	41,279,684	
65		TOTAL PRODUCTION EXPENSES	716,314,900		629,141,630	45,309,359	674,450,989	
66		<u>TRANSMISSION EXPENSES:</u>						
67	560	TRANS OPERATION SUPERVISION AND ENGINEERING	1,704,553	89.734%	1,529,566	-	1,529,566	TOTAL TRANS OPERATIONS LABOR
68	561	LOAD DISPATCHING	3,843,800	89.734%	3,449,202	-	3,449,202	TOTAL TRANSMISSION PLANT
69	562	STATION EXPENSES	1,457,462	89.734%	1,307,841	-	1,307,841	TOTAL TRANSMISSION PLANT
70	563	OVERHEAD LINE EXPENSES	742,015	89.734%	665,841	-	665,841	TOTAL TRANSMISSION PLANT
71	564	UNDERGROUND LINE EXPENSES	-	89.734%	-	-	-	TOTAL TRANSMISSION PLANT
72	565	TRANSMISSION OF ELECTRICITY BY OTHERS	3,305,541	89.734%	2,966,199	(223,682)	2,742,517	TOTAL TRANSMISSION PLANT
73	566	MISC TRANSMISSION EXPENSES	11,972,222	89.734%	10,743,172	-	10,743,172	TOTAL TRANSMISSION PLANT AND DIRECT
74	567	RENTS	143,879	89.734%	129,109	-	129,109	TOTAL TRANSMISSION PLANT
75	568	TRANS MAINTENANCE SUPERVISION AND ENGINEERING	-	89.734%	-	-	-	TOTAL TRANSMISSION PLANT
76	569	MAINTENANCE OF STRUCTURES	-	89.734%	-	-	-	TOTAL TRANSMISSION PLANT
77	570	MAINTENANCE OF STATION EQUIPMENT	2,430,367	89.734%	2,180,870	-	2,180,870	TOTAL TRANSMISSION PLANT
78	571	MAINTENANCE OF OVERHEAD LINES	6,169,707	89.861%	5,544,176	-	5,544,176	TOTAL TRANSMISSION PLANT AND DIRECT
79	572	MAINTENANCE OF UNDERGROUND LINES	-	89.734%	-	-	-	TOTAL TRANSMISSION PLANT

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LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	
80	573	MAINTENANCE OF MISC TRANSMISSION PLANT	352,147	89.734%	315,996	-	315,996	TOTAL TRANSMISSION PLANT
81	575	MISO DAY 1 AND 2 EXPENSE	<u>(331,916)</u>	100.022%	<u>(331,989)</u>	-	<u>(331,989)</u>	TOTAL TRANSMISSION PLANT AND DIRECT
82		TOTAL TRANSMISSION EXPENSES	<u>31,789,776</u>		<u>28,499,983</u>	<u>(223,682)</u>	<u>28,276,301</u>	
83		<u>DISTRIBUTION EXPENSES:</u>						
84	580	DISTR OPERATION SUPERVISION AND ENGINEERING	1,664,190	94.350%	1,570,160	-	1,570,160	TOTAL DISTRIBUTION PLANT
85	581	LOAD DISPATCHING	371,264	93.784%	348,185	-	348,185	TOTAL ACCT 360-362 SUBSTATIONS
86	582	STATION EXPENSES	1,926,550	93.784%	1,806,788	-	1,806,788	TOTAL ACCT 360-362 SUBSTATIONS
87	583	OVERHEAD LINE EXPENSES	5,271,308	92.674%	4,885,156	-	4,885,156	TOTAL ACCT 364-365 OVHD LINES
88	584	UNDERGROUND LINE EXPENSES	111	97.338%	108	-	108	TOTAL ACCT 366-367 UG LINES
89	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	96.778%	-	-	-	TOTAL ACCT 373 STREET LIGHTING
90	586	METER EXPENSES	7,834,561	94.514%	7,404,740	-	7,404,740	TOTAL ACCT 370 METERS
91	587	CUSTOMER INSTALLATIONS EXPENSES	(109,353)	100.000%	(109,353)	-	(109,353)	TOTAL ACCT 371 CUSTOMER INSTALL
92	588	MISC DISTRIBUTION EXPENSES	5,624,217	94.350%	5,306,438	-	5,306,438	TOTAL DISTRIBUTION PLANT
93	589	RENTS	5,562	94.350%	5,248	-	5,248	TOTAL DISTRIBUTION PLANT
94	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	39,201	94.350%	36,986	-	36,986	TOTAL DISTRIBUTION PLANT
95	591	MAINTENANCE OF STRUCTURES	-	93.784%	-	-	-	TOTAL ACCT 360-362 SUBSTATIONS
96	592	MAINTENANCE OF STATION EQUIPMENT	1,225,825	93.784%	1,149,623	-	1,149,623	TOTAL ACCT 360-362 SUBSTATIONS
97	593	MAINTENANCE OF OVERHEAD LINES	32,441,040	92.649%	30,056,146	-	30,056,146	TOTAL ACCT 364-365 OVHD LINES
98	594	MAINTENANCE OF UNDERGROUND LINES	613,792	97.338%	597,450	-	597,450	TOTAL ACCT 366-367 UG LINES
99	595	MAINTENANCE OF LINE TRANSFORMERS	114,447	95.799%	109,639	-	109,639	TOTAL ACCT 368 LINE TRANSFORMER
100	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS	4	96.778%	4	-	4	TOTAL ACCT 373 STREET LIGHTING
101	597	MAINTENANCE OF METERS	-	94.514%	-	-	-	TOTAL ACCT 370 METERS
102	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	<u>331,381</u>	94.350%	<u>312,657</u>	-	<u>312,657</u>	TOTAL DISTRIBUTION PLANT
103		TOTAL DISTRIBUTION EXPENSES	<u>57,354,100</u>		<u>53,479,974</u>	-	<u>53,479,974</u>	
104		<u>CUSTOMER ACCOUNTS EXPENSES:</u>						
105	901	CUSTOMER ACCTS SUPERVISION	3,399,230	94.878%	3,225,132	-	3,225,132	TOTAL CUSTOMER ACCTS LABOR
106	902	METER READING EXPENSES	5,359,750	94.878%	5,085,240	-	5,085,240	CUSTOMERS

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	
107	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	19,124,695	94.878%	18,145,188	-	18,145,188	CUSTOMERS
108	904	UNCOLLECTIBLE ACCOUNTS	5,155,131	94.878%	4,891,101	-	4,891,101	CUSTOMERS
109	905	MISC CUSTOMER ACCOUNTS EXPENSE	1,040	94.878%	987	-	987	TOTAL ACCT 902-904 CUST ACCTS
110		TOTAL CUSTOMER ACCOUNTS EXPENSES	33,039,846		31,347,647	-	31,347,647	
111		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>						
112	907	CUSTOMER SERVICE AND INFO SUPERVISION	521,948	99.705%	520,409	-	520,409	TOTAL CUSTOMER SERVICE LABOR
113	908	CUSTOMER ASSISTANCE EXPENSES	19,595,859	100.000%	19,595,859	(18,756,451)	839,408	DIRECT ASSIGN
114	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	468,645	94.815%	444,348	-	444,348	CUSTOMERS
115	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	1,231,887	99.879%	1,230,395	-	1,230,395	TOTAL ACCT 908-909 CUST SERV
116		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	21,818,339		21,791,011	(18,756,451)	3,034,559	
117		<u>SALES EXPENSES:</u>						
118	911	SALES SUPERVISION	-	99.705%	-	-	-	TOTAL SALES EXP LABOR
119	912	DEMONSTRATING AND SELLING EXPENSES	-	94.815%	-	-	-	CUSTOMERS
120	913	ADVERTISING EXPENSES	756,763	94.815%	717,528	-	717,528	CUSTOMERS
121	916	MISC SALES EXPENSES	-	94.815%	-	-	-	TOTAL ACCT 912-913 SALES EXP
122		TOTAL SALES EXPENSES	756,763		717,528	-	717,528	
123		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>						
124	920	ADMINISTRATIVE AND GENERAL SALARIES	34,866,678	90.241%	31,464,143	-	31,464,143	LABOR
125	921	OFFICE SUPPLIES AND EXPENSES	7,339,698	90.241%	6,623,439	-	6,623,439	LABOR
126	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(4,357,425)	90.241%	(3,932,197)	-	(3,932,197)	LABOR
127	923	OUTSIDE SERVICES	19,339,606	90.241%	17,452,312	(3,310)	17,449,002	LABOR
128	924	PROPERTY INSURANCE	6,250,233	88.728%	5,545,701	-	5,545,701	TOTAL PLANT
129	925	INJURIES AND DAMAGES	4,376,661	90.246%	3,949,768	-	3,949,768	LABOR
130	926	EMPLOYEE PENSION AND BENEFITS	38,568,565	89.349%	34,460,775	-	34,460,775	LABOR
131	927	FRANCHISE REQUIREMENTS	1,881	0.000%	-	-	-	DIRECT ASSIGN
132	928	REGULATORY COMMISSION EXPENSES	1,092,131	96.172%	1,050,320	-	1,050,320	DIRECT ASSIGN AND ENERGY

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LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	
133	929	DUPLICATE CHARGES--CREDIT	(1,881)	0.000%	-	-	-	DIRECT ASSIGN
134	930.1	GENERAL ADVERTISING EXPENSES	58,132	95.011%	55,232	-	55,232	ENERGY
135	930.2	MISC GENERAL EXPENSES	6,353,705	90.399%	5,743,663	-	5,743,663	LABOR
136	931	RENTS	2,057,795	90.241%	1,856,981	-	1,856,981	LABOR
137	935	MAINTENANCE OF GENERAL PLANT	1,197,942	90.241%	1,081,039	-	1,081,039	LABOR
138		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	<u>117,143,722</u>		<u>105,351,176</u>	<u>(3,310)</u>	<u>105,347,867</u>	
139		TOTAL OPERATION AND MAINTENANCE EXPENSES	<u>978,217,446</u>		<u>870,328,948</u>	<u>26,325,917</u>	<u>896,654,865</u>	
140	403-404	DEPRECIATION AND AMORTIZATION	236,720,825	88.792%	210,189,958	(24,261,078)	185,928,880	FUNCTIONAL PLANT
141	407.3	REGULATORY DEBITS	279,365	100.000%	279,365	(279,365)	-	DIRECT ASSIGN
142	408	TAXES OTHER THAN INCOME TAXES	41,428,833	90.170%	37,356,307	(1,642,268)	35,714,039	DIRECT ASSIGN, NET PLANT, PLANT, LABOR
143	409-411	FEDERAL INCOME TAXES	136,568,770	88.725%	121,170,908	(27,624,867)	93,546,041	CALCULATED
144	409-411	STATE INCOME TAXES	23,322,408	88.409%	20,619,162	(4,832,411)	15,786,752	CALCULATED
145	411.4	INVESTMENT TAX CREDIT	4,000,000	88.725%	3,549,008	-	3,549,008	CALCULATED
146	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	<u>(92)</u>	87.578%	<u>(80)</u>	<u>80</u>	<u>-</u>	DEMAND
147		TOTAL OPERATING EXPENSES	<u>1,420,537,556</u>		<u>1,263,493,577</u>	<u>(32,313,992)</u>	<u>1,231,179,585</u>	
148		NET OPERATING INCOME	<u>356,410,203</u>		<u>317,568,091</u>	<u>(69,805,428)</u>	<u>247,762,662</u>	

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	
1		<u>OPERATING REVENUES</u>						
2		<u>SALES OF ELECTRICITY:</u>						
3	440	RESIDENTIAL	666,571,848	94.183%	627,798,769	(68,748,772)	559,049,997	DIRECT ASSIGN
4	442.2	COMMERCIAL	412,651,662	95.815%	395,380,928	(44,488,543)	350,892,385	DIRECT ASSIGN
5	442.3	INDUSTRIAL	444,219,950	97.554%	433,353,220	(25,195,568)	408,157,652	DIRECT ASSIGN
6	444	PUBLIC STREET AND HIGHWAY LIGHTING	12,586,397	96.734%	12,175,290	(1,214,783)	10,960,507	DIRECT ASSIGN
7	445	OTHER SALES TO PUBLIC AUTHORITIES	<u>136,069,288</u>	95.138%	<u>129,454,028</u>	<u>(11,793,458)</u>	<u>117,660,570</u>	DIRECT ASSIGN
8		TOTAL SALES TO ULTIMATE CONSUMERS	1,672,099,144		1,598,162,234	(151,441,124)	1,446,721,110	
9	447	SALES FOR RESALE	128,904,465	10.091%	13,007,772	(4,584,869)	8,422,903	DIRECT ASSIGN & ENERGY
10	449.1	PROVISION FOR RATE REFUNDS	-		-	-	-	DIRECT ASSIGN
11		TOTAL SALES OF ELECTRICITY	<u>1,801,003,609</u>		<u>1,611,170,007</u>	<u>(156,025,993)</u>	<u>1,455,144,014</u>	
12		<u>OTHER OPERATING REVENUES:</u>						
13	450	LATE PAYMENT CHARGES	4,000,811	96.418%	3,857,505	-	3,857,505	DIRECT ASSIGN
14	451	ELECTRIC SERVICE REVENUES	2,224,350	94.782%	2,108,282	-	2,108,282	DIRECT ASSIGN
15	454	RENT FROM ELECTRIC PROPERTY	3,367,539	93.322%	3,142,645	-	3,142,645	DIRECT ASSIGN
16	456	OTHER MISCELLANEOUS REVENUE	<u>23,450,314</u>	95.257%	<u>22,338,060</u>	-	<u>22,338,060</u>	DIRECT ASSIGN & DEMAND
17		TOTAL OTHER OPERATING REVENUES	<u>33,043,014</u>		<u>31,446,492</u>	-	<u>31,446,492</u>	
18		TOTAL OPERATING REVENUES	<u>1,834,046,624</u>		<u>1,642,616,498</u>	<u>(156,025,993)</u>	<u>1,486,590,505</u>	
19		<u>OPERATING EXPENSES</u>						
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>						
21		<u>STEAM GENERATION:</u>						
22	500	STEAM OPERATION SUPERVISION AND ENGINEERING	10,778,629	87.606%	9,442,701	-	9,442,701	TOTAL STEAM PLANT
23	501	FUEL	363,496,582	87.940%	319,657,244	52,964,415	372,621,659	ENERGY
24	502	STEAM EXPENSES	23,353,384	86.967%	20,309,659	(4,793,230)	15,516,429	TOTAL STEAM PLANT
25	504	STEAM TRANSFERRED-CREDIT	-	86.967%	-	-	-	TOTAL STEAM PLANT

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FOR THE 12 MONTHS ENDED JUNE 30, 2018

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	
26	505	ELECTRIC EXPENSES	8,292,745	86.996%	7,214,388	-	7,214,388	TOTAL STEAM PLANT
27	506	MISC STEAM POWER EXPENSES	30,687,737	86.961%	26,686,433	(12,241,843)	14,444,590	TOTAL STEAM PLANT
28	507	RENTS	-	86.934%	-	-	-	TOTAL STEAM PLANT
29	509	ALLOWANCES	5,000	86.934%	4,347	(4,347)	-	TOTAL STEAM PLANT
30	510	MAINTENANCE SUPERVISION AND ENGINEERING	11,797,961	86.979%	10,261,750	-	10,261,750	TOTAL STEAM PLANT
31	511	MAINTENANCE OF STRUCTURES	6,848,247	87.028%	5,959,887	-	5,959,887	TOTAL STEAM PLANT
32	512	MAINTENANCE OF BOILER PLANT	50,187,057	87.949%	44,139,000	(3,952,858)	40,186,143	ENERGY
33	513	MAINTENANCE OF ELECTRIC PLANT	9,402,969	87.951%	8,270,033	-	8,270,033	ENERGY
34	514	MAINTENANCE OF MISC STEAM PLANT	2,760,902	88.360%	2,439,522	-	2,439,522	TOTAL STEAM PLANT
35		TOTAL STEAM GENERATION	<u>517,611,213</u>		<u>454,384,964</u>	<u>31,972,138</u>	<u>486,357,102</u>	
36		<u>HYDRAULIC GENERATION:</u>						
37	535	HYDRO OPERATION SUPERVISION AND ENGINEERING	-	87.359%	-	-	-	TOTAL HYDRAULIC PLANT
38	536	WATER FOR POWER	-	87.359%	-	-	-	TOTAL HYDRAULIC PLANT
39	537	HYDRAULIC EXPENSES	-	87.359%	-	-	-	TOTAL HYDRAULIC PLANT
40	538	ELECTRIC EXPENSES	-	87.359%	-	-	-	TOTAL HYDRAULIC PLANT
41	539	MISC HYDRAULIC POWER GENERATION EXPENSES	9,756	87.359%	8,523	-	8,523	TOTAL HYDRAULIC PLANT
42	540	RENTS	-	87.359%	-	-	-	TOTAL HYDRAULIC PLANT
43	541	HYDRO MAINTENANCE SUPERVISION AND ENGINEERING	213,479	87.359%	186,494	-	186,494	TOTAL HYDRAULIC PLANT
44	542	MAINTENANCE OF STRUCTURES	133,816	87.359%	116,901	-	116,901	TOTAL HYDRAULIC PLANT
45	543	MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS	25,752	87.359%	22,497	-	22,497	TOTAL HYDRAULIC PLANT
46	544	MAINTENANCE OF ELECTRIC PLANT	37,560	87.938%	33,030	-	33,030	ENERGY
47	545	MAINTENANCE OF MISC HYDRAULIC PLANT	10,980	87.359%	9,592	-	9,592	TOTAL HYDRAULIC PLANT
48		TOTAL HYDRAULIC GENERATION	<u>431,343</u>		<u>377,036</u>	<u>-</u>	<u>377,036</u>	
49		<u>OTHER GENERATION:</u>						
50	546	OTHER OPERATION SUPERVISION AND ENGINEERING	1,225,819	87.402%	1,071,395	-	1,071,395	TOTAL OTHER PROD PLANT
51	547	OTHER FUEL	148,706,225	87.938%	130,769,641	-	130,769,641	ENERGY
52	548	GENERATION EXPENSES	699,416	87.402%	611,306	-	611,306	TOTAL OTHER PROD PLANT
53	549	MISC OTHER POWER GENERATION EXPENSES	4,163,560	87.402%	3,639,052	-	3,639,052	TOTAL OTHER PROD PLANT

KENTUCKY UTILITIES COMPANY
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FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
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LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY (1) \$	JURIS. PERCENT (2)	UNADJUSTED JURISDICTION (3) \$	JURISDICTIONAL ADJUSTMENTS SCH D-2 (4) \$	FORECASTED PERIOD JURISDICTIONAL (5) \$	JURISDICTIONAL METHOD / DESCRIPTION (6)
54	550	RENTS	5,058	87.402%	4,421	-	4,421	TOTAL OTHER PROD PLANT
55	551	MAINTENANCE SUPERVISION AND ENGINEERING	294,270	87.402%	257,199	-	257,199	TOTAL OTHER PROD PLANT
56	552	MAINTENANCE OF STRUCTURES	1,922,969	87.402%	1,680,721	-	1,680,721	TOTAL OTHER PROD PLANT
57	553	MAINTENANCE OF GENERATING AND ELECTRIC PLANT	5,600,984	87.402%	4,895,395	-	4,895,395	TOTAL OTHER PROD PLANT
58	554	MAINTENANCE OF MISC OTHER POWER GENERATION PLANT	5,879,946	87.402%	5,139,215	-	5,139,215	TOTAL OTHER PROD PLANT
59		TOTAL OTHER GENERATION	168,498,247		148,068,346	-	148,068,346	
60		<u>OTHER POWER SUPPLY:</u>						
61	555	PURCHASED POWER	57,748,982	87.886%	50,753,339	(134,032)	50,619,306	DEMAND AND ENERGY
62	556	SYSTEM CONTROL AND LOAD DISPATCHING	2,129,214	87.578%	1,864,717	-	1,864,717	DEMAND
63	557	OTHER EXPENSES	46,113	87.012%	40,124	(29,755)	10,369	TOTAL PRODUCTION PLANT
64		TOTAL OTHER POWER SUPPLY	59,924,309		52,658,180	(163,787)	52,494,393	
65		TOTAL PRODUCTION EXPENSES	746,465,112		655,488,526	31,808,351	687,296,877	
66		<u>TRANSMISSION EXPENSES:</u>						
67	560	TRANS OPERATION SUPERVISION AND ENGINEERING	2,001,340	90.155%	1,804,305	-	1,804,305	TOTAL TRANS OPERATIONS LABOR
68	561	LOAD DISPATCHING	4,041,992	90.155%	3,644,052	-	3,644,052	TOTAL TRANSMISSION PLANT
69	562	STATION EXPENSES	1,445,622	90.155%	1,303,298	-	1,303,298	TOTAL TRANSMISSION PLANT
70	563	OVERHEAD LINE EXPENSES	1,174,638	90.155%	1,058,993	-	1,058,993	TOTAL TRANSMISSION PLANT
71	564	UNDERGROUND LINE EXPENSES	-	90.155%	-	-	-	TOTAL TRANSMISSION PLANT
72	565	TRANSMISSION OF ELECTRICITY BY OTHERS	3,503,455	90.155%	3,158,534	(218,085)	2,940,449	TOTAL TRANSMISSION PLANT
73	566	MISC TRANSMISSION EXPENSES	13,253,388	90.155%	11,948,572	-	11,948,572	TOTAL TRANSMISSION PLANT AND DIRECT
74	567	RENTS	124,236	90.155%	112,005	-	112,005	TOTAL TRANSMISSION PLANT
75	568	TRANS MAINTENANCE SUPERVISION AND ENGINEERING	-	90.155%	-	-	-	TOTAL TRANSMISSION PLANT
76	569	MAINTENANCE OF STRUCTURES	-	90.155%	-	-	-	TOTAL TRANSMISSION PLANT
77	570	MAINTENANCE OF STATION EQUIPMENT	2,203,328	90.155%	1,986,407	-	1,986,407	TOTAL TRANSMISSION PLANT
78	571	MAINTENANCE OF OVERHEAD LINES	11,716,853	90.219%	10,570,832	-	10,570,832	TOTAL TRANSMISSION PLANT AND DIRECT
79	572	MAINTENANCE OF UNDERGROUND LINES	-	90.155%	-	-	-	TOTAL TRANSMISSION PLANT
80	573	MAINTENANCE OF MISC TRANSMISSION PLANT	373,911	90.155%	337,099	-	337,099	TOTAL TRANSMISSION PLANT

KENTUCKY UTILITIES COMPANY
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LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY (1) \$	JURIS. PERCENT (2)	UNADJUSTED JURISDICTION (3) \$	JURISDICTIONAL ADJUSTMENTS SCH D-2 (4) \$	FORECASTED PERIOD JURISDICTIONAL (5) \$	JURISDICTIONAL METHOD / DESCRIPTION (6)
81	575	MISO DAY 1 AND 2 EXPENSE	-	90.155%	-	-	-	TOTAL TRANSMISSION PLANT AND DIRECT
82		TOTAL TRANSMISSION EXPENSES	<u>39,838,763</u>		<u>35,924,096</u>	<u>(218,085)</u>	<u>35,706,011</u>	
83		<u>DISTRIBUTION EXPENSES:</u>						
84	580	DISTR OPERATION SUPERVISION AND ENGINEERING	1,599,415	94.436%	1,510,424	-	1,510,424	TOTAL DISTRIBUTION PLANT
85	581	LOAD DISPATCHING	362,688	94.035%	341,053	-	341,053	TOTAL ACCT 360-362 SUBSTATIONS
86	582	STATION EXPENSES	1,912,636	94.035%	1,798,545	-	1,798,545	TOTAL ACCT 360-362 SUBSTATIONS
87	583	OVERHEAD LINE EXPENSES	5,076,060	92.716%	4,706,317	-	4,706,317	TOTAL ACCT 364-365 OVHD LINES
88	584	UNDERGROUND LINE EXPENSES	-	97.320%	-	-	-	TOTAL ACCT 366-367 UG LINES
89	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	-	-	-	-	TOTAL ACCT 373 STREET LIGHTING
90	586	METER EXPENSES	9,202,911	95.070%	8,749,183	-	8,749,183	TOTAL ACCT 370 METERS
91	587	CUSTOMER INSTALLATIONS EXPENSES	(142,800)	100.000%	(142,800)	-	(142,800)	TOTAL ACCT 371 CUSTOMER INSTALL
92	588	MISC DISTRIBUTION EXPENSES	7,140,466	94.436%	6,743,173	-	6,743,173	TOTAL DISTRIBUTION PLANT
93	589	RENTS	-	-	-	-	-	TOTAL DISTRIBUTION PLANT
94	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	60,834	94.436%	57,449	-	57,449	TOTAL DISTRIBUTION PLANT
95	591	MAINTENANCE OF STRUCTURES	-	94.035%	-	-	-	TOTAL ACCT 360-362 SUBSTATIONS
96	592	MAINTENANCE OF STATION EQUIPMENT	1,368,313	94.035%	1,286,692	-	1,286,692	TOTAL ACCT 360-362 SUBSTATIONS
97	593	MAINTENANCE OF OVERHEAD LINES	32,390,401	93.359%	30,239,215	-	30,239,215	TOTAL ACCT 364-365 OVHD LINES
98	594	MAINTENANCE OF UNDERGROUND LINES	812,273	97.320%	790,500	-	790,500	TOTAL ACCT 366-367 UG LINES
99	595	MAINTENANCE OF LINE TRANSFORMERS	100,466	95.884%	96,331	-	96,331	TOTAL ACCT 368 LINE TRANSFORMER
100	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS	-	-	-	-	-	TOTAL ACCT 373 STREET LIGHTING
101	597	MAINTENANCE OF METERS	1,443,102	95.070%	1,371,953	-	1,371,953	TOTAL ACCT 370 METERS
102	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	<u>582,737</u>	94.436%	<u>550,314</u>	-	<u>550,314</u>	TOTAL DISTRIBUTION PLANT
103		TOTAL DISTRIBUTION EXPENSES	<u>61,909,502</u>		<u>58,098,349</u>	-	<u>58,098,349</u>	
104		<u>CUSTOMER ACCOUNTS EXPENSES:</u>						
105	901	CUSTOMER ACCTS SUPERVISION	3,827,591	94.878%	3,631,554	-	3,631,554	TOTAL CUSTOMER ACCTS LABOR
106	902	METER READING EXPENSES	5,587,665	94.878%	5,301,482	-	5,301,482	CUSTOMERS
107	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	21,256,145	94.878%	20,167,471	-	20,167,471	CUSTOMERS

KENTUCKY UTILITIES COMPANY
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LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY (1) \$	JURIS. PERCENT (2)	UNADJUSTED JURISDICTION (3) \$	JURISDICTIONAL ADJUSTMENTS SCH D-2 (4) \$	FORECASTED PERIOD JURISDICTIONAL (5) \$	JURISDICTIONAL METHOD / DESCRIPTION (6)
108	904	UNCOLLECTIBLE ACCOUNTS	5,866,627	94.878%	5,566,157	-	5,566,157	CUSTOMERS
109	905	MISC CUSTOMER ACCOUNTS EXPENSE	-	94.878%	-	-	-	TOTAL ACCT 902-904 CUST ACCTS
110		TOTAL CUSTOMER ACCOUNTS EXPENSES	<u>36,538,028</u>		<u>34,666,664</u>	-	<u>34,666,664</u>	
111		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>						
112	907	CUSTOMER SERVICE AND INFO SUPERVISION	653,222	99.725%	651,425	-	651,425	TOTAL CUSTOMER SERVICE LABOR
113	908	CUSTOMER ASSISTANCE EXPENSES	21,099,696	100.000%	21,099,696	(20,649,645)	450,051	DIRECT ASSIGN
114	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	411,162	94.815%	389,845	-	389,845	CUSTOMERS
115	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	<u>1,862,873</u>	99.901%	<u>1,861,027</u>	-	<u>1,861,027</u>	TOTAL ACCT 908-909 CUST SERV
116		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	<u>24,026,953</u>		<u>24,001,993</u>	<u>(20,649,645)</u>	<u>3,352,348</u>	
117		<u>SALES EXPENSES:</u>						
118	911	SALES SUPERVISION	-	99.725%	-	-	-	TOTAL SALES EXP LABOR
119	912	DEMONSTRATING AND SELLING EXPENSES	-	94.815%	-	-	-	CUSTOMERS
120	913	ADVERTISING EXPENSES	837,646	94.815%	794,217	-	794,217	CUSTOMERS
121	916	MISC SALES EXPENSES	-	94.815%	-	-	-	TOTAL ACCT 912-913 SALES EXP
122		TOTAL SALES EXPENSES	<u>837,646</u>		<u>794,217</u>	-	<u>794,217</u>	
123		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>						
124	920	ADMINISTRATIVE AND GENERAL SALARIES	37,411,569	90.371%	33,809,232	-	33,809,232	LABOR
125	921	OFFICE SUPPLIES AND EXPENSES	8,043,619	90.371%	7,269,104	-	7,269,104	LABOR
126	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(4,884,601)	90.371%	(4,414,266)	-	(4,414,266)	LABOR
127	923	OUTSIDE SERVICES	21,171,836	90.371%	19,133,213	-	19,133,213	LABOR
128	924	PROPERTY INSURANCE	6,240,515	88.837%	5,543,869	-	5,543,869	TOTAL PLANT
129	925	INJURIES AND DAMAGES	4,319,944	90.374%	3,904,092	-	3,904,092	LABOR
130	926	EMPLOYEE PENSION AND BENEFITS	43,705,184	89.033%	38,912,106	-	38,912,106	LABOR
131	927	FRANCHISE REQUIREMENTS	-	-	-	-	-	DIRECT ASSIGN
132	928	REGULATORY COMMISSION EXPENSES	1,853,190	97.146%	1,800,307	-	1,800,307	DIRECT ASSIGN AND ENERGY
133	929	DUPLICATE CHARGES--CREDIT	-	-	-	-	-	DIRECT ASSIGN

KENTUCKY UTILITIES COMPANY
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FOR THE 12 MONTHS ENDED JUNE 30, 2018

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LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY (1) \$	JURIS. PERCENT (2)	UNADJUSTED JURISDICTION (3) \$	JURISDICTIONAL ADJUSTMENTS SCH D-2 (4) \$	FORECASTED PERIOD JURISDICTIONAL (5) \$	JURISDICTIONAL METHOD / DESCRIPTION (6)
134	930.1	GENERAL ADVERTISING EXPENSES	46,179	95.062%	43,898	-	43,898	ENERGY
135	930.2	MISC GENERAL EXPENSES	5,691,534	90.544%	5,153,364	-	5,153,364	LABOR
136	931	RENTS	2,026,239	90.371%	1,831,134	-	1,831,134	LABOR
137	935	MAINTENANCE OF GENERAL PLANT	966,814	90.371%	873,720	-	873,720	LABOR
138		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	<u>126,592,022</u>		<u>113,859,773</u>	-	<u>113,859,773</u>	
139		TOTAL OPERATION AND MAINTENANCE EXPENSES	<u>1,036,208,026</u>		<u>922,833,618</u>	<u>10,940,620</u>	<u>933,774,239</u>	
140	403-404	DEPRECIATION AND AMORTIZATION	313,724,400	88.684%	278,222,382	(50,159,545)	228,062,837	FUNCTIONAL PLANT
141	407.3	REGULATORY DEBITS	1,781,349	91.480%	1,629,583	(1,629,583)	-	DIRECT ASSIGN
142	408	TAXES OTHER THAN INCOME TAXES	43,865,521	90.273%	39,598,799	(1,777,924)	37,820,875	DIRECT ASSIGN, NET PLANT, PLANT, LABOR
143	409-411	FEDERAL INCOME TAXES	113,388,608	91.621%	103,888,226	(31,092,357)	72,795,869	CALCULATED
144	409-411	STATE INCOME TAXES	18,346,672	91.596%	16,804,843	(5,438,978)	11,365,866	CALCULATED
145	411.4	INVESTMENT TAX CREDIT	-	-	-	-	-	CALCULATED
146	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-	DEMAND
147		TOTAL OPERATING EXPENSES	<u>1,527,314,576</u>		<u>1,362,977,451</u>	<u>(79,157,766)</u>	<u>1,283,819,685</u>	
148		NET OPERATING INCOME	<u>306,732,048</u>		<u>279,639,047</u>	<u>(76,868,226)</u>	<u>202,770,820</u>	

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(d)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

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

Response:

See attached.

SCHEDULE D

JURISDICTIONAL ADJUSTMENTS OF OPERATING INCOME

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017 AND FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)	PRO FORMA FORECASTED PERIOD JURISDICTIONAL	DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD (Note 2)
			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
1		OPERATING REVENUES						
2		<u>SALES OF ELECTRICITY:</u>						
3	440	RESIDENTIAL	554,164,436	4,885,561	559,049,997	-	559,049,997	Variance reflects forecasted increase in billing determinants from the base period to the forecasted period at current tariff rates.
4	442.2	COMMERCIAL	353,038,022	(2,145,637)	350,892,385	122,025	351,014,410	Variance reflects forecasted decrease in billing determinants from the base period to the forecasted period at current tariff rates.
5	442.3	INDUSTRIAL	403,224,412	4,933,240	408,157,652	195,384	408,353,036	Variance reflects forecasted increase in billing determinants from the base period to the forecasted period at current tariff rates.
6	444	PUBLIC STREET AND HIGHWAY LIGHTING	10,890,956	69,551	10,960,507	-	10,960,507	Variance reflects forecasted change in billing determinants from the base period to the forecasted period at current tariff rates.
7	445	OTHER SALES TO PUBLIC AUTHORITIES	118,623,374	(962,804)	117,660,570	54,759	117,715,329	Variance reflects forecasted decrease in billing determinants from the base period to the forecasted period at current tariff rates.
8		TOTAL SALES TO ULTIMATE CONSUMERS	1,439,941,200	6,779,911	1,446,721,110	372,168	1,447,093,278	
9	447	SALES FOR RESALE	10,073,172	(1,650,269)	8,422,903	(1,635,232)	6,787,671	Variance is driven by lower intercompany sales to LG&E and the ECR off-system sales revenue proforma adjustment.
10	449.1	PROVISION FOR RATE REFUNDS	-	-	-	-	-	
11		TOTAL SALES OF ELECTRICITY	1,450,014,372	5,129,642	1,455,144,014	(1,263,064)	1,453,880,950	
12		<u>OTHER OPERATING REVENUES:</u>						
13	450	LATE PAYMENT CHARGES	4,055,578	(198,073)	3,857,505	-	3,857,505	Variance reflects trend in this account and is based on a historic average.
14	451	ELECTRIC SERVICE REVENUES	2,177,201	(68,919)	2,108,282	-	2,108,282	Variance reflects trend in this account and is based on a historic average.
15	454	RENT FROM ELECTRIC PROPERTY	3,246,156	(103,511)	3,142,645	-	3,142,645	Variance reflects trend in this account and is based on a historic average.
16	456	OTHER MISCELLANEOUS REVENUE	19,448,940	2,889,120	22,338,060	-	22,338,060	Variance reflects increase in transmission revenues.
17		TOTAL OTHER OPERATING REVENUES	28,927,875	2,518,617	31,446,492	-	31,446,492	
18		TOTAL OPERATING REVENUES	1,478,942,247	7,648,258	1,486,590,505	(1,263,064)	1,485,327,441	

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017 AND FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
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LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)	PRO FORMA FORECASTED PERIOD JURISDICTIONAL	DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD (Note 2)
			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
19		OPERATING EXPENSES						
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>						
21		<u>STEAM GENERATION:</u>						
22	500	STEAM OPERATION SUPERVISION AND ENGINEERING	9,328,587	114,114	9,442,701	-	9,442,701	Customary changes in the ordinary course of business.
23	501	FUEL	398,393,877	(25,772,219)	372,621,659	-	372,621,659	Variance in fuel is due to the pro forma adjustment. Increases in Other Fuel and Purchased Power below are largely offset through the FAC pro forma adjustment.
24	502	STEAM EXPENSES	14,890,280	626,149	15,516,429	-	15,516,429	Base period understated for limestone for Trimble County 2 that should have been allocated to KU.
25	504	STEAM TRANSFERRED-CREDIT	-	-	-	-	-	
26	505	ELECTRIC EXPENSES	6,778,431	435,956	7,214,388	-	7,214,388	Labor increases for Trimble County 2.
27	506	MISC STEAM POWER EXPENSES	13,291,725	1,152,865	14,444,590	-	14,444,590	Base period understated for ammonia, hydrated lime and mercury mitigation agents for Trimble County 2 that should have been allocated to KU.
28	507	RENTS	5,216	(5,216)	-	-	-	Item not budgeted in forecast period due to immateriality.
29	509	ALLOWANCES	(0)	0	-	-	-	
30	510	MAINTENANCE SUPERVISION AND ENGINEERING	8,504,375	1,757,375	10,261,750	-	10,261,750	Forecasted test year labor for Trimble County budgeted to FERC 510 instead of FERC 511.
31	511	MAINTENANCE OF STRUCTURES	7,329,232	(1,369,345)	5,959,887	-	5,959,887	Forecasted test period labor for Trimble County budgeted to FERC 510 instead of FERC 511.
32	512	MAINTENANCE OF BOILER PLANT	34,643,856	5,542,287	40,186,143	-	40,186,143	Major planned generator overhauls in forecasted test period for Trimble County unit 2 and EW Brown Units .
33	513	MAINTENANCE OF ELECTRIC PLANT	7,769,708	500,325	8,270,033	-	8,270,033	Major planned turbine overhauls in forecasted test period for EW Brown Units.
34	514	MAINTENANCE OF MISC STEAM PLANT	2,729,619	(290,097)	2,439,522	-	2,439,522	Customary changes in the ordinary course of business.
35		TOTAL STEAM GENERATION	503,664,907	(17,307,806)	486,357,102	-	486,357,102	
36		<u>HYDRAULIC GENERATION:</u>						
37	535	HYDRO OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	Item not budgeted in forecast period due to immateriality.
38	536	WATER FOR POWER	-	-	-	-	-	
39	537	HYDRAULIC EXPENSES	-	-	-	-	-	
40	538	ELECTRIC EXPENSES	-	-	-	-	-	

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
41	539	MISC HYDRAULIC POWER GENERATION EXPENSES	34,874	(26,351)	8,523	-	8,523	Customary changes in the ordinary course of business.
42	540	RENTS	-	-	-	-	-	
43	541	HYDRO MAINTENANCE SUPERVISION AND ENGINEERING	151,191	35,303	186,494	-	186,494	Customary changes in the ordinary course of business.
44	542	MAINTENANCE OF STRUCTURES	180,904	(64,003)	116,901	-	116,901	Customary changes in the ordinary course of business.
45	543	MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS	10,995	11,502	22,497	-	22,497	Customary changes in the ordinary course of business.
46	544	MAINTENANCE OF ELECTRIC PLANT	60,544	(27,514)	33,030	-	33,030	Customary changes in the ordinary course of business.
47	545	MAINTENANCE OF MISC HYDRAULIC PLANT	7,513	2,080	9,592	-	9,592	Customary changes in the ordinary course of business.
48		TOTAL HYDRAULIC GENERATION	446,020	(68,984)	377,036	-	377,036	
49		<u>OTHER GENERATION:</u>						
50	546	OTHER OPERATION SUPERVISION AND ENGINEERING	1,104,358	(32,962)	1,071,395	-	1,071,395	Customary changes in the ordinary course of business.
51	547	OTHER FUEL	115,149,497	15,620,145	130,769,641	-	130,769,641	Variance in other fuel is largely offset through the FAC pro forma adjustment.
52	548	GENERATION EXPENSES	382,336	228,970	611,306	-	611,306	Minor consumables (grease, oil, etc), small tools and equipment analysis needed for operation of Cane Run 7.
53	549	MISC OTHER POWER GENERATION EXPENSES	3,419,326	219,726	3,639,052	-	3,639,052	Forecasted test period costs related to Cane Run 7 - offset in FERC 551.
54	550	RENTS	12,788	(8,368)	4,421	-	4,421	Customary changes in the ordinary course of business.
55	551	MAINTENANCE SUPERVISION AND ENGINEERING	414,250	(157,051)	257,199	-	257,199	Forecasted test period costs related to Cane Run 7 - offset in FERC 549.
56	552	MAINTENANCE OF STRUCTURES	679,243	1,001,478	1,680,721	-	1,680,721	Major planned overhaul in forecasted test period for Cane Run 7.
57	553	MAINTENANCE OF GENERATING AND ELECTRIC PLANT	3,764,340	1,131,055	4,895,395	-	4,895,395	Major planned overhaul in forecasted test period for EW Brown Unit 6 and unit 10.
58	554	MAINTENANCE OF MISC OTHER POWER GENERATION PLANT	4,134,239	1,004,976	5,139,215	-	5,139,215	Increase in process water treatment maintenace.
59		TOTAL OTHER GENERATION	129,060,377	19,007,969	148,068,346	-	148,068,346	
60		<u>OTHER POWER SUPPLY:</u>						
61	555	PURCHASED POWER	39,633,744	10,985,563	50,619,306	-	50,619,306	Variance is due primarily to an increase in intercompany purchased power from LG&E. Variance is largely offset through the FAC pro forma adjustment.

KENTUCKY UTILITIES COMPANY

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
62	556	SYSTEM CONTROL AND LOAD DISPATCHING	1,643,527	221,190	1,864,717	-	1,864,717	Variance is based on three headcount moved into Power Supply department (charging FERC 556), one headcount from Economic Analysis (previously charging FERC 920) and two from Generation Planning (previously charging FERC 500).
63	557	OTHER EXPENSES	2,413	7,956	10,369	-	10,369	Base period included a reclassification of costs to Account 502 and Account 506.
64		TOTAL OTHER POWER SUPPLY	41,279,684	11,214,708	52,494,393	-	52,494,393	
65		TOTAL PRODUCTION EXPENSES	674,450,989	12,845,888	687,296,877	-	687,296,877	
66		<u>TRANSMISSION EXPENSES:</u>						
67	560	TRANS OPERATION SUPERVISION AND ENGINEERING	1,529,566	274,739	1,804,305	-	1,804,305	Higher percentage of Protection and Control labor charged to O&M than capital in the Forecasted Period for relay settings work.
68	561	LOAD DISPATCHING	3,449,202	194,850	3,644,052	-	3,644,052	Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.
69	562	STATION EXPENSES	1,307,841	(4,543)	1,303,298	-	1,303,298	Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.
70	563	OVERHEAD LINE EXPENSES	665,841	393,153	1,058,993	-	1,058,993	Variance primarily due to enhanced wood and steel pole/tower inspection program, as well as higher aerial patrol expense.
71	564	UNDERGROUND LINE EXPENSES	-	-	-	-	-	
72	565	TRANSMISSION OF ELECTRICITY BY OTHERS	2,742,517	197,932	2,940,449	-	2,940,449	Variance is reflective of the transmission of power to serve native load and make off-system sales per the generation forecast.
73	566	MISC TRANSMISSION EXPENSES	10,743,172	1,205,399	11,948,572	-	11,948,572	Variance is primarily due to Transmission depaencing expenses for former Municipal customers, KMPA, and OMU.
74	567	RENTS	129,109	(17,104)	112,005	-	112,005	Customary changes in the ordinary course of business.
75	568	TRANS MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	
76	569	MAINTENANCE OF STRUCTURES	-	-	-	-	-	
77	570	MAINTENANCE OF STATION EQUIPMENT	2,180,870	(194,463)	1,986,407	-	1,986,407	Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
78	571	MAINTENANCE OF OVERHEAD LINES	5,544,176	5,026,655	10,570,832	-	10,570,832	Variance is driven by change to "Cycle" based line clearing, enhanced corrosion prevention and switch maintenance programs.
79	572	MAINTENANCE OF UNDERGROUND LINES	-	-	-	-	-	
80	573	MAINTENANCE OF MISC TRANSMISSION PLANT	315,996	21,103	337,099	-	337,099	Customary changes in the ordinary course of business.
81	575	MISO DAY 1 AND 2 EXPENSE	(331,989)	331,989	-	-	-	Reflects MISO regulatory liability amortization, which ends in December 2016.
82		TOTAL TRANSMISSION EXPENSES	<u>28,276,301</u>	<u>7,429,710</u>	<u>35,706,011</u>	<u>-</u>	<u>35,706,011</u>	
83		<u>DISTRIBUTION EXPENSES:</u>						
84	580	DISTR OPERATION SUPERVISION AND ENGINEERING	1,570,160	(59,736)	1,510,424	-	1,510,424	Customary changes in the ordinary course of business.
85	581	LOAD DISPATCHING	348,185	(7,132)	341,053	-	341,053	Customary changes in the ordinary course of business.
86	582	STATION EXPENSES	1,806,788	(8,242)	1,798,545	-	1,798,545	Customary changes in the ordinary course of business.
87	583	OVERHEAD LINE EXPENSES	4,885,156	(178,839)	4,706,317	-	4,706,317	Customary changes in the ordinary course of business.
88	584	UNDERGROUND LINE EXPENSES	108	(108)	-	-	-	Customary changes in the ordinary course of business.
89	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	-	-	-	-	
90	586	METER EXPENSES	7,404,740	1,344,442	8,749,183	-	8,749,183	Increase is due primarily to Advanced Meter System project expenses associated with removing, shipping, tracking and testing the existing meters that are being removed.
91	587	CUSTOMER INSTALLATIONS EXPENSES	(109,353)	(33,447)	(142,800)	-	(142,800)	Customary changes in the ordinary course of business.
92	588	MISC DISTRIBUTION EXPENSES	5,306,438	1,436,735	6,743,173	-	6,743,173	Increase is due to several factors: there is additional restoration coordinator labor expense associated with the Distribution Automation project; IT maintenance costs for Distribution systems previously charged to FERC 923 switched to FERC 588; substation expenses are higher.
93	589	RENTS	5,248	(5,248)	-	-	-	Customary changes in the ordinary course of business.
94	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	36,986	20,464	57,449	-	57,449	Customary changes in the ordinary course of business.
95	591	MAINTENANCE OF STRUCTURES	-	-	-	-	-	
96	592	MAINTENANCE OF STATION EQUIPMENT	1,149,623	137,069	1,286,692	-	1,286,692	Increase is due to more budgeted to 592 Corrective Maintenance (instead of 582 Preventative Maintenance) in the test year to more accurately align with actuals in the base year. Storms are also slightly higher in the test year.

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
97	593	MAINTENANCE OF OVERHEAD LINES	30,056,146	183,069	30,239,215	-	30,239,215	Customary changes in the ordinary course of business.
98	594	MAINTENANCE OF UNDERGROUND LINES	597,450	193,051	790,500	-	790,500	Increase is due to Trouble Order work across the various KU Operations Centers and repair of defective equipment. The nature of both these types of work varies from year to year.
99	595	MAINTENANCE OF LINE TRANSFORMERS	109,639	(13,308)	96,331	-	96,331	Customary changes in the ordinary course of business.
100	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS	4	(4)	-	-	-	Customary changes in the ordinary course of business.
101	597	MAINTENANCE OF METERS	-	1,371,953	1,371,953	-	1,371,953	Test year includes Advanced Meter System expenses associated with repairs to the customer-owned bases of the meters that are attached to the customer's property.
102	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	312,657	237,656	550,314	-	550,314	Increase is due to buildings & grounds costs previously charged to 921 and 923, which are budgeted to 598. 2016 YTD August costs were reclassified to 598, but the forecast for remainder of the year was not adjusted. Storm costs are also higher in the test year.
103		TOTAL DISTRIBUTION EXPENSES	53,479,974	4,618,375	58,098,349	-	58,098,349	
104		<u>CUSTOMER ACCOUNTS EXPENSES:</u>						
105	901	CUSTOMER ACCTS SUPERVISION	3,225,132	406,422	3,631,554	-	3,631,554	The base year is lower than the test year due primarily to vacancies.
106	902	METER READING EXPENSES	5,085,240	216,242	5,301,482	-	5,301,482	Contractor expense is higher due to a floater position assumed in the test year to cover the widespread territory and higher headcount for an incremental team leader position.
107	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	18,145,188	2,022,284	20,167,471	-	20,167,471	The increase is due to the new Advanced Meter System program, CCS/SAP implementation costs, higher postage costs, higher software maintenance costs (previously charged to FERC 935).
108	904	UNCOLLECTIBLE ACCOUNTS	4,891,101	675,056	5,566,157	-	5,566,157	Actual bad debt expense in the base year is less than the 5-year average ratio (0.35% of revenues) used in the budget/test year.
109	905	MISC CUSTOMER ACCOUNTS EXPENSE	987	(987)	-	-	-	Customary changes in the ordinary course of business.
110		TOTAL CUSTOMER ACCOUNTS EXPENSES	31,347,647	3,319,016	34,666,664	-	34,666,664	
111		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>						
112	907	CUSTOMER SERVICE AND INFO SUPERVISION	520,409	131,017	651,425	-	651,425	Base period understated for Energy Efficiency charges forecasted to FERC accts 920 and 921.
113	908	CUSTOMER ASSISTANCE EXPENSES	839,408	(389,357)	450,051	-	450,051	Offset by an increase in FERC 910 for surveys, previously included in FERC 908.

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			\$	\$	\$	\$	\$	
114	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	444,348	(54,503)	389,845	-	389,845	Customary changes in the ordinary course of business.
115	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	1,230,395	630,632	1,861,027	-	1,861,027	Increase is due to costs associated with the Advanced Meter System expenses, higher transmission system impact studies, surveys and customer notifications. The survey costs are offset in FERC 908.
116		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	3,034,559	317,789	3,352,348	-	3,352,348	
117		<u>SALES EXPENSES:</u>						
118	911	SALES SUPERVISION	-	-	-	-	-	
119	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	
120	913	ADVERTISING EXPENSES	717,528	76,689	794,217	(794,217)	-	Expenses are removed from net operating income in setting base rates.
121	916	MISC SALES EXPENSES	-	-	-	-	-	
122		TOTAL SALES EXPENSES	717,528	76,689	794,217	(794,217)	-	
123		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>						
124	920	ADMINISTRATIVE AND GENERAL SALARIES	31,464,143	2,345,088	33,809,232	-	33,809,232	Variance reflects changes in headcount, wage inflation, and less allocated to capital in 2018.
125	921	OFFICE SUPPLIES AND EXPENSES	6,623,439	645,665	7,269,104	-	7,269,104	Variance reflects increases in telecommunications expense for cellular refresh and bank fees.
126	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(3,932,197)	(482,069)	(4,414,266)	-	(4,414,266)	This account is credited for a portion of expenses in 920 and 921 accounts that are transferred to construction costs. It reflects the cost increases above and the level of construction activity.
127	923	OUTSIDE SERVICES	17,449,002	1,684,210	19,133,213	-	19,133,213	Variance reflects higher level of contracted support for customer service initiatives and legal counsel.
128	924	PROPERTY INSURANCE	5,545,701	(1,833)	5,543,869	-	5,543,869	Customary changes in the ordinary course of business.
129	925	INJURIES AND DAMAGES	3,949,768	(45,675)	3,904,092	-	3,904,092	Customary changes in the ordinary course of business.
130	926	EMPLOYEE PENSION AND BENEFITS	34,460,775	4,451,331	38,912,106	-	38,912,106	Variance reflects higher pension expense due to a decrease in the discount rate and higher medical costs.
131	927	FRANCHISE REQUIREMENTS	-	-	-	-	-	
132	928	REGULATORY COMMISSION EXPENSES	1,050,320	749,986	1,800,307	-	1,800,307	Forecasted period reflects rate case expense amortization for the 2014 and 2016 cases.
133	929	DUPLICATE CHARGES--CREDIT	-	-	-	-	-	

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LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)	PRO FORMA FORECASTED PERIOD JURISDICTIONAL	DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD (Note 2)
			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
134	930.1	GENERAL ADVERTISING EXPENSES	55,232	(11,334)	43,898	(43,898)		Expenses are removed from net operating income in setting base rates.
135	930.2	MISC GENERAL EXPENSES	5,743,663	(590,299)	5,153,364	-	5,153,364	The base year includes a write off of an IT system, partially offset by R&D amortization.
136	931	RENTS	1,856,981	(25,848)	1,831,134	-	1,831,134	Customary changes in the ordinary course of business.
137	935	MAINTENANCE OF GENERAL PLANT	1,081,039	(207,319)	873,720	-	873,720	Variance is driven by lower labor costs.
138		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	105,347,867	8,511,906	113,859,773	(43,898)	113,815,874	
139		TOTAL OPERATION AND MAINTENANCE EXPENSES	896,654,865	37,119,374	933,774,239	(838,116)	932,936,123	
140	403-404	DEPRECIATION AND AMORTIZATION	185,928,880	42,133,957	228,062,837	-	228,062,837	Variance is due to increase in plant-in-service and higher proposed depreciation rates.
141	407.3	REGULATORY DEBITS	-	-	-	-	-	
142	408	TAXES OTHER THAN INCOME TAXES	35,714,039	2,106,835	37,820,875	-	37,820,875	Variance is primarily due to increase in net utility plant.
143	409-411	FEDERAL INCOME TAXES	93,546,041	(20,750,172)	72,795,869	(140,151)	72,655,718	Variance is due to changes in pre-tax income and Solar ITC credit recognized in the base period offset below. See Schedule E.
144	409-411	STATE INCOME TAXES	15,786,752	(4,420,886)	11,365,866	(24,517)	11,341,349	Variance is due to changes in pre-tax income. See Schedule E.
145	411.4	INVESTMENT TAX CREDIT	3,549,008	(3,549,008)	-	-	-	Variance is due to Solar ITC credit recognized in base period offset above in federal income taxes; amortization charged below-the-line.
146	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-	
147		TOTAL OPERATING EXPENSES	1,231,179,585	52,640,100	1,283,819,685	(1,002,783)	1,282,816,901	
148		NET OPERATING INCOME	247,762,662	(44,991,842)	202,770,820	(260,281)	202,510,540	

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

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

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

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

SCHEDULE D-2
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
1		<u>OPERATING REVENUES</u>								
2		<u>SALES OF ELECTRICITY:</u>								
3	440	RESIDENTIAL	(18,060,242)	(54,512,144)	23,558,118	89,018	-	(48,925,251)	100.000%	(48,925,251)
4	442.2	COMMERCIAL	(4,302,344)	(40,644,535)	15,478,627	58,147	-	(29,410,105)	100.000%	(29,410,105)
5	442.3	INDUSTRIAL	(143,628)	(37,660,124)	26,382,841	96,497	-	(11,324,414)	100.000%	(11,324,414)
6	444	PUBLIC STREET AND HIGHWAY LIGHTING	(2,871)	(1,100,964)	180,373	554	-	(922,908)	100.000%	(922,908)
7	445	OTHER SALES TO PUBLIC AUTHORITIES	(1,026,921)	(12,563,091)	6,198,355	22,001	-	(7,369,655)	100.000%	(7,369,655)
8		TOTAL SALES TO ULTIMATE CONSUMERS	(23,536,006)	(146,480,858)	71,798,313	266,217	-	(97,952,333)		(97,952,333)
9	447	SALES FOR RESALE	-	-	-	(4,738,652)	-	(4,738,652)	87.938%	(4,167,087)
10	449.1	PROVISION FOR RATE REFUNDS	-	-	-	-	-	-		-
11		TOTAL SALES OF ELECTRICITY	(23,536,006)	(146,480,858)	71,798,313	(4,472,435)	-	(102,690,985)		(102,119,421)
12		<u>OTHER OPERATING REVENUES:</u>								
13	450	LATE PAYMENT CHARGES	-	-	-	-	-	-	96.418%	-
14	451	ELECTRIC SERVICE REVENUES	-	-	-	-	-	-	94.780%	-
15	454	RENT FROM ELECTRIC PROPERTY	-	-	-	-	-	-	93.322%	-
16	456	OTHER MISCELLANEOUS REVENUE	-	-	-	-	-	-	94.580%	-
17		TOTAL OTHER OPERATING REVENUES	-	-	-	-	-	-		-
18		TOTAL OPERATING REVENUES	(23,536,006)	(146,480,858)	71,798,313	(4,472,435)	-	(102,690,985)		(102,119,421)
19		<u>OPERATING EXPENSES</u>								
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>								
21		<u>STEAM GENERATION:</u>								
22	500	STEAM OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	88.184%	-
23	501	FUEL	-	(79,337)	70,582,896	(3,192,238)	-	67,311,322	100.586%	67,705,931
24	502	STEAM EXPENSES	-	(4,200,937)	-	(106,189)	-	(4,307,126)	86.994%	(3,746,928)
25	504	STEAM TRANSFERRED-CREDIT	-	-	-	-	-	-	86.994%	-

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

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

SCHEDULE D-2
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
26	505	ELECTRIC EXPENSES	-	-	-	-	-	-	87.050%	-
27	506	MISC STEAM POWER EXPENSES	-	(16,248,367)	-	(50,607)	-	(16,298,974)	86.977%	(14,176,350)
28	507	RENTS	-	-	-	-	-	-	86.929%	-
29	509	ALLOWANCES	-	(7,470)	-	-	-	(7,470)	86.929%	(6,494)
30	510	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	87.028%	-
31	511	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	87.069%	-
32	512	MAINTENANCE OF BOILER PLANT	-	(4,345,401)	-	-	-	(4,345,401)	87.961%	(3,822,250)
33	513	MAINTENANCE OF ELECTRIC PLANT	-	-	-	-	-	-	87.964%	-
34	514	MAINTENANCE OF MISC STEAM PLANT	-	-	-	-	-	-	89.290%	-
35		TOTAL STEAM GENERATION	-	(24,881,512)	70,582,896	(3,349,034)	-	42,352,350		45,953,909
36		<u>HYDRAULIC GENERATION:</u>								
37	535	HYDRO OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	87.356%	-
38	536	WATER FOR POWER	-	-	-	-	-	-	87.356%	-
39	537	HYDRAULIC EXPENSES	-	-	-	-	-	-	87.356%	-
40	538	ELECTRIC EXPENSES	-	-	-	-	-	-	87.356%	-
41	539	MISC HYDRAULIC POWER GENERATION EXPENSES	-	-	-	-	-	-	87.356%	-
42	540	RENTS	-	-	-	-	-	-	87.356%	-
43	541	HYDRO MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	87.356%	-
44	542	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	87.356%	-
45	543	MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS	-	-	-	-	-	-	87.356%	-
46	544	MAINTENANCE OF ELECTRIC PLANT	-	-	-	-	-	-	87.938%	-
47	545	MAINTENANCE OF MISC HYDRAULIC PLANT	-	-	-	-	-	-	87.356%	-
48		TOTAL HYDRAULIC GENERATION	-	-	-	-	-	-		-
49		<u>OTHER GENERATION:</u>								
50	546	OTHER OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	87.399%	-
51	547	OTHER FUEL	-	-	-	(82,297)	-	(82,297)	87.938%	(72,370)
52	548	GENERATION EXPENSES	-	-	-	-	-	-	87.399%	-

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: X BASE PERIOD FORECASTED PERIOD
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WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
53	549	MISC OTHER POWER GENERATION EXPENSES	-	-	-	-	-	-	87.399%	-
54	550	RENTS	-	-	-	-	-	-	87.399%	-
55	551	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	87.399%	-
56	552	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	87.399%	-
57	553	MAINTENANCE OF GENERATING AND ELECTRIC PLANT	-	-	-	-	-	-	87.399%	-
58	554	MAINTENANCE OF MISC OTHER POWER GENERATION PLANT	-	-	-	-	-	-	87.399%	-
59		TOTAL OTHER GENERATION	-	-	-	(82,297)	-	(82,297)		(72,370)
60		<u>OTHER POWER SUPPLY:</u>								
61	555	PURCHASED POWER	-	-	-	(622,151)	-	(622,151)	87.876%	(546,724)
62	556	SYSTEM CONTROL AND LOAD DISPATCHING	-	-	-	-	-	-	87.578%	-
63	557	OTHER EXPENSES	-	-	-	(29,258)	-	(29,258)	87.006%	(25,456)
64		TOTAL OTHER POWER SUPPLY	-	-	-	(651,409)	-	(651,409)		(572,180)
65		TOTAL PRODUCTION EXPENSES	-	(24,881,512)	70,582,896	(4,082,740)	-	41,618,645		45,309,359
66		<u>TRANSMISSION EXPENSES:</u>								
67	560	TRANS OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	89.734%	-
68	561	LOAD DISPATCHING	-	-	-	-	-	-	89.734%	-
69	562	STATION EXPENSES	-	-	-	-	-	-	89.734%	-
70	563	OVERHEAD LINE EXPENSES	-	-	-	-	-	-	89.734%	-
71	564	UNDERGROUND LINE EXPENSES	-	-	-	-	-	-	89.734%	-
72	565	TRANSMISSION OF ELECTRICITY BY OTHERS	-	-	-	(249,272)	-	(249,272)	89.734%	(223,682)
73	566	MISC TRANSMISSION EXPENSES	-	-	-	-	-	-	89.734%	-
74	567	RENTS	-	-	-	-	-	-	89.734%	-
75	568	TRANS MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	89.734%	-
76	569	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	89.734%	-
77	570	MAINTENANCE OF STATION EQUIPMENT	-	-	-	-	-	-	89.734%	-
78	571	MAINTENANCE OF OVERHEAD LINES	-	-	-	-	-	-	89.861%	-
79	572	MAINTENANCE OF UNDERGROUND LINES	-	-	-	-	-	-	89.734%	-

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
80	573	MAINTENANCE OF MISC TRANSMISSION PLANT	-	-	-	-	-	-	89.734%	-
81	575	MISO DAY 1 AND 2 EXPENSE	-	-	-	-	-	-	100.022%	-
82		TOTAL TRANSMISSION EXPENSES	-	-	-	(249,272)	-	(249,272)		(223,682)
83		<u>DISTRIBUTION EXPENSES:</u>								
84	580	DISTR OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	94.350%	-
85	581	LOAD DISPATCHING	-	-	-	-	-	-	93.784%	-
86	582	STATION EXPENSES	-	-	-	-	-	-	93.784%	-
87	583	OVERHEAD LINE EXPENSES	-	-	-	-	-	-	92.674%	-
88	584	UNDERGROUND LINE EXPENSES	-	-	-	-	-	-	97.338%	-
89	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	-	-	-	-	-	96.778%	-
90	586	METER EXPENSES	-	-	-	-	-	-	94.514%	-
91	587	CUSTOMER INSTALLATIONS EXPENSES	-	-	-	-	-	-	100.000%	-
92	588	MISC DISTRIBUTION EXPENSES	-	-	-	-	-	-	94.350%	-
93	589	RENTS	-	-	-	-	-	-	94.350%	-
94	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	94.350%	-
95	591	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	93.784%	-
96	592	MAINTENANCE OF STATION EQUIPMENT	-	-	-	-	-	-	93.784%	-
97	593	MAINTENANCE OF OVERHEAD LINES	-	-	-	-	-	-	92.649%	-
98	594	MAINTENANCE OF UNDERGROUND LINES	-	-	-	-	-	-	97.338%	-
99	595	MAINTENANCE OF LINE TRANSFORMERS	-	-	-	-	-	-	95.799%	-
100	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS	-	-	-	-	-	-	96.778%	-
101	597	MAINTENANCE OF METERS	-	-	-	-	-	-	94.514%	-
102	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	-	-	-	-	-	-	94.350%	-
103		TOTAL DISTRIBUTION EXPENSES	-	-	-	-	-	-		-
104		<u>CUSTOMER ACCOUNTS EXPENSES:</u>								
105	901	CUSTOMER ACCTS SUPERVISION	-	-	-	-	-	-	94.878%	-
106	902	METER READING EXPENSES	-	-	-	-	-	-	94.878%	-

KENTUCKY UTILITIES COMPANY
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
107	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	-	-	-	-	-	-	94.878%	-
108	904	UNCOLLECTIBLE ACCOUNTS	-	-	-	-	-	-	94.878%	-
109	905	MISC CUSTOMER ACCOUNTS EXPENSE	-	-	-	-	-	-	94.878%	-
110		TOTAL CUSTOMER ACCOUNTS EXPENSES	-	-	-	-	-	-		-
111		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>								
112	907	CUSTOMER SERVICE AND INFO SUPERVISION	-	-	-	-	-	-	99.705%	-
113	908	CUSTOMER ASSISTANCE EXPENSES	(18,756,451)	-	-	-	-	(18,756,451)	100.000%	(18,756,451)
114	909	INFORMATIONAL AND STRUCTURAL ADVERTISING EXP	-	-	-	-	-	-	94.815%	-
115	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	-	-	-	-	-	-	99.879%	-
116		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	(18,756,451)	-	-	-	-	(18,756,451)		(18,756,451)
117		<u>SALES EXPENSES:</u>								
118	911	SALES SUPERVISION	-	-	-	-	-	-	99.705%	-
119	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	-	94.815%	-
120	913	ADVERTISING EXPENSES	-	-	-	-	-	-	94.815%	-
121	916	MISC SALES EXPENSES	-	-	-	-	-	-	94.815%	-
122		TOTAL SALES EXPENSES	-	-	-	-	-	-		-
123		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>								
124	920	ADMINISTRATIVE AND GENERAL SALARIES	-	-	-	-	-	-	90.241%	-
125	921	OFFICE SUPPLIES AND EXPENSES	-	-	-	-	-	-	90.241%	-
126	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	-	-	-	-	-	-	90.241%	-
127	923	OUTSIDE SERVICES	-	(3,668)	-	-	-	(3,668)	90.241%	(3,310)
128	924	PROPERTY INSURANCE	-	-	-	-	-	-	88.728%	-
129	925	INJURIES AND DAMAGES	-	-	-	-	-	-	90.246%	-
130	926	EMPLOYEE PENSION AND BENEFITS	-	-	-	-	-	-	89.349%	-
131	927	FRANCHISE REQUIREMENTS	-	-	-	-	-	-	0.000%	-
132	928	REGULATORY COMMISSION EXPENSES	-	-	-	-	-	-	96.172%	-

KENTUCKY UTILITIES COMPANY
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
133	929	DUPLICATE CHARGES--CREDIT	-	-	-	-	-	-	0.000%	-
134	930.1	GENERAL ADVERTISING EXPENSES	-	-	-	-	-	-	95.011%	-
135	930.2	MISC GENERAL EXPENSES	-	-	-	-	-	-	90.399%	-
136	931	RENTS	-	-	-	-	-	-	90.241%	-
137	935	MAINTENANCE OF GENERAL PLANT	-	-	-	-	-	-	90.241%	-
138		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	-	(3,668)	-	-	-	(3,668)		(3,310)
139		TOTAL OPERATION AND MAINTENANCE EXPENSES	(18,756,451)	(24,885,179)	70,582,896	(4,332,012)	-	22,609,254		26,325,917
140	403-404	DEPRECIATION AND AMORTIZATION	(420,542)	(27,222,146)	-	-	-	(27,642,688)	87.767%	(24,261,078)
141	407.3	REGULATORY DEBITS	-	(279,365)	-	-	-	(279,365)	100.000%	(279,365)
142	408	TAXES OTHER THAN INCOME TAXES	-	(1,821,305)	-	-	-	(1,821,305)	90.170%	(1,642,268)
143	409-411	FEDERAL INCOME TAXES	(1,437,635)	(30,432,300)	400,854	(46,313)	6,102,131	(25,413,263)	CALC	(27,624,867)
144	409-411	STATE INCOME TAXES	(251,485)	(5,323,514)	70,121	(8,101)	1,067,444	(4,445,535)	CALC	(4,832,411)
145	411.4	INVESTMENT TAX CREDIT	-	-	-	-	-	-	88.725%	-
146	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	80	-	-	-	80	100.000%	80
147		TOTAL OPERATING EXPENSES	(20,866,113)	(89,963,730)	71,053,871	(4,386,426)	7,169,575	(36,992,822)		(32,313,992)
148		NET OPERATING INCOME	(2,669,893)	(56,517,128)	744,442	(86,009)	(7,169,575)	(65,698,163)		(69,805,428)

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD___X___FORECASTED PERIOD
TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2
PAGE 7 OF 12
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
1		<u>OPERATING REVENUES</u>								
2		<u>SALES OF ELECTRICITY:</u>								
3	440	RESIDENTIAL	(18,238,779)	(69,061,127)	18,473,588	77,546	-	(68,748,772)	100.000%	(68,748,772)
4	442.2	COMMERCIAL	(5,237,769)	(51,367,004)	12,063,592	52,638	-	(44,488,543)	100.000%	(44,488,543)
5	442.3	INDUSTRIAL	-	(46,486,252)	21,198,540	92,145	-	(25,195,568)	100.000%	(25,195,568)
6	444	PUBLIC STREET AND HIGHWAY LIGHTING	(3,720)	(1,373,829)	162,117	649	-	(1,214,783)	100.000%	(1,214,783)
7	445	OTHER SALES TO PUBLIC AUTHORITIES	(1,197,455)	(15,411,117)	4,794,235	20,878	-	(11,793,458)	100.000%	(11,793,458)
8		TOTAL SALES TO ULTIMATE CONSUMERS	(24,677,723)	(183,699,329)	56,692,073	243,855	-	(151,441,124)		(151,441,124)
9	447	SALES FOR RESALE	-	-	-	(5,213,737)	-	(5,213,737)	87.938%	(4,584,869)
10	449.1	PROVISION FOR RATE REFUNDS	-	-	-	-	-	-		-
11		TOTAL SALES OF ELECTRICITY	(24,677,723)	(183,699,329)	56,692,073	(4,969,882)	-	(156,654,861)		(156,025,993)
12		<u>OTHER OPERATING REVENUES:</u>								
13	450	LATE PAYMENT CHARGES	-	-	-	-	-	-	96.418%	-
14	451	ELECTRIC SERVICE REVENUES	-	-	-	-	-	-	94.782%	-
15	454	RENT FROM ELECTRIC PROPERTY	-	-	-	-	-	-	93.322%	-
16	456	OTHER MISCELLANEOUS REVENUE	-	-	-	-	-	-	95.257%	-
17		TOTAL OTHER OPERATING REVENUES	-	-	-	-	-	-		-
18		TOTAL OPERATING REVENUES	(24,677,723)	(183,699,329)	56,692,073	(4,969,882)	-	(156,654,861)		(156,025,993)
19		<u>OPERATING EXPENSES</u>								
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>								
21		<u>STEAM GENERATION:</u>								
22	500	STEAM OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	87.606%	-
23	501	FUEL	-	(107,432)	56,692,073	(4,131,518)	-	52,453,123	100.975%	52,964,415
24	502	STEAM EXPENSES	-	(5,228,317)	-	(283,255)	-	(5,511,572)	86.967%	(4,793,230)
25	504	STEAM TRANSFERRED-CREDIT	-	-	-	-	-	-	86.967%	-

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2
PAGE 8 OF 12
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
26	505	ELECTRIC EXPENSES	-	-	-	-	-	-	86.996%	-
27	506	MISC STEAM POWER EXPENSES	-	(14,077,357)	-	-	-	(14,077,357)	86.961%	(12,241,843)
28	507	RENTS	-	-	-	-	-	-	86.934%	-
29	509	ALLOWANCES	-	(5,000)	-	-	-	(5,000)	86.934%	(4,347)
30	510	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	86.979%	-
31	511	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	87.028%	-
32	512	MAINTENANCE OF BOILER PLANT	-	(4,494,490)	-	-	-	(4,494,490)	87.949%	(3,952,858)
33	513	MAINTENANCE OF ELECTRIC PLANT	-	-	-	-	-	-	87.951%	-
34	514	MAINTENANCE OF MISC STEAM PLANT	-	-	-	-	-	-	88.360%	-
35		TOTAL STEAM GENERATION	-	(23,912,596)	56,692,073	(4,414,772)	-	28,364,704		31,972,138
36		<u>HYDRAULIC GENERATION:</u>								
37	535	HYDRO OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	87.359%	-
38	536	WATER FOR POWER	-	-	-	-	-	-	87.359%	-
39	537	HYDRAULIC EXPENSES	-	-	-	-	-	-	87.359%	-
40	538	ELECTRIC EXPENSES	-	-	-	-	-	-	87.359%	-
41	539	MISC HYDRAULIC POWER GENERATION EXPENSES	-	-	-	-	-	-	87.359%	-
42	540	RENTS	-	-	-	-	-	-	87.359%	-
43	541	HYDRO MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	87.359%	-
44	542	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	87.359%	-
45	543	MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS	-	-	-	-	-	-	87.359%	-
46	544	MAINTENANCE OF ELECTRIC PLANT	-	-	-	-	-	-	87.938%	-
47	545	MAINTENANCE OF MISC HYDRAULIC PLANT	-	-	-	-	-	-	87.359%	-
48		TOTAL HYDRAULIC GENERATION	-	-	-	-	-	-		-
49		<u>OTHER GENERATION:</u>								
50	546	OTHER OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	87.402%	-
51	547	OTHER FUEL	-	-	-	-	-	-	87.938%	-
52	548	GENERATION EXPENSES	-	-	-	-	-	-	87.402%	-

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISIED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2
PAGE 9 OF 12
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
53	549	MISC OTHER POWER GENERATION EXPENSES	-	-	-	-	-	-	87.070%	-
54	550	RENTS	-	-	-	-	-	-	87.402%	-
55	551	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	87.402%	-
56	552	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	87.402%	-
57	553	MAINTENANCE OF GENERATING AND ELECTRIC PLANT	-	-	-	-	-	-	87.402%	-
58	554	MAINTENANCE OF MISC OTHER POWER GENERATION PLANT	-	-	-	-	-	-	87.402%	-
59		TOTAL OTHER GENERATION	-	-	-	-	-	-		-
60		<u>OTHER POWER SUPPLY:</u>								
61	555	PURCHASED POWER	-	-	-	(152,507)	-	(152,507)	87.886%	(134,032)
62	556	SYSTEM CONTROL AND LOAD DISPATCHING	-	-	-	-	-	-	87.578%	-
63	557	OTHER EXPENSES	-	-	-	(34,196)	-	(34,196)	87.012%	(29,755)
64		TOTAL OTHER POWER SUPPLY	-	-	-	(186,703)	-	(186,703)		(163,787)
65		TOTAL PRODUCTION EXPENSES	-	(23,912,596)	56,692,073	(4,601,475)	-	28,178,001		31,808,351
66		<u>TRANSMISSION EXPENSES:</u>								
67	560	TRANS OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	90.155%	-
68	561	LOAD DISPATCHING	-	-	-	-	-	-	90.155%	-
69	562	STATION EXPENSES	-	-	-	-	-	-	90.155%	-
70	563	OVERHEAD LINE EXPENSES	-	-	-	-	-	-	90.155%	-
71	564	UNDERGROUND LINE EXPENSES	-	-	-	-	-	-	90.155%	-
72	565	TRANSMISSION OF ELECTRICITY BY OTHERS	-	-	-	(241,901)	-	(241,901)	90.155%	(218,085)
73	566	MISC TRANSMISSION EXPENSES	-	-	-	-	-	-	90.155%	-
74	567	RENTS	-	-	-	-	-	-	90.155%	-
75	568	TRANS MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	90.155%	-
76	569	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	90.155%	-
77	570	MAINTENANCE OF STATION EQUIPMENT	-	-	-	-	-	-	90.155%	-
78	571	MAINTENANCE OF OVERHEAD LINES	-	-	-	-	-	-	90.219%	-
79	572	MAINTENANCE OF UNDERGROUND LINES	-	-	-	-	-	-	90.155%	-

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD ___X___FORECASTED PERIOD
TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISIED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2
PAGE 10 OF 12
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
80	573	MAINTENANCE OF MISC TRANSMISSION PLANT	-	-	-	-	-	-	90.155%	-
81	575	MISO DAY 1 AND 2 EXPENSE	-	-	-	-	-	-	90.155%	-
82		TOTAL TRANSMISSION EXPENSES	-	-	-	(241,901)	-	(241,901)		(218,085)
83		<u>DISTRIBUTION EXPENSES:</u>								
84	580	DISTR OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	94.436%	-
85	581	LOAD DISPATCHING	-	-	-	-	-	-	94.035%	-
86	582	STATION EXPENSES	-	-	-	-	-	-	94.035%	-
87	583	OVERHEAD LINE EXPENSES	-	-	-	-	-	-	92.716%	-
88	584	UNDERGROUND LINE EXPENSES	-	-	-	-	-	-	97.320%	-
89	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	-	-	-	-	-	0.000%	-
90	586	METER EXPENSES	-	-	-	-	-	-	95.070%	-
91	587	CUSTOMER INSTALLATIONS EXPENSES	-	-	-	-	-	-	100.000%	-
92	588	MISC DISTRIBUTION EXPENSES	-	-	-	-	-	-	94.436%	-
93	589	RENTS	-	-	-	-	-	-	93.811%	-
94	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	94.436%	-
95	591	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	94.035%	-
96	592	MAINTENANCE OF STATION EQUIPMENT	-	-	-	-	-	-	94.035%	-
97	593	MAINTENANCE OF OVERHEAD LINES	-	-	-	-	-	-	93.359%	-
98	594	MAINTENANCE OF UNDERGROUND LINES	-	-	-	-	-	-	97.320%	-
99	595	MAINTENANCE OF LINE TRANSFORMERS	-	-	-	-	-	-	95.884%	-
100	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS	-	-	-	-	-	-	0.000%	-
101	597	MAINTENANCE OF METERS	-	-	-	-	-	-	95.070%	-
102	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	-	-	-	-	-	-	94.436%	-
103		TOTAL DISTRIBUTION EXPENSES	-	-	-	-	-	-		-
104		<u>CUSTOMER ACCOUNTS EXPENSES:</u>								
105	901	CUSTOMER ACCTS SUPERVISION	-	-	-	-	-	-	94.878%	-
106	902	METER READING EXPENSES	-	-	-	-	-	-	94.878%	-

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2
PAGE 11 OF 12
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
107	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	-	-	-	-	-	-	94.755%	-
108	904	UNCOLLECTIBLE ACCOUNTS	-	-	-	-	-	-	94.878%	-
109	905	MISC CUSTOMER ACCOUNTS EXPENSE	-	-	-	-	-	-	94.878%	-
110		TOTAL CUSTOMER ACCOUNTS EXPENSES	-	-	-	-	-	-		-
111		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>								
112	907	CUSTOMER SERVICE AND INFO SUPERVISION	-	-	-	-	-	-	99.725%	-
113	908	CUSTOMER ASSISTANCE EXPENSES	(20,649,645)	-	-	-	-	(20,649,645)	100.000%	(20,649,645)
114	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	-	-	-	-	-	-	94.815%	-
115	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	-	-	-	-	-	-	99.901%	-
116		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	(20,649,645)	-	-	-	-	(20,649,645)		(20,649,645)
117		<u>SALES EXPENSES:</u>								
118	911	SALES SUPERVISION	-	-	-	-	-	-	99.725%	-
119	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	-	94.815%	-
120	913	ADVERTISING EXPENSES	-	-	-	-	-	-	94.815%	-
121	916	MISC SALES EXPENSES	-	-	-	-	-	-	94.815%	-
122		TOTAL SALES EXPENSES	-	-	-	-	-	-		-
123		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>								
124	920	ADMINISTRATIVE AND GENERAL SALARIES	-	-	-	-	-	-	90.371%	-
125	921	OFFICE SUPPLIES AND EXPENSES	-	-	-	-	-	-	90.371%	-
126	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	-	-	-	-	-	-	90.371%	-
127	923	OUTSIDE SERVICES	-	-	-	-	-	-	90.371%	-
128	924	PROPERTY INSURANCE	-	-	-	-	-	-	88.837%	-
129	925	INJURIES AND DAMAGES	-	-	-	-	-	-	90.374%	-
130	926	EMPLOYEE PENSION AND BENEFITS	-	-	-	-	-	-	89.033%	-
131	927	FRANCHISE REQUIREMENTS	-	-	-	-	-	-	0.000%	-
132	928	REGULATORY COMMISSION EXPENSES	-	-	-	-	-	-	97.146%	-

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISIED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2
PAGE 12 OF 12
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
133	929	DUPLICATE CHARGES--CREDIT	-	-	-	-	-	-	0.000%	-
134	930.1	GENERAL ADVERTISING EXPENSES	-	-	-	-	-	-	95.062%	-
135	930.2	MISC GENERAL EXPENSES	-	-	-	-	-	-	90.544%	-
136	931	RENTS	-	-	-	-	-	-	90.371%	-
137	935	MAINTENANCE OF GENERAL PLANT	-	-	-	-	-	-	90.371%	-
138		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	-	-	-	-	-	-		-
139		TOTAL OPERATION AND MAINTENANCE EXPENSES	<u>(20,649,645)</u>	<u>(23,912,596)</u>	<u>56,692,073</u>	<u>(4,843,376)</u>	<u>-</u>	<u>7,286,455</u>		<u>10,940,620</u>
140	403-404	DEPRECIATION AND AMORTIZATION	(1,455,910)	(55,611,898)	-	-	-	(57,067,807)	87.895%	(50,159,545)
141	407.3	REGULATORY DEBITS	-	(1,781,349)	-	-	-	(1,781,349)	91.480%	(1,629,583)
142	408	TAXES OTHER THAN INCOME TAXES	-	(1,969,494)	-	-	-	(1,969,494)	90.273%	(1,777,924)
143	409-411	FEDERAL INCOME TAXES	(848,320)	(33,120,577)	-	(41,723)	6,307,658	(27,702,961)	CALC	(31,092,357)
144	409-411	STATE INCOME TAXES	(148,396)	(5,793,773)	-	(7,299)	1,103,397	(4,846,071)	CALC	(5,438,978)
145	411.4	INVESTMENT TAX CREDIT	-	-	-	-	-	-	0.000%	-
146	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-	-	0.000%	-
147		TOTAL OPERATING EXPENSES	<u>(23,102,271)</u>	<u>(122,189,686)</u>	<u>56,692,073</u>	<u>(4,892,397)</u>	<u>7,411,055</u>	<u>(86,081,227)</u>		<u>(79,157,766)</u>
148		NET OPERATING INCOME	<u>(1,575,452)</u>	<u>(61,509,643)</u>	<u>-</u>	<u>(77,485)</u>	<u>(7,411,055)</u>	<u>(70,573,634)</u>		<u>(76,868,226)</u>

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL PRO FORMA ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD ___X__FORECASTED PERIOD
TYPE OF FILING: ___X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISIED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2.1

SCHEDULE D-2.1
PAGE 1 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 6	ADJ 7	ADJ 8	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL PRO FORMA
			ECR FOR OFF-SYSTEM SALES	CUSTOMER ACCOUNT CHANGES	ADVERTISING EXPENSES			ADJUSTMENTS TO FORECAST PERIOD
			\$	\$	\$	\$		\$
1		OPERATING REVENUES						
2		<u>SALES OF ELECTRICITY:</u>						
3	440	RESIDENTIAL	-	-	-	-	100.000%	-
4	442.2	COMMERCIAL	-	122,025	-	122,025	100.000%	122,025
5	442.3	INDUSTRIAL	-	195,384	-	195,384	100.000%	195,384
6	444	PUBLIC STREET AND HIGHWAY LIGHTING	-	-	-	-	100.000%	-
7	445	OTHER SALES TO PUBLIC AUTHORITIES	-	54,759	-	54,759	100.000%	54,759
8		TOTAL SALES TO ULTIMATE CONSUMERS	-	372,168	-	372,168		372,168
9	447	SALES FOR RESALE	(1,862,783)	-	-	(1,862,783)	87.784%	(1,635,232)
10	449.1	PROVISION FOR RATE REFUNDS	-	-	-	-	0.000%	-
11		TOTAL SALES OF ELECTRICITY	<u>(1,862,783)</u>	<u>372,168</u>	<u>-</u>	<u>(1,490,615)</u>		<u>(1,263,064)</u>
12		<u>OTHER OPERATING REVENUES:</u>						
13	450	LATE PAYMENT CHARGES	-	-	-	-	96.418%	-
14	451	ELECTRIC SERVICE REVENUES	-	-	-	-	94.782%	-
15	454	RENT FROM ELECTRIC PROPERTY	-	-	-	-	93.322%	-
16	456	OTHER MISCELLANEOUS REVENUE	-	-	-	-	95.257%	-
17		TOTAL OTHER OPERATING REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
18		TOTAL OPERATING REVENUES	<u>(1,862,783)</u>	<u>372,168</u>	<u>-</u>	<u>(1,490,615)</u>		<u>(1,263,064)</u>
19		OPERATING EXPENSES						
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>						
21		<u>STEAM GENERATION:</u>						
22	500	STEAM OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	87.606%	-
23	501	FUEL	-	-	-	-	87.784%	-
24	502	STEAM EXPENSES	-	-	-	-	86.967%	-
25	504	STEAM TRANSFERRED-CREDIT	-	-	-	-	86.967%	-

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

JURISDICTIONAL PRO FORMA ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD ___X___FORECASTED PERIOD
TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2.1

SCHEDULE D-2.1

PAGE 2 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 6	ADJ 7	ADJ 8	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECAST PERIOD
			ECR FOR OFF-SYSTEM SALES	CUSTOMER ACCOUNT CHANGES	ADVERTISING EXPENSES			
			\$	\$	\$	\$		\$
26	505	ELECTRIC EXPENSES	-	-	-	-	86.996%	-
27	506	MISC STEAM POWER EXPENSES	-	-	-	-	86.961%	-
28	507	RENTS	-	-	-	-	86.934%	-
29	509	ALLOWANCES	-	-	-	-	86.934%	-
30	510	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	86.979%	-
31	511	MAINTENANCE OF STRUCTURES	-	-	-	-	87.028%	-
32	512	MAINTENANCE OF BOILER PLANT	-	-	-	-	87.949%	-
33	513	MAINTENANCE OF ELECTRIC PLANT	-	-	-	-	87.951%	-
34	514	MAINTENANCE OF MISC STEAM PLANT	-	-	-	-	88.360%	-
35		TOTAL STEAM GENERATION	-	-	-	-		-
36		<u>HYDRAULIC GENERATION:</u>						
37	535	HYDRO OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	87.359%	-
38	536	WATER FOR POWER	-	-	-	-	87.359%	-
39	537	HYDRAULIC EXPENSES	-	-	-	-	87.359%	-
40	538	ELECTRIC EXPENSES	-	-	-	-	87.359%	-
41	539	MISC HYDRAULIC POWER GENERATION EXPENSES	-	-	-	-	87.359%	-
42	540	RENTS	-	-	-	-	87.359%	-
43	541	HYDRO MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	87.359%	-
44	542	MAINTENANCE OF STRUCTURES	-	-	-	-	87.359%	-
45	543	MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS	-	-	-	-	87.359%	-
46	544	MAINTENANCE OF ELECTRIC PLANT	-	-	-	-	87.938%	-
47	545	MAINTENANCE OF MISC HYDRAULIC PLANT	-	-	-	-	87.359%	-
48		TOTAL HYDRAULIC GENERATION	-	-	-	-		-
49		<u>OTHER GENERATION:</u>						
50	546	OTHER OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	87.402%	-
51	547	OTHER FUEL	-	-	-	-	87.938%	-
52	548	GENERATION EXPENSES	-	-	-	-	87.402%	-

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL PRO FORMA ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD ___X___FORECASTED PERIOD
TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2.1

SCHEDULE D-2.1
PAGE 3 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 6	ADJ 7	ADJ 8	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECAST PERIOD
			ECR FOR OFF-SYSTEM SALES	CUSTOMER ACCOUNT CHANGES	ADVERTISING EXPENSES			
			\$	\$	\$	\$		\$
53	549	MISC OTHER POWER GENERATION EXPENSES	-	-	-	-	87.070%	-
54	550	RENTS	-	-	-	-	87.402%	-
55	551	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	87.402%	-
56	552	MAINTENANCE OF STRUCTURES	-	-	-	-	87.402%	-
57	553	MAINTENANCE OF GENERATING AND ELECTRIC PLANT	-	-	-	-	87.402%	-
58	554	MAINTENANCE OF MISC OTHER POWER GENERATION PLANT	-	-	-	-	87.402%	-
59		TOTAL OTHER GENERATION	-	-	-	-		-
60		<u>OTHER POWER SUPPLY:</u>						
61	555	PURCHASED POWER	-	-	-	-	87.886%	-
62	556	SYSTEM CONTROL AND LOAD DISPATCHING	-	-	-	-	87.578%	-
63	557	OTHER EXPENSES	-	-	-	-	87.012%	-
64		TOTAL OTHER POWER SUPPLY	-	-	-	-		-
65		TOTAL PRODUCTION EXPENSES	-	-	-	-		-
66		<u>TRANSMISSION EXPENSES:</u>						
67	560	TRANS OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	90.155%	-
68	561	LOAD DISPATCHING	-	-	-	-	90.155%	-
69	562	STATION EXPENSES	-	-	-	-	90.155%	-
70	563	OVERHEAD LINE EXPENSES	-	-	-	-	90.155%	-
71	564	UNDERGROUND LINE EXPENSES	-	-	-	-	90.155%	-
72	565	TRANSMISSION OF ELECTRICITY BY OTHERS	-	-	-	-	90.155%	-
73	566	MISC TRANSMISSION EXPENSES	-	-	-	-	90.155%	-
74	567	RENTS	-	-	-	-	90.155%	-
75	568	TRANS MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	90.155%	-
76	569	MAINTENANCE OF STRUCTURES	-	-	-	-	90.155%	-
77	570	MAINTENANCE OF STATION EQUIPMENT	-	-	-	-	90.155%	-
78	571	MAINTENANCE OF OVERHEAD LINES	-	-	-	-	90.219%	-
79	572	MAINTENANCE OF UNDERGROUND LINES	-	-	-	-	90.155%	-

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL PRO FORMA ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD ___X___FORECASTED PERIOD
TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2.1

SCHEDULE D-2.1
PAGE 4 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 6	ADJ 7	ADJ 8	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECAST PERIOD
			ECR FOR OFF-SYSTEM SALES	CUSTOMER ACCOUNT CHANGES	ADVERTISING EXPENSES			
			\$	\$	\$	\$		\$
80	573	MAINTENANCE OF MISC TRANSMISSION PLANT	-	-	-	-	90.155%	-
81	575	MISO DAY 1 AND 2 EXPENSE	-	-	-	-	90.155%	-
82		TOTAL TRANSMISSION EXPENSES	-	-	-	-		-
83		<u>DISTRIBUTION EXPENSES:</u>						
84	580	DISTR OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	94.436%	-
85	581	LOAD DISPATCHING	-	-	-	-	94.035%	-
86	582	STATION EXPENSES	-	-	-	-	94.035%	-
87	583	OVERHEAD LINE EXPENSES	-	-	-	-	92.716%	-
88	584	UNDERGROUND LINE EXPENSES	-	-	-	-	97.320%	-
89	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	-	-	-	0.000%	-
90	586	METER EXPENSES	-	-	-	-	95.070%	-
91	587	CUSTOMER INSTALLATIONS EXPENSES	-	-	-	-	100.000%	-
92	588	MISC DISTRIBUTION EXPENSES	-	-	-	-	94.436%	-
93	589	RENTS	-	-	-	-	93.811%	-
94	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	94.436%	-
95	591	MAINTENANCE OF STRUCTURES	-	-	-	-	94.035%	-
96	592	MAINTENANCE OF STATION EQUIPMENT	-	-	-	-	94.035%	-
97	593	MAINTENANCE OF OVERHEAD LINES	-	-	-	-	93.359%	-
98	594	MAINTENANCE OF UNDERGROUND LINES	-	-	-	-	97.320%	-
99	595	MAINTENANCE OF LINE TRANSFORMERS	-	-	-	-	95.884%	-
100	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS	-	-	-	-	0.000%	-
101	597	MAINTENANCE OF METERS	-	-	-	-	95.070%	-
102	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	-	-	-	-	94.436%	-
103		TOTAL DISTRIBUTION EXPENSES	-	-	-	-		-
104		<u>CUSTOMER ACCOUNTS EXPENSES:</u>						
105	901	CUSTOMER ACCTS SUPERVISION	-	-	-	-	94.878%	-
106	902	METER READING EXPENSES	-	-	-	-	94.878%	-

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL PRO FORMA ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD ___X___FORECASTED PERIOD
TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISIED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2.1

SCHEDULE D-2.1
PAGE 5 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 6	ADJ 7	ADJ 8	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECAST PERIOD
			ECR FOR OFF-SYSTEM SALES	CUSTOMER ACCOUNT CHANGES	ADVERTISING EXPENSES			
			\$	\$	\$	\$		\$
107	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	-	-	-	-	94.755%	-
108	904	UNCOLLECTIBLE ACCOUNTS	-	-	-	-	94.878%	-
109	905	MISC CUSTOMER ACCOUNTS EXPENSE	-	-	-	-	94.878%	-
110		TOTAL CUSTOMER ACCOUNTS EXPENSES	-	-	-	-		-
111		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>						
112	907	CUSTOMER SERVICE AND INFO SUPERVISION	-	-	-	-	99.725%	-
113	908	CUSTOMER ASSISTANCE EXPENSES	-	-	-	-	100.000%	-
114	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	-	-	-	-	94.815%	-
115	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	-	-	-	-	99.901%	-
116		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	-	-	-	-		-
117		<u>SALES EXPENSES:</u>						
118	911	SALES SUPERVISION	-	-	-	-	99.725%	-
119	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	94.815%	-
120	913	ADVERTISING EXPENSES	-	-	(837,646)	(837,646)	94.815%	(794,217)
121	916	MISC SALES EXPENSES	-	-	-	-	94.815%	-
122		TOTAL SALES EXPENSES	-	-	(837,646)	(837,646)		(794,217)
123		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>						
124	920	ADMINISTRATIVE AND GENERAL SALARIES	-	-	-	-	90.371%	-
125	921	OFFICE SUPPLIES AND EXPENSES	-	-	-	-	90.371%	-
126	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	-	-	-	-	90.371%	-
127	923	OUTSIDE SERVICES	-	-	-	-	90.371%	-
128	924	PROPERTY INSURANCE	-	-	-	-	88.837%	-
129	925	INJURIES AND DAMAGES	-	-	-	-	90.374%	-
130	926	EMPLOYEE PENSION AND BENEFITS	-	-	-	-	89.033%	-
131	927	FRANCHISE REQUIREMENTS	-	-	-	-	0.000%	-
132	928	REGULATORY COMMISSION EXPENSES	-	-	-	-	97.146%	-

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

JURISDICTIONAL PRO FORMA ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD ___X__FORECASTED PERIOD
TYPE OF FILING: ___X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2.1

SCHEDULE D-2.1

PAGE 6 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 6	ADJ 7	ADJ 8	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL PRO FORMA
			ECR FOR OFF-SYSTEM SALES	CUSTOMER ACCOUNT CHANGES	ADVERTISING EXPENSES			ADJUSTMENTS TO FORECAST PERIOD
			\$	\$	\$	\$		\$
133	929	DUPLICATE CHARGES--CREDIT	-	-	-	-	0.000%	-
134	930.1	GENERAL ADVERTISING EXPENSES	-	-	(46,179)	(46,179)	95.062%	(43,898)
135	930.2	MISC GENERAL EXPENSES	-	-	-	-	90.544%	-
136	931	RENTS	-	-	-	-	90.371%	-
137	935	MAINTENANCE OF GENERAL PLANT	-	-	-	-	90.371%	-
138		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	-	-	(46,179)	(46,179)		(43,898)
139		TOTAL OPERATION AND MAINTENANCE EXPENSES	-	-	(883,825)	(883,825)		(838,116)
140	403-404	DEPRECIATION AND AMORTIZATION	-	-	-	-	87.895%	-
141	407.3	REGULATORY DEBITS	-	-	-	-	91.480%	-
142	408	TAXES OTHER THAN INCOME TAXES	-	-	-	-	90.273%	-
143	409-411	FEDERAL INCOME TAXES	(614,360)	122,744	291,492	(235,131)	CALC	(140,151)
144	409-411	STATE INCOME TAXES	(107,470)	21,472	50,991	(35,008)	CALC	(24,517)
145	411.4	INVESTMENT TAX CREDIT	-	-	-	-	0.000%	-
146	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	0.000%	-
147		TOTAL OPERATING EXPENSES	<u>(721,829)</u>	<u>144,215</u>	<u>(541,342)</u>	<u>(1,153,964)</u>		<u>(1,002,783)</u>
148		NET OPERATING INCOME	<u>(1,140,953)</u>	<u>227,953</u>	<u>541,342</u>	<u>(336,651)</u>		<u>(260,281)</u>

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTMENTS WORKPAPER
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

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

SCHEDULE WPD-2

SHEET 2 OF 5

WITNESS: C. M. GARRETT

ADJ ID	Acct No.	Description	Actual Mar-16	Actual Apr-16	Actual May-16	Actual Jun-16	Actual Jul-16	Actual Aug-16	Forecast Sep-16	Forecast Oct-16	Forecast Nov-16	Forecast Dec-16	Forecast Jan-17	Forecast Feb-17	TOTAL \$(000)
ADJ 4		OSS:													
OSS	440	440-RESIDENTIAL	0.357	(12.716)	(6.130)	(6.325)	(21.735)	(27.885)	(1.050)	(0.187)	(1.104)	(6.331)	(5.176)	(0.735)	(89.018)
OSS	442.2	442-COMMERCIAL	0.179	(8.891)	(4.673)	(3.916)	(14.799)	(18.322)	(0.795)	(0.161)	(0.731)	(3.210)	(2.449)	(0.378)	(58.147)
OSS	442.3	442-INDUSTRIAL	(8.845)	(7.566)	(8.724)	(4.791)	(24.574)	(29.193)	(1.315)	(0.284)	(1.347)	(5.375)	(3.855)	(0.628)	(96.497)
OSS	444	444-PUBLIC ST & HWY LIGHTING	(0.110)	(0.063)	(0.001)	0.001	(0.130)	(0.130)	(0.010)	(0.002)	(0.012)	(0.054)	(0.039)	(0.006)	(0.554)
OSS	445	445-OTHER PUBLIC AUTHORITIES	(1.483)	(2.775)	(1.518)	(1.345)	(6.770)	(5.114)	(0.302)	(0.064)	(0.303)	(1.262)	(0.918)	(0.147)	(22.001)
		Total	(9.902)	(32.012)	(21.045)	(16.375)	(68.007)	(80.643)	(3.472)	(0.698)	(3.498)	(16.233)	(12.437)	(1.894)	(266.217)
OSS	447	447-OSS SALES FOR RESALE	45.958	309.117	250.721	447.582	886.011	758.410	278.007	62.490	171.427	703.154	423.523	402.253	4738.652
		OSS Expenses:													
OSS	501	501 Fuel Costs for External OSS	9.116	82.272	92.861	214.674	328.919	330.030	(64.103)	(7.209)	23.572	43.127	49.421	8.100	1110.780
OSS	547	547 Fuel Costs for External OSS	0.000	0.000	0.000	0.802	21.901	26.524	0.000	0.000	0.000	0.000	0.000	0.000	49.226
OSS	555	555 Purchased Power - OSS	1.051	2.278	2.046	12.443	22.676	11.504	0.000	0.000	0.000	0.000	0.000	0.000	51.997
OSS	501	501 Fuel Costs for Utility OSS	3.257	94.043	15.535	102.510	238.516	59.666	160.983	40.706	105.266	569.934	316.728	365.139	2072.283
OSS	547	547 Fuel Costs for Utility OSS	0.000	0.000	0.000	10.828	21.533	0.709	0.000	0.000	0.000	0.000	0.000	0.000	33.070
OSS	555	555 Purchased Power Costs - External OSS	17.799	57.645	75.845	20.333	51.962	111.141	150.943	21.386	17.027	43.323	2.751	0.000	570.154
OSS	565	565 Transmission - OSS External	0.034	0.133	1.388	5.964	(5.492)	0.405	0.000	0.000	0.000	0.000	0.000	0.000	2.433
OSS	565	565 Transmission - OSS Utility	2.238	16.127	23.292	34.204	62.802	65.155	13.219	3.452	10.119	6.139	8.699	1.394	246.839
OSS	557	557 RTO Costs - OSS External	(0.125)	0.921	(0.583)	2.233	4.069	5.332	6.831	1.027	2.830	3.921	2.071	0.730	29.258
OSS	502	502 ECR Consumables - OSS External	0.000	0.000	0.000	0.000	0.000	0.000	3.205	1.093	4.019	5.014	1.686	0.232	15.248
OSS	506	506 ECR Consumables - OSS External	0.531	2.770	3.038	6.609	11.744	11.588	0.000	0.000	0.000	0.000	0.000	0.000	36.280
OSS	502	502 Other Consumables - OSS External	0.156	1.134	1.409	6.484	6.795	5.722	2.573	0.719	2.216	2.396	1.762	0.267	31.633
OSS	506	506 Other Consumables - OSS External	0.069	0.569	0.669	2.088	2.904	3.234	0.000	0.000	0.000	0.000	0.000	0.000	9.532
OSS	502	502 Other Consumables - OSS Utility	0.053	1.448	0.269	3.121	5.368	1.095	(1.556)	0.135	0.646	4.282	21.020	23.429	59.308
OSS	506	506 Other Consumables - OSS Utility	0.023	0.726	0.128	1.005	2.294	0.619	0.000	0.000	0.000	0.000	0.000	0.000	4.795
OSS	501	501 Inter-System Losses	0.138	0.697	0.844	1.239	2.123	2.357	0.599	0.121	0.409	0.315	0.289	0.045	9.175
		Total	34.340	260.762	216.741	424.537	778.115	635.078	272.694	61.429	166.103	678.450	404.427	399.335	4332.012

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL ADJUSTMENTS WORKPAPER
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD ___X___FORECASTED PERIOD
TYPE OF FILING: ___X___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
WORKPAPER REFERENCE NO(S): _____

SCHEDULE WPD-2
SHEET 4 OF 5
WITNESS: C. M. GARRETT

ADJ ID	Acct No.	Description	Forecast Jul-17	Forecast Aug-17	Forecast Sep-17	Forecast Oct-17	Forecast Nov-17	Forecast Dec-17	Forecast Jan-18	Forecast Feb-18	Forecast Mar-18	Forecast Apr-18	Forecast May-18	Forecast Jun-18	TOTAL \$(000)
ADJ 4		OSS:													
OSS	440	440-RESIDENTIAL	(14.368)	(11.584)	(7.831)	(2.268)	(4.642)	(5.179)	(4.045)	(2.693)	(2.605)	(0.853)	(12.673)	(8.806)	(77.546)
OSS	442.2	442-COMMERCIAL	(9.251)	(7.450)	(5.945)	(1.950)	(3.074)	(2.647)	(1.898)	(1.373)	(1.446)	(0.624)	(10.461)	(6.519)	(52.638)
OSS	442.3	442-INDUSTRIAL	(15.332)	(12.434)	(9.942)	(3.510)	(5.755)	(4.506)	(3.049)	(2.326)	(2.566)	(1.195)	(20.060)	(11.469)	(92.145)
OSS	444	444-PUBLIC ST & HWY LIGHTING	(0.092)	(0.077)	(0.071)	(0.027)	(0.051)	(0.045)	(0.031)	(0.021)	(0.021)	(0.009)	(0.129)	(0.074)	(0.649)
OSS	445	445-OTHER PUBLIC AUTHORITIES	(3.587)	(2.864)	(2.268)	(0.782)	(1.281)	(1.046)	(0.716)	(0.536)	(0.577)	(0.260)	(4.369)	(2.592)	(20.878)
		Total	<u>(42.630)</u>	<u>(34.409)</u>	<u>(26.057)</u>	<u>(8.538)</u>	<u>(14.803)</u>	<u>(13.422)</u>	<u>(9.738)</u>	<u>(6.949)</u>	<u>(7.216)</u>	<u>(2.940)</u>	<u>(47.691)</u>	<u>(29.461)</u>	<u>(243.855)</u>
OSS	447	447-OSS SALES FOR RESALE	524.718	450.349	488.455	147.978	204.137	630.810	604.003	663.368	237.654	177.028	687.502	397.736	5213.737
		OSS Expenses:													
OSS	501	501 Fuel Costs for External OSS	195.147	190.975	175.324	42.838	85.202	64.070	42.809	28.660	34.908	17.527	239.881	142.953	1260.294
OSS	547	547 Fuel Costs for External OSS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OSS	555	555 Purchased Power - OSS	0.000	0.000	0.000	0.000	0.213	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.213
OSS	501	501 Fuel Costs for Utility OSS	180.568	125.441	180.585	67.737	48.807	485.752	500.850	571.717	171.295	140.069	235.298	154.800	2862.919
OSS	547	547 Fuel Costs for Utility OSS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OSS	555	555 Purchased Power Costs - External OSS	18.192	24.338	24.049	6.179	15.724	9.282	0.174	3.329	0.000	0.514	42.646	7.868	152.294
OSS	565	565 Transmission - OSS External	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OSS	565	565 Transmission - OSS Utility	34.556	30.776	37.480	9.592	19.553	13.070	5.694	4.890	5.949	3.604	52.883	23.854	241.901
OSS	557	557 RTO Costs - OSS External	5.582	3.655	4.819	0.809	1.641	0.959	1.465	3.051	1.466	0.410	7.751	2.588	34.196
OSS	502	502 ECR Consumables - OSS External	6.495	7.347	7.444	1.575	3.506	2.482	1.462	1.103	1.141	0.670	10.704	4.842	48.771
OSS	506	506 ECR Consumables - OSS External	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OSS	502	502 Other Consumables - OSS External	6.865	6.381	5.773	1.611	3.219	2.295	1.466	0.981	1.020	0.481	8.330	4.963	43.383
OSS	506	506 Other Consumables - OSS External	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OSS	502	502 Other Consumables - OSS Utility	11.370	8.058	12.072	4.432	3.256	32.140	34.938	38.779	10.631	9.153	16.010	10.262	191.100
OSS	506	506 Other Consumables - OSS Utility	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OSS	501	501 Inter-System Losses	1.169	1.227	1.160	0.277	0.567	0.420	0.257	0.197	0.211	0.115	1.796	0.909	8.305
		Total	<u>459.942</u>	<u>398.197</u>	<u>448.707</u>	<u>135.050</u>	<u>181.688</u>	<u>610.470</u>	<u>589.114</u>	<u>652.708</u>	<u>226.621</u>	<u>172.541</u>	<u>615.299</u>	<u>353.038</u>	<u>4843.376</u>

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
CALCULATION OF CURRENT TAX ADJUSTMENT FROM INTEREST SYNCHRONIZATION
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE WPD-2
SHEET 5 OF 5
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	WORKPAPER REFERENCE	BASE PERIOD	FORECASTED PERIOD
1	ADJUSTED JURISDICTIONAL CAPITALIZATION	J-1 , J-1.1/J-1.2	\$ 3,575,356,947	\$ 3,638,800,730
2	WEIGHTED COST OF DEBT	J-1 , J-1.1/J-1.2	<u>1.87%</u>	<u>1.84%</u>
3	INTEREST SYNCHRONIZATION		\$ 66,796,871	\$ 66,969,923
4	KENTUCKY JURISDICTIONAL INTEREST PER BOOKS (EXCLUDING OTHER INTEREST)		<u>85,298,974</u>	<u>86,095,200</u>
5	INTEREST SYNCHRONIZATION ADJUSTMENT (LINE 4 - 3)		\$ 18,502,103	\$ 19,125,277
6	COMPOSITE FEDERAL AND STATE TAX RATE	WPH-1.B	<u>38.7501%</u>	<u>38.7501%</u>
7	CURRENT TAX ADJUSTMENT FROM INTEREST SYNCHRONIZATION		<u>\$ 7,169,575</u>	<u>\$ 7,411,055</u>

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
JURISDICTIONAL PROFORMA ADJUSTMENTS WORKPAPER
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD ___X___FORECASTED PERIOD
TYPE OF FILING: ___X___ORIGINAL ___ ___UPDATED ___ ___REVISED
WORKPAPER REFERENCE NO(S): _____

SCHEDULE WPD-2.1
SHEET 1 OF 1
WITNESS: C. M. GARRETT

ADJ ID	Acct No.	Description	Forecast Jul-17	Forecast Aug-17	Forecast Sep-17	Forecast Oct-17	Forecast Nov-17	Forecast Dec-17	Forecast Jan-18	Forecast Feb-18	Forecast Mar-18	Forecast Apr-18	Forecast May-18	Forecast Jun-18	TOTAL \$(000)
ADJ 6		ECR FOR OFF-SYSTEM SALES ADJUSTMENT:													
		ECR Revenue	14,880	15,137	14,854	15,061	14,890	15,356	15,485	15,385	15,410	15,669	15,503	16,070	183,699
		12 Month Average Ky Juris Revenue less ECR	122,023	121,941	122,001	122,041	122,059	122,022	122,270	122,238	122,165	121,092	120,121	119,028	1,459,002
		ECR Factor Calculated	12.194%	12.413%	12.176%	12.341%	12.199%	12.585%	12.664%	12.586%	12.614%	12.940%	12.906%	13.501%	12.593%
		Average ECR Factor	12.593%	12.593%	12.593%	12.593%	12.593%	12.593%	12.593%	12.593%	12.593%	12.593%	12.593%	12.593%	12.593%
		447.11 - Sales for Resale - OSS	333	317	296	76	152	113	68	53	56	28	436	233	2,160
		447.1 - Intercompany Sales	1,695	1,583	1,073	1,199	830	850	674	772	360	431	1,649	1,516	12,632
		Total Off-System Sales	2,028	1,900	1,369	1,275	982	963	742	825	416	459	2,085	1,749	14,792
	OSS 447	ECR for OSS Adjustment (total sales x avg factor)	255	239	172	161	124	121	93	104	52	58	263	220	1,862,783
ADJ 7		CUSTOMER ACCOUNT CHANGES:													
	CUST 442.2	Redundant Capacity Rider Revenue	10.169	10.169	10.169	10.169	10.169	10.169	10.169	10.169	10.169	10.169	10.169	10.169	122,025
	CUST 442.3	Redundant Capacity Rider Revenue	6.978	6.978	6.978	6.978	6.978	6.978	6.978	6.978	6.978	6.978	6.978	6.978	83,736
	CUST 445	Redundant Capacity Rider Revenue	6.312	6.312	6.312	6.312	6.312	6.312	6.312	6.312	6.312	6.312	6.312	6.312	75,743
	CUST 442.3	Standby Service Revenue	9.304	9.304	9.304	9.304	9.304	9.304	9.304	9.304	9.304	9.304	9.304	9.304	111,648
	CUST 445	Granville Light Revenue	(1.749)	(1.749)	(1.749)	(1.749)	(1.749)	(1.749)	(1.749)	(1.749)	(1.749)	(1.749)	(1.749)	(1.749)	(20,984)
ADJ 8		ADVERTISING EXPENSES:													
	ADV 913	913 - Advertising Expenses	54	54	99	75	54	54	70	109	70	77	68	54	837,646
	ADV 930.1	930.1 - Gen Public Info Exp	3	3	4	3	3	4	4	8	5	3	3	5	46,179

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(e)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

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

Response:

See attached.

SCHEDULE E

JURISDICTIONAL FEDERAL AND STATE INCOME TAX SUMMARY

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

BASE PERIOD: FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2018

SCHEDULE

DESCRIPTION

E-1 ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES

E-2 DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAX

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COMPUTATION OF FEDERAL AND STATE INCOME TAX - JURISDICTIONAL
FOR THE BASE PERIOD TME FEBRUARY 28, 2017 AND FORECAST PERIOD TME JUNE 30, 2018

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

SCHEDULE E-1
PAGE 1 OF 3

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	AT CURRENT RATES					AT PROPOSED RATES		
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD	
		(1) \$	(2) \$	(3) \$	(4) \$	(5) \$	(6) \$	(7) \$	
1	Operating Income Before Income Taxes	360,644,463	(73,711,908)	286,932,555	(424,948)	286,507,607	102,534,988	389,042,595	
2	Interest Charges	66,796,871	173,052	66,969,923	0	66,969,923		66,969,923	
3	Book Net Income before Income Tax & Credits	LN 1 - 2	293,847,592	(73,884,960)	219,962,632	(424,948)	219,537,684	102,534,988	322,072,672
4	Permanent Differences:								
5	Section 199 Manufacturing Deduction	0	0	0	0	0	0	0	
6	Other Permanent Differences	0	0	0	0	0	0	0	
7	Total Permanent Differences	LN 5+6	0	0	0	0	0	0	
8	Temporary Differences:								
9	Bonus Depreciation	(196,972,767)	196,972,767	0	0	0	0	0	
10	Excess of Tax over Book Depreciation	(88,435,786)	(133,632,740)	(222,068,526)	0	(222,068,526)	0	(222,068,526)	
11	Federal Net Operating Loss	31,401,094	7,448,236	38,849,329	400,431	39,249,761	(96,589,250)	(57,339,489)	
12	Other Temporary Differences	(39,441,861)	2,087,919	(37,353,942)	0	(37,353,942)	0	(37,353,942)	
13	Total Temporary Differences	LN 9+10+11+12	(293,449,320)	72,876,182	(220,573,138)	400,431	(220,172,707)	(96,589,250)	(316,761,957)
14	Subtotal		398,272	(1,008,778)	(610,506)	(24,517)	(635,023)	5,945,738	5,310,715
15	Total State Tax Expense	LN 39	(398,272)	1,008,778	610,506	24,517	635,023	(5,945,738)	(5,310,715)
16	Federal Taxable Income	LN 14+15	0	(0)	(0)	0	0	0	0
17	Federal Income Tax Rate		35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
18	Current Federal Tax Before Adjustments	LN 16 x 17	0	0	0	0	0	0	0
19	Federal tax adjustments:								
20	Other Current Adjustments		1,239	(1,239)	0	0	0	0	
21	Prior Period Adjustments		1,987,637	(1,987,637)	0	0	0	0	
22	Total Federal Current Tax Expense	SUM LN 18-21	1,988,876	(1,988,876)	0	0	0	0	
23	State Current Tax Expense:								
24	Federal Taxable Income	LN 14	398,272	(1,008,778)	(610,506)	(24,517)	(635,023)	5,945,738	5,310,715
25	State tax adjustments:								
26	Addback Section 199 Manufacturing Deduction		0	0	0	0	0	0	
27	State Section 199 Manufacturing Deduction		(1,568,796)	406,410	(1,162,386)	16,338	(1,146,047)	(3,439,349)	(4,585,397)
28	Addback Federal Net Operating Loss		(31,401,094)	(7,448,236)	(38,849,329)	(400,431)	(39,249,761)	96,589,250	57,339,489
29	Addback Bonus Depreciation		196,972,767	(196,972,767)	0	0	0	0	0
30	Addback Federal Tax Depreciation		271,273,198	190,554,241	461,827,439	0	461,827,439	0	461,827,439
31	State Tax Depreciation		(402,345,557)	(4,321,456)	(406,667,013)	0	(406,667,013)	0	(406,667,013)
32	State Taxable Income	SUM LN 24-31	33,328,790	(18,790,585)	14,538,205	(408,610)	14,129,596	99,095,639	113,225,234
33	State Income Tax Rate		6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
34	State Current Tax Expense Before Adjustments	LN 32 x 33	1,999,727	(1,127,435)	872,292	(24,517)	847,776	5,945,738	6,793,514
35	State Tax Credits and Adjustments:								
36	Kentucky Coal Credit		(1,423,155)	(59,644)	(1,482,799)	0	(1,482,799)	0	(1,482,799)
37	Other Current Adjustments		212	(212)	0	0	0	0	
38	Prior Period Adjustments		(178,513)	178,513	0	0	0	0	
39	Total State Current Tax Expense	SUM LN 34-38	398,272	(1,008,778)	(610,506)	(24,517)	(635,023)	5,945,738	5,310,715

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COMPUTATION OF FEDERAL AND STATE INCOME TAX - JURISDICTIONAL
FOR THE BASE PERIOD TME FEBRUARY 28, 2017 AND FORECAST PERIOD TME JUNE 30, 2018

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

SCHEDULE E-1
PAGE 2 OF 3

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	AT CURRENT RATES				AT PROPOSED RATES		
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
		\$	\$	\$	\$	\$	\$	\$
40	INVESTMENT TAX CREDITS & INCOME TAXES DEFERRED IN PRIOR YEARS							
41	INVESTMENT TAX CREDIT:							
42	Amortization of ITC	3,549,008	(3,549,008)	0		0		0
43	TOTAL INVESTMENT TAX CREDIT	3,549,008	(3,549,008)	0		0		0
44	INCOME TAX DEFERRED - FEDERAL:							
45	Amortization Loss on Reacquired Debt	(27,667)	(172,076)	(199,743)		(199,743)		(199,743)
46	ARO CCR	1,683,842	7,601,204	9,285,046		9,285,046		9,285,046
47	Bonus Depreciation - Federal	68,767,691	(68,767,691)	0		0		0
48	Contribution In Aid of Const. & Capitalized Interest	(2,974,048)		(4,143,061)		(4,143,061)		(4,143,061)
49	Cost of Removal	12,500,526	(6,044,847)	6,455,679		6,455,679		6,455,679
50	Demand Side Management	435,812	30,192	466,005		466,005		466,005
51	Environmental Cost Recovery	(3,976,312)	5,017,155	1,040,844		1,040,844		1,040,844
52	Fuel Adjustment Clause - KY	2,833,725	(3,015,683)	(181,958)		(181,958)		(181,958)
53	Post Retirement Benefits	1,521,150	232,425	1,753,574		1,753,574		1,753,574
54	Pensions	3,137,867	(2,294,937)	842,930		842,930		842,930
55	Green River Reg Asset	(816,675)	256,566	(560,109)		(560,109)		(560,109)
56	Interest Rate Swaps	(280,654)	(1,117)	(281,771)		(281,771)		(281,771)
57	Obsolete Inventory	440,282	(440,282)	0		0		0
58	OSS Adjustment Clause - KY	28,255	(31,837)	(3,582)		(3,582)		(3,582)
59	R&D - Misc Def Debits	383,852	(479,184)	(95,331)		(95,331)		(95,331)
60	Refined Coal	(173,848)	238,695	64,847		64,847		64,847
61	Regulatory Expenses	230,753	(448,434)	(217,682)		(217,682)		(217,682)
62	Storm Damages	(1,955,322)	0	(1,955,322)		(1,955,322)		(1,955,322)
63	Tax Depreciation in excess of Book Depreciation	1,558,717	72,688,392	74,247,109		74,247,109		74,247,109
64	Federal Net Operating Loss	13,959,111	(27,556,377)	(13,597,265)	(140,151)	(13,737,416)	33,806,237	20,068,821
65	ADJUSTMENTS:							
66	Prior Period Adjustments	(2,008,038)	2,008,038	0		0		0
67	Federal Excess Deferreds	(576,731)	81,296	(495,436)		(495,436)		(495,436)
68	Permanent Loss on Tax Depreciation	535,889	13,993	549,882		549,882		549,882
69	Solar Credit Carryforward	(3,549,008)	3,549,008	0		0		0
70	Other	(122,005)	(56,783)	(178,788)		(178,788)		(178,788)
71	TOTAL INCOME TAX DEFERRED - FEDERAL	91,557,164	(18,761,296)	72,795,869	(140,151)	72,655,718	33,806,237	106,461,955
72	TOTAL FEDERAL INCOME TAXES	93,546,041	(20,750,172)	72,795,869	(140,151)	72,655,718	33,806,237	106,461,955

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COMPUTATION OF FEDERAL AND STATE INCOME TAX - JURISDICTIONAL
FOR THE BASE PERIOD TME FEBRUARY 28, 2017 AND FORECAST PERIOD TME JUNE 30, 2018

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
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SCHEDULE E-1
PAGE 3 OF 3

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	AT CURRENT RATES				AT PROPOSED RATES		
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
		\$	\$	\$	\$	\$	\$	\$
73	INCOME TAX DEFERRED - STATE:							
74	Amortization Loss on Reacquired Debt	(5,046)	(31,382)	(36,427)		(36,427)		(36,427)
75	ARO CCR	307,084	1,386,238	1,693,321		1,693,321		1,693,321
76	Contribution In Aid of Const. & Capitalized Interest	(542,380)	(213,194)	(755,573)		(755,573)		(755,573)
77	Cost of Removal	2,279,731	(1,102,404)	1,177,328		1,177,328		1,177,328
78	Demand Side Management	79,479	5,506	84,986		84,986		84,986
79	Environmental Cost Recovery	(725,163)	914,983	189,820		189,820		189,820
80	Fuel Adjustment Clause - KY	516,789	(549,973)	(33,184)		(33,184)		(33,184)
81	Post Retirement Benefits	277,413	45,086	322,499		322,499		322,499
82	Pensions	572,255	(418,996)	153,259		153,259		153,259
83	Green River Reg Asset	(148,938)	46,790	(102,147)		(102,147)		(102,147)
84	Interest Rate Swaps	(51,183)	(204)	(51,387)		(51,387)		(51,387)
85	Obsolete Inventory	80,295	(80,295)	0		0		0
86	OSS Adjustment Clause - KY	5,153	(5,806)	(653)		(653)		(653)
87	R&D - Misc Def Debits	70,003	(87,389)	(17,386)		(17,386)		(17,386)
88	Refined Coal	(31,705)	43,531	11,826		11,826		11,826
89	Regulatory Expenses	42,083	(81,781)	(39,699)		(39,699)		(39,699)
90	Storm Damages	(356,594)	0	(356,594)		(356,594)		(356,594)
91	Tax Depreciation in excess of Book Depreciation	13,167,026	(3,159,216)	10,007,810		10,007,810		10,007,810
92	ADJUSTMENTS:							
93	Prior Period Adjustments	177,113	(177,113)	0		0		0
94	Excess Deferrals	(420,136)	53,499	(366,637)		(366,637)		(366,637)
95	Permanent Loss on Tax Depreciation	95,199	11	95,210		95,210		95,210
96	TOTAL INCOME TAX DEFERRED - STATE	15,388,480	(3,412,108)	11,976,371	0	11,976,371	0	11,976,371
97	TOTAL STATE INCOME TAXES	15,786,752	(4,420,887)	11,365,865	(24,517)	11,341,348	5,945,738	17,287,087
98	TOTAL INCOME TAXES	112,881,800	(28,720,066)	84,161,734	(164,668)	83,997,066	39,751,976	123,749,042

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

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

SCHEDULE E-2
PAGE 1 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT	UNADJUSTED TOTAL COMPANY \$	JURIS. PERCENT	UNADJUSTED JURISDICTIONAL AMOUNT \$	JURISDICTIONAL CODE / EXPLANATION
1	Operating Income Before Income Taxes	520,301,382	88.969%	462,907,169	SEE SCHEDULE C-2.1
2	Interest Charges	(95,516,095)	89.303%	(85,298,974)	RATE BASE
3	Book Taxable Income	424,785,287		377,608,195	
4	Permanent Differences:				
5	Medicare Part D Subsidy	(220,000)	89.216%	(196,276)	RATE BASE
6	AFUDC - Book Depreciation	900,000	0.000%	-	DIRECT ASSIGN
7	Non-Deductible Meals & Entertainment	220,000	89.216%	196,276	RATE BASE
8	IRC Section 199 Manufacturing Deduction	-	87.578%	-	TOTAL STEAM PRODUCTION PLANT
9	Total Permanent Differences	900,000		-	
10	Total Federal Temporary Differences:				
11	AFUDC-Debt,Repair Allow.,Misc Book Diff-Federal	(115,987)	0.000%	-	DIRECT ASSIGN
12	Amortization Loss on Reacquired Debt	94,258	89.216%	84,094	RATE BASE
13	ARO CCR Amortization	89,408	100.000%	89,408	DIRECT ASSIGN
14	ARO CCR Expenditure	(5,933,430)	87.578%	(5,196,363)	TOTAL STEAM PRODUCTION PLANT
15	Bonus Depreciation - Federal	(221,312,206)	89.002%	(196,972,767)	TOTAL DEFERRED TAXES
16	Book Depreciation	234,865,467	89.216%	209,538,077	RATE BASE
17	Contribution In Aid of Const. & Capitalized Interest	10,132,307	89.216%	9,039,661	RATE BASE
18	Cost of Removal	(42,588,133)	0.000%	(37,995,519)	RATE BASE
19	Demand Side Management	(1,324,658)	100.000%	(1,324,658)	DIRECT ASSIGN
20	EI/Div Rec - BTL	-	0.000%	-	DIRECT ASSIGN
21	Environmental Cost Recovery	12,086,054	100.000%	12,086,054	DIRECT ASSIGN
22	Fuel Adjustment Clause - KY	(8,613,147)	100.000%	(8,613,147)	DIRECT ASSIGN
23	Post Retirement	(5,123,547)	90.241%	(4,623,555)	LABOR
24	FAS 143 - 190	8,218,688	89.002%	7,314,814	TOTAL DEFERRED TAXES
25	FAS 143 - 283	(30,834,884)	89.002%	(27,443,730)	TOTAL DEFERRED TAXES
26	FAS 143 - ARO	22,616,196	89.216%	20,177,314	RATE BASE
27	Pensions	(10,708,892)	90.241%	(9,663,844)	LABOR
28	Green River Reg Asset	2,482,295	100.000%	2,482,295	DIRECT ASSIGN
29	Interest Rate Swap-Reg Asset	2,393,628	89.216%	2,135,505	RATE BASE
30	Interest Rate Swap-Reg Liab	(1,437,467)	89.216%	(1,282,454)	RATE BASE
31	MISO Exit Fees-Transmission	162,364	0.000%	-	DIRECT ASSIGN
32	Muni - Reg Asset and Liab	(6,395,951)	0.000%	-	DIRECT ASSIGN
33	Obsolete Inventory	(1,500,000)	89.216%	(1,338,243)	RATE BASE
34	OSS Adjustment Clause - KY	(85,880)	100.000%	(85,880)	DIRECT ASSIGN
35	Pensions - Regulatory Asset	139,908	90.241%	126,255	LABOR
36	R&D - Misc Def Debits	(1,307,749)	90.241%	(1,180,130)	LABOR
37	Refined Coal - KY	528,413	100.000%	528,413	DIRECT ASSIGN
38	Refined Coal - VA	22,571	0.000%	-	DIRECT ASSIGN
39	Regulatory Expenses	(729,297)	96.172%	(701,377)	REGULATORY COMMISSION EXP ACCT 928
40	2008 Wind Storm Damages	219,552	100.000%	219,552	DIRECT ASSIGN
41	2009 Winter Storm Damages	5,723,676	100.000%	5,723,676	DIRECT ASSIGN
42	VA Mountain Snow Storm	678,593	0.000%	-	DIRECT ASSIGN
43	VA Fuel Clause	(717,500)	0.000%	-	DIRECT ASSIGN
44	Tax Depreciation - Federal	(334,793,757)	89.002%	(297,973,863)	TOTAL DEFERRED TAXES
45	Federal Net Operating Loss	(44,703,954)	89.216%	(39,883,175)	RATE BASE
46	Federal Temporary Differences	(417,773,061)		(364,733,589)	
47	Subtotal	7,912,226		12,874,606	
48	Total state tax expense	(5,525,649)		(5,230,682)	
49	Federal Taxable Income	2,386,577		7,643,923	
50	Federal Income Tax Rate	35%		35%	
51	Current Federal Tax Before Adjustments	835,302		2,675,373	
52	Federal tax adjustments:				
53	Other Current Adjustments	1,389	89.216%	1,239	RATE BASE
54	Prior Period Adjustments	2,227,888	89.216%	1,987,637	RATE BASE
55	Total Federal Current Tax Expense	3,064,579		4,664,250	
56	State Current Tax Expense:				
57	Federal Taxable Income	7,912,226		12,874,606	
58	State tax adjustments:	-		-	
59	Addback Federal IRC Sec 199 Manuf Deduction	-	87.578%	-	TOTAL STEAM PRODUCTION PLANT
60	State IRC Sec 199 Manuf Deduction	(5,247,214)	91.272%	(4,789,224)	KENTUCKY DEMAND AVG 12 CP
61	Addback Federal Net Operating Loss	44,703,954	89.216%	39,883,175	RATE BASE
62	Addback Bonus Depreciation	221,312,206	89.002%	196,972,767	TOTAL DEFERRED TAXES
63	Addback Federal Tax Depreciation	304,793,757	89.002%	271,273,198	TOTAL DEFERRED TAXES
64	State Tax Depreciation	(452,062,404)	89.002%	(402,345,557)	TOTAL DEFERRED TAXES
65	State Taxable Income	121,412,525		113,868,966	
66	State Apportionment Income Adjustment	-	0.000%	-	DIRECT ASSIGN
67	State Taxable Income Adjusted	121,412,525		113,868,966	
68	State Income Tax Rate	6%		6%	
69	State Current Tax Expense Before Adjustments	7,284,752		6,832,138	

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

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

SCHEDULE E-2
PAGE 2 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT	UNADJUSTED TOTAL COMPANY \$	JURIS. PERCENT	UNADJUSTED JURISDICTIONAL AMOUNT \$	JURISDICTIONAL CODE / EXPLANATION
70	State Tax Credits and Adjustments:				
71	Kentucky Coal Credit	(1,559,250)	91.272%	(1,423,155)	KENTUCKY DEMAND AVG 12 CP
72	Other Current Adjustments	238	89.216%	212	RATE BASE
73	Estimate versus Actual for 2013	(200,091)	89.216%	(178,513)	RATE BASE
74	Total State Current Tax Expense	5,525,649		5,230,682	
	SUM LN 69-73				
75	Income Tax Deferred - Federal:				
76	AFUDC-Debt,Repair Allow.,Misc Book Diffs-Federal	38,160	0.000%	-	DIRECT ASSIGN
77	Amortization Loss on Reacquired Debt	(31,011)	89.216%	(27,667)	RATE BASE
78	ARO CCR	1,922,683	87.578%	1,683,842	TOTAL STEAM PRODUCTION PLANT
79	Bonus Depreciation - Federal	77,459,272	88.779%	68,767,691	TOTAL DEFERRED TAXES
80	Contribution In Aid of Const. & Capitalized Interest	(3,333,529)	89.216%	(2,974,048)	RATE BASE
81	Cost of Removal	14,011,496	89.216%	12,500,526	RATE BASE
82	Demand Side Management	435,812	100.000%	435,812	DIRECT ASSIGN
83	EEI/Div Rec - BTL	-	0.000%	-	DIRECT ASSIGN
84	Environmental Cost Recovery	(3,976,312)	100.000%	(3,976,312)	DIRECT ASSIGN
85	Fuel Adjustment Clause - KY	2,833,725	100.000%	2,833,725	DIRECT ASSIGN
86	Post Retirement	1,685,647	90.241%	1,521,150	LABOR
87	Pensions	3,477,196	90.241%	3,137,867	LABOR
88	Green River Reg Asset	(816,675)	100.000%	(816,675)	DIRECT ASSIGN
89	Interest Rate Swaps	(314,577)	89.216%	(280,654)	RATE BASE
90	MISO Exit Fees-Transmission	(53,418)	0.000%	-	DIRECT ASSIGN
91	Muni - Reg Asset and Liab	2,104,268	0.000%	-	DIRECT ASSIGN
92	Obsolete Inventory	493,500	89.216%	440,282	RATE BASE
93	OSS Adjustment Clause - KY	28,255	100.000%	28,255	DIRECT ASSIGN
94	R&D - Misc Def Debits	430,250	89.216%	383,852	RATE BASE
95	Refined Coal - KY	(173,848)	100.000%	(173,848)	DIRECT ASSIGN
96	Refined Coal - VA	(7,426)	0.000%	-	DIRECT ASSIGN
97	Regulatory Expenses	239,939	96.172%	230,753	REGULATORY COMMISSION EXP ACCT 928
98	Storm Damages	(1,955,322)	100.000%	(1,955,322)	DIRECT ASSIGN
99	VA Mountain Snow Storm	(223,257)	0.000%	-	DIRECT ASSIGN
100	VA Fuel Clause	236,058	0.000%	-	DIRECT ASSIGN
101	Tax Depreciation in excess of Book Depreciation	29,783,766	89.002%	26,508,212	TOTAL DEFERRED TAXES
102	Federal Net Operating Loss	15,646,384	89.216%	13,959,111	RATE BASE
103	Subtotal Income Tax Deferred - Federal	139,941,035		122,226,552	
104	Adjustments:				
105	Prior Period Adjustments	(2,250,755)	89.216%	(2,008,038)	RATE BASE
106	Federal Excess Deferrals	(650,000)	88.728%	(576,731)	TOTAL ELECTRIC PLANT
107	Permanent Loss on Tax Depreciation	600,663	89.216%	535,889	RATE BASE
108	Solar Credit Carryforward	(4,000,000)	88.725%	(3,549,008)	TAX EXPENSE
109	Other	(136,752)	89.216%	(122,005)	RATE BASE
110	Total Income Tax Deferred - Federal	133,504,191		116,506,658	
	SUM LN 103-109				
111	Total Federal Income Taxes	136,568,769		121,170,908	
	LN 55+110				
112	Income Tax Deferred - State:				
113	AFUDC-Debt,Repair Allow.,Misc Book Diffs-Federal	6,959	0.000%	-	DIRECT ASSIGN
114	Amortization Loss on Reacquired Debt	(6,655)	89.216%	(5,046)	RATE BASE
115	ARO CCR	350,641	87.578%	307,084	TOTAL STEAM PRODUCTION PLANT
116	Contribution In Aid of Const. & Capitalized Interest	(607,938)	89.216%	(542,380)	RATE BASE
117	Cost of Removal	2,555,288	89.216%	2,279,731	RATE BASE
118	Demand Side Management	79,479	100.000%	79,479	DIRECT ASSIGN
119	EEI/Div Rec - BTL	-	0.000%	-	DIRECT ASSIGN
120	Environmental Cost Recovery	(725,163)	100.000%	(725,163)	DIRECT ASSIGN
121	Fuel Adjustment Clause - KY	516,789	100.000%	516,789	DIRECT ASSIGN
122	Post Retirement	307,413	90.241%	277,413	LABOR
123	Pensions	634,139	90.241%	572,255	LABOR
124	Green River Reg Asset	(148,938)	100.000%	(148,938)	DIRECT ASSIGN
125	Interest Rate Swaps	(57,370)	89.216%	(51,183)	RATE BASE
126	MISO Exit Fees-Transmission	(9,742)	0.000%	-	DIRECT ASSIGN
127	Muni - Reg Asset and Liab	383,757	0.000%	-	DIRECT ASSIGN
128	Obsolete Inventory	90,000	89.216%	80,295	RATE BASE
129	OSS Adjustment Clause - KY	5,153	100.000%	5,153	DIRECT ASSIGN
130	R&D - Misc Def Debits	78,465	89.216%	70,003	RATE BASE
131	Refined Coal - KY	(31,705)	100.000%	(31,705)	DIRECT ASSIGN
132	Refined Coal - VA	(1,354)	0.000%	-	DIRECT ASSIGN
133	Regulatory Expenses	43,758	96.172%	42,083	REGULATORY COMMISSION EXP ACCT 928
134	Storm Damages	(356,594)	100.000%	(356,594)	DIRECT ASSIGN
135	VA Mountain Snow Storm	(40,716)	0.000%	-	DIRECT ASSIGN
136	VA Fuel Clause	43,050	0.000%	-	DIRECT ASSIGN
137	Tax Depreciation in excess of Book Depreciation	14,831,816	88.776%	13,167,026	TOTAL DEFERRED TAXES
138	Subtotal Income Tax Deferred - State	17,941,533		15,536,304	
139	Adjustments:				
140	Prior Period Adjustments	198,521	89.216%	177,113	RATE BASE
141	Excess Deferrals	(450,000)	93.364%	(420,136)	TOTAL KENTUCKY ELECTRIC PLANT
142	Permanent Loss on Tax Depreciation	106,706	89.216%	95,199	RATE BASE
143	Total Income Tax Deferred - State	17,796,760		15,388,480	
	SUM LN 138-142				
144	Total State Income Taxes	23,322,409		20,619,162	
	LN 74+143				

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE E-2
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WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT	UNADJUSTED TOTAL COMPANY \$	JURIS. PERCENT	UNADJUSTED JURISDICTIONAL AMOUNT \$	JURISDICTIONAL CODE / EXPLANATION
1	Operating Income Before Income Taxes	438,467,328	91.303%	400,332,116	SEE SCHEDULE C-2.1
2	Interest Charges	(96,310,062)	89.394%	(86,095,200)	RATE BASE
3	Book Taxable Income LN 1+2	342,157,266		314,236,916	
4	Permanent Differences:				
5	Medicare Part D Subsidy	(220,000)	89.394%	(196,666)	RATE BASE
6	AFUDC - Book Depreciation	850,000	0.000%	-	DIRECT ASSIGN
7	Non-Deductible Meals & Entertainment	220,000	89.394%	196,666	RATE BASE
8	IRC Section 199 Manufacturing Deduction	-	87.578%	-	TOTAL STEAM PRODUCTION PLANT
9	Total Permanent Differences SUM LN 5-8	850,000		-	
10	Total Federal Temporary Differences:				
11	Contribution In Aid of Const. & Capitalized Interest	14,086,987	89.394%	12,592,890	RATE BASE
12	Cost of Removal	(21,950,214)	89.394%	(19,622,125)	RATE BASE
13	Demand Side Management	(1,416,427)	100.000%	(1,416,427)	DIRECT ASSIGN
14	Environmental Cost Recovery	(3,163,659)	100.000%	(3,163,659)	DIRECT ASSIGN
15	Fuel Adjustment Clause - KY	553,063	100.000%	553,063	DIRECT ASSIGN
16	Interest Rate Swap	958,060	89.394%	856,446	RATE BASE
17	Pensions	(2,835,085)	90.371%	(2,562,097)	LABOR
18	Post Retirement Benefits	(5,965,784)	0.000%	(5,391,342)	LABOR
19	Amortization Loss on Recquired Debt	679,155	89.394%	607,122	RATE BASE
20	MISO Exit Fees	(8,949)	0.000%	-	DIRECT ASSIGN
21	Regulatory Expenses	681,081	97.146%	661,646	REGULATORY COMMISSION EXP ACCT 928
22	Storm Damages	5,943,227	100.000%	5,943,227	DIRECT ASSIGN
23	VA Storm Damages	236,413	0.000%	-	DIRECT ASSIGN
24	Tax Depreciation in excess of Book Depreciation	(248,557,154)	89.343%	(222,068,526)	TOTAL DEFERRED TAXES
25	ARO CCR	(32,225,116)	87.578%	(28,222,024)	TOTAL STEAM PRODUCTION PLANT
26	Green River Req Asset	1,702,458	100.000%	1,702,458	DIRECT ASSIGN
27	Muni - Req Asset and Liab	5,323,395	0.000%	-	DIRECT ASSIGN
28	OSS Adjustment Clause - KY	10,889	100.000%	10,889	DIRECT ASSIGN
29	R&D - Misc Def Debits	324,324	90.371%	293,095	LABOR
30	Refined Coal	(215,461)	91.480%	(197,104)	DIRECT ASSIGN
31	VA Fuel Clause	(714,333)	0.000%	-	DIRECT ASSIGN
32	Federal Net Operating Loss	(48,183,099)	89.394%	(43,072,691)	RATE BASE
33	Federal Temporary Differences SUM LN 11-32	(334,736,229)		(302,495,159)	
34	Subtotal LN 3+9+33	8,271,036		11,741,757	
35	Total state tax expense LN 54	(5,143,687)		(4,828,471)	
36	Federal Taxable Income LN 34+35	3,127,349		6,913,286	
37	Federal Income Tax Rate	35%		35%	
38	Total Federal Current Tax Expense LN 36 x 37	1,094,572		2,419,650	
39	State Current Tax Expense:				
40	Federal Taxable Income LN 34	8,271,036		11,741,757	
41	State tax adjustments:				
42	Addback Federal IRC Sec 199 Manuf Deduction	-	87.578%	-	TOTAL STEAM PRODUCTION PLANT
43	State IRC Sec 199 Manuf Deduction	(5,466,051)	87.578%	(4,787,043)	TOTAL STEAM PRODUCTION PLANT
44	Addback Federal Net Operating Loss	48,183,099	89.394%	43,072,691	RATE BASE
45	Addback Federal Tax Depreciation	516,914,829	89.343%	461,827,439	TOTAL DEFERRED TAXES
46	State Tax Depreciation	(455,174,794)	89.343%	(406,667,013)	TOTAL DEFERRED TAXES
47	State Taxable Income SUM LN 40-46	112,728,119		105,187,832	
48	State Apportionment Income Adjustment	-	0.000%	-	DIRECT ASSIGN
49	State Taxable Income Adjusted LN 47+48	112,728,119		105,187,832	
50	State Income Tax Rate	6%		6%	
51	State Current Tax Expense Before Adjustments LN 49 x 50	6,763,687		6,311,270	
52	State Tax Credits and Adjustments:				
53	Kentucky Coal Credit	(1,620,000)	91.531%	(1,482,799)	KENTUCKY DEMAND AVG 12 CP
54	Total State Current Tax Expense SUM LN 51-53	5,143,687		4,828,471	

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___ BASE PERIOD ___ FORECASTED PERIOD
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SCHEDULE E-2
PAGE 4 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTIONAL AMOUNT	JURISDICTIONAL CODE / EXPLANATION
		\$		\$	
55	Income Tax Deferred - Federal:				
56	Contribution In Aid of Const. & Capitalized Interest	(4,634,619)	89.394%	(4,143,061)	RATE BASE
57	Cost of Removal	7,221,620	89.394%	6,455,679	RATE BASE
58	Demand Side Management	466,005	100.000%	466,005	DIRECT ASSIGN
59	Environmental Cost Recovery	1,040,844	100.000%	1,040,844	DIRECT ASSIGN
60	Fuel Adjustment Clause - KY	(181,958)	100.000%	(181,958)	DIRECT ASSIGN
61	Interest Rate Swap	(315,202)	89.394%	(281,771)	RATE BASE
62	Pensions	932,743	90.371%	842,930	LABOR
63	Post Retirement Benefits	1,962,743	89.343%	1,753,574	LABOR
64	Amortization Loss on Reacquired Debt	(223,442)	89.394%	(199,743)	RATE BASE
65	MISO Exit Fees	2,944	0.000%	-	DIRECT ASSIGN
66	Regulatory Expenses	(224,076)	97.146%	(217,682)	REGULATORY COMMISSION EXP ACCT 928
67	Storm Damages	(1,955,322)	100.000%	(1,955,322)	DIRECT ASSIGN
68	VA Storm Damages	(77,780)	0.000%	-	DIRECT ASSIGN
69	Tax Depreciation in excess of Book Depreciation	83,071,844	89.377%	74,247,109	TOTAL DEFERRED TAXES
70	ARO CCR	10,602,063	87.578%	9,285,046	TOTAL STEAM PRODUCTION PLANT
71	Green River Reg Asset	(560,109)	100.000%	(560,109)	DIRECT ASSIGN
72	Muni - Reg Asset and Liab	(1,751,397)	0.000%	-	DIRECT ASSIGN
73	OSS Adjustment Clause - KY	(3,582)	100.000%	(3,582)	DIRECT ASSIGN
74	R&D - Misc Def Debits	(106,703)	89.343%	(95,331)	LABOR
75	Refined Coal	70,887	91.480%	64,847	DIRECT ASSIGN
76	VA Fuel Clause	235,016	0.000%	-	DIRECT ASSIGN
77	Federal Net Operating Loss	16,864,085	89.394%	15,075,442	RATE BASE
78	Subtotal Income Tax Deferred - Federal	SUM LN 56-77		101,592,917	
79	Adjustments:				
80	Federal Excess Deferrals	(557,692)	88.837%	(495,436)	TOTAL ELECTRIC PLANT
81	Permanent Loss on Tax Depreciation	615,123	89.394%	549,882	RATE BASE
82	R&E Credit	(200,000)	89.394%	(178,788)	RATE BASE
83	Total Income Tax Deferred - Federal	SUM LN 78-82		101,468,576	
84	Total Federal Income Taxes	LN 38+83		103,888,226	
85	Income Tax Deferred - State:				
86	Contribution In Aid of Const. & Capitalized Interest	(845,219)	89.394%	(755,573)	RATE BASE
87	Cost of Removal	1,317,013	89.394%	1,177,328	RATE BASE
88	Demand Side Management	84,986	100.000%	84,986	DIRECT ASSIGN
89	Environmental Cost Recovery	189,820	100.000%	189,820	DIRECT ASSIGN
90	Fuel Adjustment Clause - KY	(33,184)	100.000%	(33,184)	DIRECT ASSIGN
91	Interest Rate Swap	(57,484)	89.394%	(51,387)	RATE BASE
92	Pensions	170,105	90.097%	153,259	LABOR
93	Post Retirement Benefits	357,947	90.097%	322,499	LABOR
94	Amortization Loss on Reacquired Debt	(40,749)	89.394%	(36,427)	RATE BASE
95	MISO Exit Fees	537	0.000%	-	DIRECT ASSIGN
96	Regulatory Expenses	(40,865)	97.146%	(39,699)	REGULATORY COMMISSION EXP ACCT 928
97	Storm Damages	(356,594)	100.000%	(356,594)	DIRECT ASSIGN
98	VA Storm Damages	(14,185)	0.000%	-	DIRECT ASSIGN
99	Tax Depreciation in excess of Book Depreciation	11,209,027	89.283%	10,007,810	TOTAL DEFERRED TAXES
100	ARO CCR	1,933,507	87.578%	1,693,321	TOTAL STEAM PRODUCTION PLANT
101	Green River Reg Asset	(102,147)	100.000%	(102,147)	DIRECT ASSIGN
102	Muni - Reg Asset and Liab	(319,404)	0.000%	-	DIRECT ASSIGN
103	OSS Adjustment Clause - KY	(653)	100.000%	(653)	DIRECT ASSIGN
104	R&D - Misc Def Debits	(19,459)	89.343%	(17,386)	LABOR
105	Refined Coal	12,928	91.480%	11,826	DIRECT ASSIGN
106	VA Fuel Clause	42,860	0.000%	-	DIRECT ASSIGN
107	Subtotal Income Tax Deferred - State	SUM LN 86-106		16,804,843	
108	Adjustments:				
109	Excess Deferrals	(392,308)	93.457%	(366,637)	TOTAL KENTUCKY ELECTRIC PLANT
110	Permanent Loss on Tax Depreciation	106,506	89.394%	95,210	RATE BASE
111	Total Income Tax Deferred - State	SUM LN 107-110		11,976,371	
112	Total State Income Taxes	LN 54+111		16,804,843	

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(f)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

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

Response:

See attached.

Kentucky Utilities Company

Case No. 2016-00370

Filing Requirement Section 16(8)(f)

Base Period: Twelve Months Ended February 28, 2017

Forecasted Test Period: Twelve Months Ended June 30, 2018

KU FR_16(8)(f) Schedule F

Schedule	Description
F-1	Organization Membership Dues, Initiation Fees and Expenditures at Country Clubs
F-2	Charitable Contributions
F-3	Expenditures for Employee Parties and Outings, Employee Gift Expenses
F-4	Marketing and Sales Expenditures
F-5	Advertising Expenditures
F-6	Professional Service Expenses
F-7	Rate Case Expenses
F-8	Civic and Political Activity Expenses

Kentucky Utilities Company
Case No. 2016-00370
Organization Membership Dues, Initiation Fees and Expenditures at Country Clubs
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

KU FR_16(8)(f)

Schedule F-1

Account No.	Organization/Membership	Dues	Jurisdiction %	Total Jurisdiction
Base Period - Recoverable				
930	Baker Botts LLP	10,323	90.399%	9,332
930	Bracewell and Giuliani LLP	25,777	90.399%	23,302
930	Chartwell Inc	16,303	90.399%	14,738
930	Cybertech Inc	5,599	90.399%	5,061
930	Edison Electric Institute (EEI)	517,091	90.399%	467,445
930	Electric Power Research Institute (EPRI)	3,054,456	90.399%	2,761,198
930	Hunton and Williams LLP	34,170	90.399%	30,889
930	North American Transmission Forum	24,376	90.399%	22,036
163	Sciencetech Corporation	12,765	88.465%	11,293
930	Southeastern Electric Exchange	8,343	90.399%	7,542
930	Steptoe & Johnson LLC	22,344	90.399%	20,199
930	University of Missouri	5,300	90.399%	4,791
930	Utility Air Regulatory Group (UARG)	62,443	90.399%	56,448
930	Utility Water Act Group (UWAG)	15,015	90.399%	13,573
930	Utilities Telecom Council	7,050	90.399%	6,373
930	Waterways Council Inc	5,857	90.399%	5,295
588/921/930	Vendor < \$5000	46,822	90.399%	42,327
Various	Other non-specific KU Dues	377,540	90.399%	341,292
Total Base Period - Recoverable		4,251,574		3,843,133

Note> Portion of Forecasted test period Recoverable Dues are not completed in specific vendor detail and are shown as "Other non-specific KU Dues". For various and where multiple accounts are shown, the Account 930 jurisdictional percentage was used.

Base Period - Not Recoverable				
426	Edison Electric Institute	65,739		
426	Waterways Council Inc.	4,989		
426	Various Vendors	9,633		
Total Base Period - Non-Recoverable		80,361		
Forecasted Period - Recoverable				
930	Electric Power Research Institute (EPRI)	2,879,090	90.544%	2,606,843
930	Edison Electric Institute (EEI)	422,368	90.544%	382,429
930	Utility Air Regulatory Group (UARG)	182,002	90.544%	164,792
930	Utility Water Act Group (UWAG)	53,530	90.544%	48,468
930	Midwest Ozone Group Membership (MOG)	36,829	90.544%	33,346
930	Utility Solid Waste Activities Group (USWAG)	36,400	90.544%	32,958
Various	Other non-specific KU Dues	506,080	90.544%	458,225
Total Forecasted Period - Recoverable		4,116,299		3,727,062

Note> Portion of Forecasted test period Recoverable Dues are not completed in specific vendor detail and are shown as "Other non-specific KU Dues". For various and where multiple accounts are shown, the Account 930 jurisdictional percentage was used.

KU FR_16(8)(f)

Schedule F-1

Account No.	Organization/Membership	Dues	Jurisdiction %	Total Jurisdiction
<u>Forecasted Period - Non-Recoverable</u>				
426	Edison Electric Institute	68,823		
426	Non-Recoverable Dues	7,068		
	Total Forecasted Period - Non-Recoverable	<u>75,891</u>		

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

* There are no initiation fees or expenditures at country clubs included in the base or test year.

Kentucky Utilities Company
Case No. 2016-00370
Charitable Contributions
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

KU FR_16(8)(f)

Schedule F-2

Account No.	Charitable Organization	Total Utility
Base Period - Not Recoverable		
426.1	HOME ENERGY ASSISTANCE	370,000
426.1	KENTUCKY STATE UNIVERSITY	100,000
426.1	WINTER CARE ENERGY FUND	92,604
426.1	LEXINGTON STRIDES AHEAD FOUNDATION	45,000
426.1	HERRINGTON LAKE CONSERVATION LEAGUE	30,000
426.1	SHAKER VILLAGE OF PLEASANT HILL	30,000
426.1	URBAN LEAGUE OF LEX FAYETTE COUNTY	30,000
426.1	LEADERSHIP KENTUCKY FOUNDATION INC	25,000
426.1	UNIVERSITY OF KENTUCKY	25,000
426.1	WINTER SHARE FUND	24,389
426.1	CAMPBELLSVILLE UNIVERSITY	15,300
426.1	HABITAT FOR HUMANITY OF JESSAMINE CO	15,000
426.1	KENTUCKY ASSOC OF MANUFACTURERS	14,000
426.1	DOLLAR ENERGY FUND INC	13,389
426.1	LEXINGTON HABITAT FOR HUMANITY	13,250
426.1	KENTUCKY ASSOCIATION FOR ECONOMIC DEVELOPMENT	12,500
426.1	SCOTT COUNTY HABITAT FOR HUMANITY	12,500
426.1	CENTER FOR WOMEN CHILDREN & FAMILIES-THE NEST	10,800
426.1	BERNHEIM ARBORETUM AND RESEARCH FOREST	10,000
426.1	BLUEGRASS TOMORROW INC	10,000
426.1	COMMUNITY ACTION COUNCIL	10,000
426.1	GODS PANTRY FOOD BANK	10,000
426.1	HENDERSON MUSIC PRESERVATION SOCIETY INC	10,000
426.1	YMCA OF CENTRAL KENTUCKY	10,000
426.1	VARIOUS VENDORS < \$10,000	218,045
426.1	VARIOUS FORECASTED BASE PERIOD CHARITABLE CONTRI	352,549
	Total Base Period	1,509,326
Forecasted Period - Not Recoverable		
426.1	HOME ENERGY ASSISTANCE	370,000
426.1	KENTUCKY STATE UNIVERSITY	100,000
426.1	WINTER CARE ENERGY FUND	100,000
426.1	LEXINGTON PARTNERSHIP FOR WORKFORCE DEVELOPMENT	45,000
426.1	HABITAT FOR HUMANITY	32,000
426.1	URBAN LEAGUE	32,000
426.1	HERRINGTON LAKE CONSERVATION LEAGUE	31,318
426.1	BACKPACK PROGRAM	26,600
426.1	FUND FOR THE ARTS	25,600
426.1	CENTRE COLLEGE	16,000
426.1	FRAZIER HISTORY MUSEUM	16,000
426.1	THE LINCOLN FOUNDATION	16,000
426.1	WOMEN 4 WOMEN, INC.	15,360
426.1	METRO UNITED WAY	12,800
426.1	LEXINGTON CELEBRATES THE SEASON	15,000

KU FR_16(8)(f)

Schedule F-2

Account No.	Charitable Organization	Total Utility
426.1	DOLLAR ENERGY FUND INC.	15,000
426.1	BLUEGRASS STATE GAMES	12,000
426.1	JUNIOR ACHIEVEMENT OF THE BLUEGRASS	10,000
426.1	VARIOUS FORECASTED TEST PERIOD CHARITABLE CONTRIBUTIONS	675,691
Total Forecasted Period		1,566,369

Kentucky Utilities Company
Case No. 2016-00370

Expenditures for Employee Parties and Outings, Employee Gift Expenses
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

KU FR_16(8)(f)

Schedule F-3

Account No.	Description	Total Utility
<u>Base Period - Recoverable</u>		
Various	Safety Recognition	32,100
	Total Safety Recognition	32,100
<u>Base Period - Not Recoverable</u>		
426.5	All Other Employee Recognition	536,670
	Total All Other Employee Recognition	536,670
	Total Base Period	568,770
<u>Forecasted Period - Recoverable</u>		
Various	Safety Recognition	26,000
	Total Safety Recognition	26,000
<u>Forecasted Period - Not Recoverable</u>		
426.5	All Other Employee Recognition	762,706
	Total All Other Employee Recognition	762,706
	Total Forecasted Period	788,706

Kentucky Utilities Company
Case No. 2016-00370
Marketing and Sales Expenditures
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

KU FR_16(8)(f)

Schedule F-4

Account No.	Description of Expenses	Base Period			Forecasted Period		
		Total Utility	Jurisdiction %	Total Jurisdiction	Total Utility	Jurisdiction %	Total Jurisdiction
Customer Service & Informational							
907	Supervision	521,948	99.705%	520,409	653,222	99.725%	651,425
908	Customer Assistance	839,408	100.000%	839,408	450,051	100.000%	450,051
910	Miscellaneous Customer Service & Informational	1,231,887	99.879%	1,230,395	1,862,873	99.901%	1,861,027
Totals		2,593,242		2,590,212	2,966,145		2,962,503

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

Sales Expense							
911	Supervision	-	99.705%	-	-	99.725%	-
912	Demonstration & Selling	-	94.815%	-	-	94.815%	-
916	Miscellaneous Sales Expense	-	94.815%	-	-	94.815%	-
Totals		-		-	-		-

Kentucky Utilities Company
Case No. 2016-00370
Advertising Expenditures
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

KU FR_16(8)(f)

Schedule F-5

		Base Period			Forecasted Period		
Account No.	Description of Expenses	Total Utility	Jurisdiction %	Total Jurisdiction	Total Utility	Jurisdiction %	Total Jurisdiction
<u>Recoverable Expenses</u>							
909	Informational or Safety Advertising	468,645	94.815%	444,348	411,162	94.815%	389,845
	Totals	468,645		444,348	411,162		389,845
<u>Non - Recoverable Expenses</u>							
913	Sales or Promotional Advertising	756,763	94.815%	717,528	837,646	94.815%	794,217
930.1	Institutional or Other Advertising	58,132	95.011%	55,232	46,179	95.062%	43,898
	Totals	814,895		772,760	883,825		838,116

Amount under Base Period reflects 6 months of actuals for the period March 2016 - August 2016.

Kentucky Utilities Company
Case No. 2016-00370
Professional Service Expenses
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

KU FR_16(8)(f)

Schedule F-6

Professional Services Description of Expenses	Base Period			Forecasted Period		
	Total Utility	Jurisdiction %	Total Jurisdiction	Total Utility	Jurisdiction %	Total Jurisdiction
Computer Hardware And Software	7,105,120	90.241%	6,411,753	7,074,611	90.371%	6,393,401
Contracted Labor And Materials	7,074,157	90.241%	6,383,811	7,267,366	90.371%	6,567,596
Legal Fees	3,153,833	90.241%	2,846,060	4,448,019	90.371%	4,019,722
Consulting Fees	1,064,824	90.241%	960,911	1,373,802	90.371%	1,241,519
Other	941,672	90.241%	849,777	1,008,038	90.371%	910,975
Totals	19,339,606		17,452,312	21,171,836		19,133,213

Kentucky Utilities Company
Case No. 2016-00370
Rate Case Expenses
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

KU FR_16(8)(f)

Schedule F-7

Account No.	Description of Expense	Total Utility
<u>Total Estimated Kentucky Rate Case Expenses</u>		
928	Legal	\$ 889,952
928	Consultants	127,043
928	Newspaper Advertising	886,789
Total Estimated Kentucky Rate Case Expenses		\$ 1,903,784

Account No.	Description of Expenses	Base Period			Forecasted Period		
		Total Utility	Jurisdiction %	Total Jurisdiction	Total Utility	Jurisdiction %	Total Jurisdiction
<u>Regulatory Commission Expenses *</u>							
928	FERC Annual Charge	339,864	96.172%	326,853	438,438	97.146%	425,927
928	Rate Case Amortization	637,659	96.172%	613,247	1,272,252	97.146%	1,235,947
928	Miscellaneous	114,608	96.172%	110,220	142,500	97.146%	138,434
Totals		1,092,131		1,050,320	1,853,190		1,800,307

* The Legal, Consultants and Newspaper Advertising associated with the 2016 case shown above is being amortized in Account 928 over a 3 year period. Account 928 also includes rate case amortization associated with the 2014 case.

Kentucky Utilities Company
 Case No. 2016-00370
 Civic and Political Activity Expenses
 Base Period: Twelve Months Ended February 28, 2017
 Forecasted Test Period: Twelve Months Ended June 30, 2018

KU FR_16(8)(f)

Schedule F-8

Account No.	Item	<u>Base Period</u>	<u>Forecasted Period</u>
		Total Utility	Total Utility
Non - Recoverable Expenses			
426.4	Civic/Political	847,191	679,808
Totals		847,191	679,808

Amount under Base Period reflects 6 months of actuals for the period March 2016 - August 2016.

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(g)
Sponsoring Witnesses: Kent W. Blake / Gregory J. Meiman

Description of Filing Requirement:

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

Response:

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

On an annual basis the Company relies on benchmark information in calibrating the level of its primary components of compensation and benefits arrangements.

With regard to compensation, various third-party benchmarking and salary planning surveys from the energy services and general industries are utilized. The 50th percentile is used to establish the market midpoint of the annual salary ranges. Compensation is then managed within the low (70% of midpoint) and high (130% of midpoint) based on various factors including education, experience, performance, time in job and tenure. Compensation is considered competitive or "at market" if it is within +/- 10% of the market midpoint. A separate study from Willis Towers Watson is attached, which validates the Company's current compensation is at market.

Since 2001, LG&E-KU has participated in healthcare benchmarking surveys to ensure our medical benefits are in alignment. Our survey comparisons include national and local employers as well as utilities. Adjustments are made in premiums and plan structure in order to keep benefits in line with benchmarks. Benchmark data, medical claim information and medical trend data is utilized in structuring plan offerings and medical premiums. A separate study from Mercer is attached, reflecting relevant national, local, general industry and utility benchmark data.

Kentucky Utilities Company

Case No. 2016-00370

Payroll Costs

Base Period: Twelve Months Ended February 28, 2017

Forecasted Test Period: Twelve Months Ended June 30, 2018

Payroll Costs	Base Period	Adjustments	Forecasted Test Period
Wages and Salaries:			
Straight Time & OverTime/Premium	\$ 148,905,195	\$ 4,479,346	\$ 153,384,541
Off-duty Costs	23,299,537	2,042,046	25,341,583
Employee Benefits	69,264,407	5,920,784	75,185,191
Payroll Taxes	15,211,553	(424,546)	14,787,007
Total Payroll Costs	<u>\$ 256,680,692</u>	<u>\$ 12,017,630</u>	<u>\$ 268,698,322</u>

Note 1: The information contained in this filing requirement includes all amounts for Kentucky Utilities employees as well as amounts charged to Kentucky Utilities by LG&E and KU Services and Louisville Gas and Electric.

Kentucky Utilities Company

Case No. 2016-00370

Payroll Analysis

Base Period: Twelve Months Ended February 28, 2017

Forecasted Test Period: Twelve Months Ended June 30, 2018

Line No.	Description	Base Period	% Change	Forecasted Period
<u>Man Hours</u>				
	Salary/Straight Time Hours	3,442,409	2.62%	3,532,429
	OverTime Hours	264,901	-10.35%	237,491
	Total Man Hours	3,707,310	1.69%	3,769,920
	Ratio of OT Hours to ST Hours	7.70%		6.72%
<u>Straight Time & OverTime/Premium Dollars</u>				
	Salary/Straight Time Dollars	134,807,316	5.19%	141,798,403
	OverTime/Premium Dollars	14,097,879	-17.82%	11,586,138
	Total Labor Dollars	148,905,195	3.01%	153,384,541
	Ratio of OT Dollars to ST Dollars	10.46%		8.17%
	O&M Labor Dollars	104,786,600	5.16%	110,191,282
	Ratio of O&M Labor Dollars to Total Labor Dollars	70.37%		71.84%
<u>Off-duty Dollars</u>				
	Total Off-Duty Dollars	23,299,537	8.76%	25,341,583
	Off-Duty Dollars O&M	16,378,434	9.84%	17,990,171
	Ratio of Off-Duty O&M to Total Off-Duty	70.30%		70.99%
<u>Employee Benefits</u>				
	Total Employee Benefits	69,264,407	8.55%	75,185,191
	Employee Benefits O&M	50,211,375	10.55%	55,509,688
	Ratio of Employee Benefits O&M to Total Employee Benefits	72.49%		73.83%
<u>Payroll Taxes</u>				
	Total Payroll Taxes	15,211,553	-2.79%	14,787,007
	Payroll Taxes O&M	11,015,590	-3.03%	10,681,626
	Ratio of Payroll Taxes O&M to Total Payroll Taxes	72.42%		72.24%
<u>Employee Levels</u>				
	Average Employee Levels	944	0.00%	944
	Period-End Employee Levels	953	-1.68%	937

Note 1: The information contained in this filing requirement includes all amounts for Kentucky Utilities employees as well as amounts charged to Kentucky Utilities by LG&E and KU Services and Louisville Gas and Electric.

Note 2: Headcount information shown on this schedule reflects only those employees of Kentucky Utilities whereas labor dollars and man hours also include charges from LG&E and KU Services and Louisville Gas and Electric.

**Kentucky Utilities Company
Case No. 2016-00370
Officer Compensation**

Base Period: Twelve Months Ended February 28, 2017 (3/1/2016 through 2/28/2017)

Job Title	Salary (1)	Other Compensation (2)
Treasurer		
VP Gas Distribution		
Chief Financial Officer		
VP Power Production		
VP State Regulation and Rates		
VP Corporate Responsibility and Community Affairs		
VP Transmission		
VP Customer Services		
SVP Human Resources / VP Human Resources		
VP Deputy General Counsel and Environmental		
General Counsel/Compliance/Corporate Secretary		
Controller		
VP External Affairs		
VP Energy Supply and Analysis		
Chief Information Officer		
Chairman CEO and President	\$811,220	\$2,035,792
Chief Operating Officer		
VP Transmission/Generation Svc		
VP Communications		
VP Electric Distribution		
Average of All Officers	\$301,466	\$289,351

(1) The Company's forecast assumes an annual salary adjustment of 3%.

(2) Other compensation includes cash based short-term incentives and stock based long-term incentives at target. None of the incentive pay is included in the cost of service.

Kentucky Utilities Company

Case No. 2016-00370

Officer Compensation

Forecasted Test Period: Twelve Months Ended June 30, 2018 (7/1/2017 through 6/30/2018)

Job Title	Salary (1)	Other Compensation (2)
Treasurer		
VP Gas Distribution		
Chief Financial Officer		
VP Power Production		
VP State Regulation and Rates		
VP Corporate Responsibility and Community Affairs		
VP Transmission		
VP Customer Services		
VP Human Resources		
VP Deputy General Counsel and Environmental		
General Counsel/Compliance/Corporate Secretary		
Controller		
VP External Affairs		
VP Energy Supply and Analysis		
Chief Information Officer		
Chairman CEO and President	\$811,220	\$2,030,030
Chief Operating Officer		
VP Transmission/Generation Svc		
VP Communications		
VP Electric Distribution		
Average of All Officers	\$310,961	\$293,589

(1) The Company's forecast assumes an annual salary adjustment of 3%.

(2) Of the total salary and other compensation, 25.2% is allocated to the cost of providing service to KU rate payers. Other compensation includes cash based short-term incentives and stock based long-term incentives at target. None of the incentive pay is included in the cost of service.

2016 General Rate Case Target Total Cash Compensation Study
Louisville Gas and Electric Company (LG&E) and
Kentucky Utilities Company (KU)

November 2016

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INTRODUCTION

Louisville Gas and Electric Company (LG&E) and Kentucky Utilities Company (KU) asked Willis Towers Watson to review the competitiveness of compensation programs relative to utility and general industry market practices. Willis Towers Watson's review consisted of an examination of LG&E's and KU's 2016 compensation levels and pay mix versus comparably-sized investor-owned utilities and general industry companies.

Given that executives are not included in the short-term at-risk incentive plan (TIA) of LG&E and KU, they were not included in our benchmarking analysis. Below the executive level, LG&E's and KU's 2016 compensation programs consist of base salary and short-term at-risk incentives, which is consistent with the programs used by a majority of investor owned utilities and publicly-traded general industry companies in the market place.

In performing this review, Willis Towers Watson analyzed the following for LG&E and KU:

- Salary budgets versus market
- Competitive market positioning of target total cash compensation (base salary and target short-term at-risk compensation)
- Competitive pay mix (base salary and target short-term at-risk compensation) versus market median practice

Key Findings

Based on our review, we find:

- When compared to available published survey data, LG&E's and KU's projected and actual base salary budgets are generally aligned with market median levels
- Competitiveness of target total cash compensation: LG&E's and KU's use of base salary and target short-term at-risk compensation as its primary pay vehicles for employees is consistent and aligned with market pay vehicles used by utility and general industry peers. Likewise, when compared to available published survey data, LG&E's and KU's compensation levels fall within the competitive range of the market 50th percentile for base salary and target total cash compensation (Target TCC = base salary + target short-term at-risk compensation)
- When compared to available published survey data, LG&E's and KU's pay mix (base salary and target short-term at-risk compensation) generally places less emphasis on short-term at-risk compensation than peers, but approximates market practice overall

Salary Budgets

Using the WorldatWork Salary Budget Surveys from 2012 – 2016, Willis Towers Watson assessed the competitiveness of the base salary budgets at LG&E and KU. Willis Towers Watson was provided the actual average salary budgets provided to all employees at LG&E and KU from 2012 to 2016 and the projected budget for 2017. In reviewing LG&E’s and KU’s historical base salary budgets, survey data for the utility industry by employee level was not readily available. The table shown below identifies the actual average base salary budget for all employee groups at LG&E and KU and compares this to the median total salary budget for all employee groups using utility and general industry data from the WorldatWork surveys.

Year	LG&E and KU Average Salary Budget	Median Actual Salary Budget	
		Utility Industry	General Industry
2017 (Projected)	3.0%	3.0%	3.0%
2016 (Actual)	2.75%	3.0%	3.0%
2015 (Actual)	3.0%	3.0%	3.0%
2014 (Actual)	3.0%	3.0%	3.0%
2013 (Actual)	2.9%	3.0%	3.0%
2012 (Actual)	3.0%	3.0%	3.0%

Salary Budget Findings

Based on our assessment, we have determined that LG&E’s and KU’s actual and projected base salary budgets generally align with the utility and general industry medians.

Competitive Market Positioning

Willis Towers Watson assessed the competitiveness of LG&E’s and KU’s current compensation levels to its 50th percentile compensation philosophy. To conduct this analysis, we utilized published energy services and general industry compensation surveys available to Willis Towers Watson, including our proprietary 2016 Energy Services and General Industry Compensation Databases (with over 130 and 580 survey participants, respectively). Willis Towers Watson has been conducting the Energy Services and General Industry Compensation surveys for over 20 years.

In conducting the competitive assessment, Willis Towers Watson examined 314 positions, covering 2,008 employees or approximately 58% of the combined LG&E and KU workforce. When available, positions were benchmarked against general industry market data, except utility industry-specific positions representing 99 positions, which were benchmarked against utility industry data only (note: this approach is referred to as the “General Industry” in the table on the following page and throughout). For comparative purposes, all positions were additionally benchmarked solely to utility industry data, where data were available (note: this approach is referred to as the “Utility Industry” in the table on the following page and throughout). The table on the next page details in aggregate the competitive market positioning of the positions examined by Willis Towers Watson for various job levels at LG&E and KU as compared to national utility and general industry market data.

Job Level	# of Jobs	# of EEs	Variance as % to Market			
			Utility Industry		General Industry	
			Base Salary	Target Total Cash Comp.	Base Salary	Target Total Cash Comp.
Senior Management	31	31	-1.2%	-5.1%	0.7%	-3.6%
Management	64	98	-0.6%	-2.6%	7.4%	6.1%
Exempt	179	932	-2.1%	-3.3%	-0.6%	-2.4%
Bargaining Unit	19	408	-2.0%	-4.2%	-1.3%	-3.6%
Hourly	5	135	2.6%	0.5%	2.6%	0.5%
Non-Exempt	16	404	-8.8%	-8.8%	-0.7%	-0.4%
Total	314	2,008	-3.0%	-4.4%	-0.2%	-1.6%

Competitive Market Positioning Findings

When determining the competitiveness of company pay relative to the market, Willis Towers Watson defines a position as being competitive or “at market” if it is within +/- 10% of the market for non-executive positions. Based on our assessment, we have determined that LG&E’s and KU’s compensation is competitive with the 50th percentile of the national market (i.e., within the +/- 10% competitive range) for base salary and target total cash compensation (Target TCC) at every job level reviewed against the general and utility industry markets. Additionally, we note that data from the Economic Research Institute database indicates that “local” labor costs or salaries for Louisville, KY and Lexington, KY are, on average, 7% below the national market average.

Competitive Pay Mix

In addition to reviewing the overall competitiveness of LG&E's and KU's compensation (in aggregate and by individual pay component), Willis Towers Watson also assessed the competitiveness of LG&E's and KU's pay mix. The pay mix is the proportion of target total cash compensation that is targeted as base salary versus short-term at-risk compensation. Typically, pay mixes will vary by employee level with higher-level employees having a relatively larger portion of their target total cash compensation opportunity in the form of short-term at-risk compensation.

The table below details in aggregate the pay mix of the positions examined by Willis Towers Watson for various job levels at LG&E and KU as compared to national utility and general industry market data:

Job Level	LG&E and KU Pay Mix (% of Target Total Cash)		Utility Industry Market Median Pay Mix (% of Target Total Cash)		General Industry Market Median Pay Mix (% of Target Total Cash)	
	Base Salary	Short-Term Incentives	Base Salary	Short-Term Incentives	Base Salary	Short-Term Incentives
Senior Management	79.8%	20.2%	76.3%	23.7%	76.0%	24.0%
Management	87.7%	12.3%	85.8%	14.2%	86.5%	13.5%
Exempt	91.7%	8.3%	90.5%	9.5%	90.0%	10.0%
Bargaining Unit	94.3%	5.7%	92.2%	7.8%	92.2%	7.8%
Hourly	94.3%	5.7%	92.4%	7.6%	92.4%	7.6%
Non-Exempt	94.3%	5.7%	94.4%	5.6%	94.6%	5.4%
Total	92.6%	7.4%	91.4%	8.6%	91.2%	8.8%

Competitive Pay Mix Findings

Based on our assessment, we have determined that LG&E's and KU's pay mix has slightly less emphasis on short-term at-risk compensation, but, overall, approximates market practice.

Conclusion

Overall, we find the levels and mix of target total cash compensation of LG&E and KU to align with the market practices of utility and general industry peers.

**APPENDIX A —
Glossary of Terms**

Glossary of Terms

Short-Term At-Risk Compensation – Compensation that is dependent on company and/or individual performance over a one-year period

Bargaining Unit Employees (BU) – Technical and/or skilled positions such as Line Technicians and Operators

Base Salary – Represents the fixed and recurring part of an individual's compensation

Compensation Benchmarking – The process of matching a company job to an external job with similar duties and responsibilities in a published compensation survey to determine the competitive compensation positioning

Compensation Philosophy – A statement intended to provide a foundation for the design and administration of a company's compensation program

Exempt Employees (EX) – Non supervisor/management positions such as Accountants, Engineers and IT Technical Analysts

50th Percentile (Median) – The figure above and below which 50% of all reported data fall

Hourly Employees (HR) – Technical and/or skilled positions such as Line Technicians, Meter Technicians, and Maintenance Technicians

Management Employees (MG) – Supervisor/management positions with Supervisor or Manager titles

Market Rate – The level of compensation a company must provide in order to effectively compete with the competition in attracting and retaining qualified employees

Non-Exempt Employees (NE) – Clerical and administrative positions such as Administrative Assistants and Customer Representatives

Senior Management Employees (SM) – Non-executive positions such as Vice Presidents, Directors, and General Managers

Target Total Cash Compensation (Target TCC) – The sum of base salary plus target short-term at-risk compensation

HEALTH WEALTH CAREER

HEALTH PLAN BENCHMARKING

LG&E AND KU ENERGY

MARCH 18, 2016



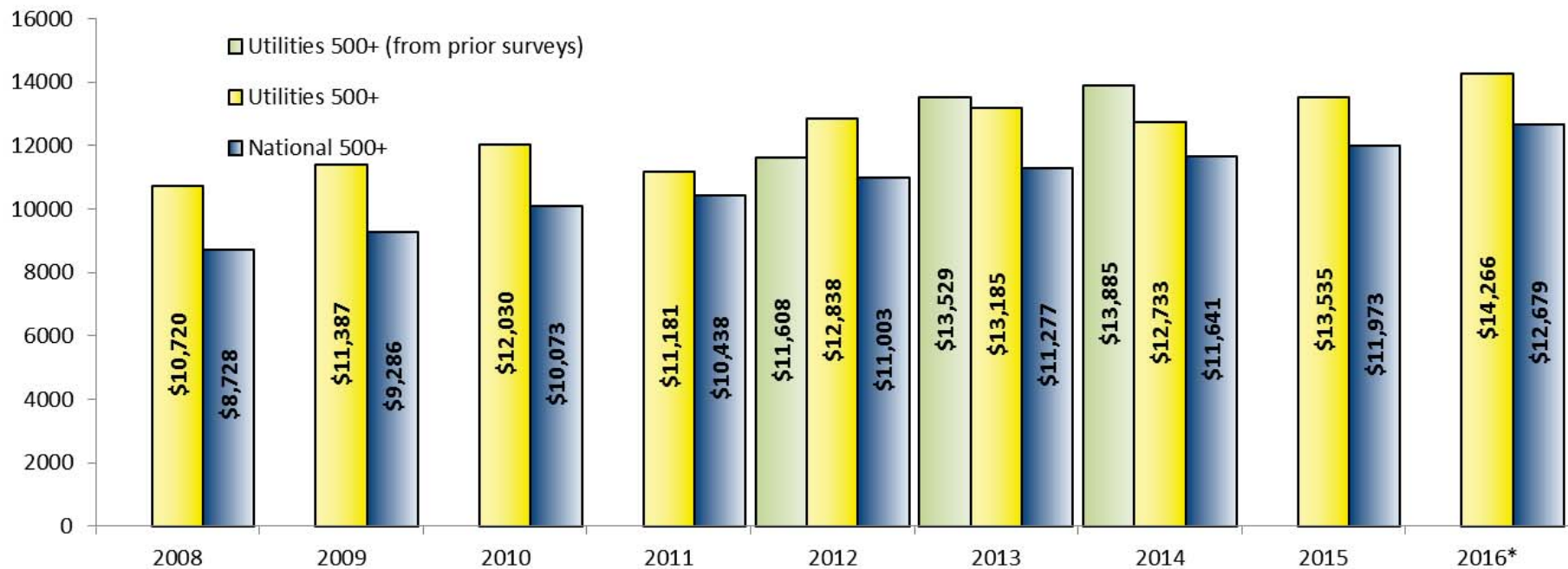
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2015 MERCER NATIONAL HEALTH PLAN SURVEY

AVERAGE TOTAL HEALTH BENEFIT COST PER ACTIVE EMPLOYEE

	2008	2009	2010	2011	2012	2013	2014	2015	2016 No Changes	2016 with Changes
Utilities 500+	2.4%	6.2%	5.6%	-7.1%	14.8%	2.7%	-3.4%	6.3%	5.4%	2.8%
National 500+	6.1%	6.4%	8.5%	3.6%	5.4%	2.5%	3.2%	2.9%	5.9%	4.1%



* projected before plan changes

Note: Total health benefits cost is total (employer & employee) cost for medical, dental, prescription drug and vision benefits. Cost includes employee contributions (payroll deductions) but not employee out-of-pocket expenses (deductibles, copay, etc)

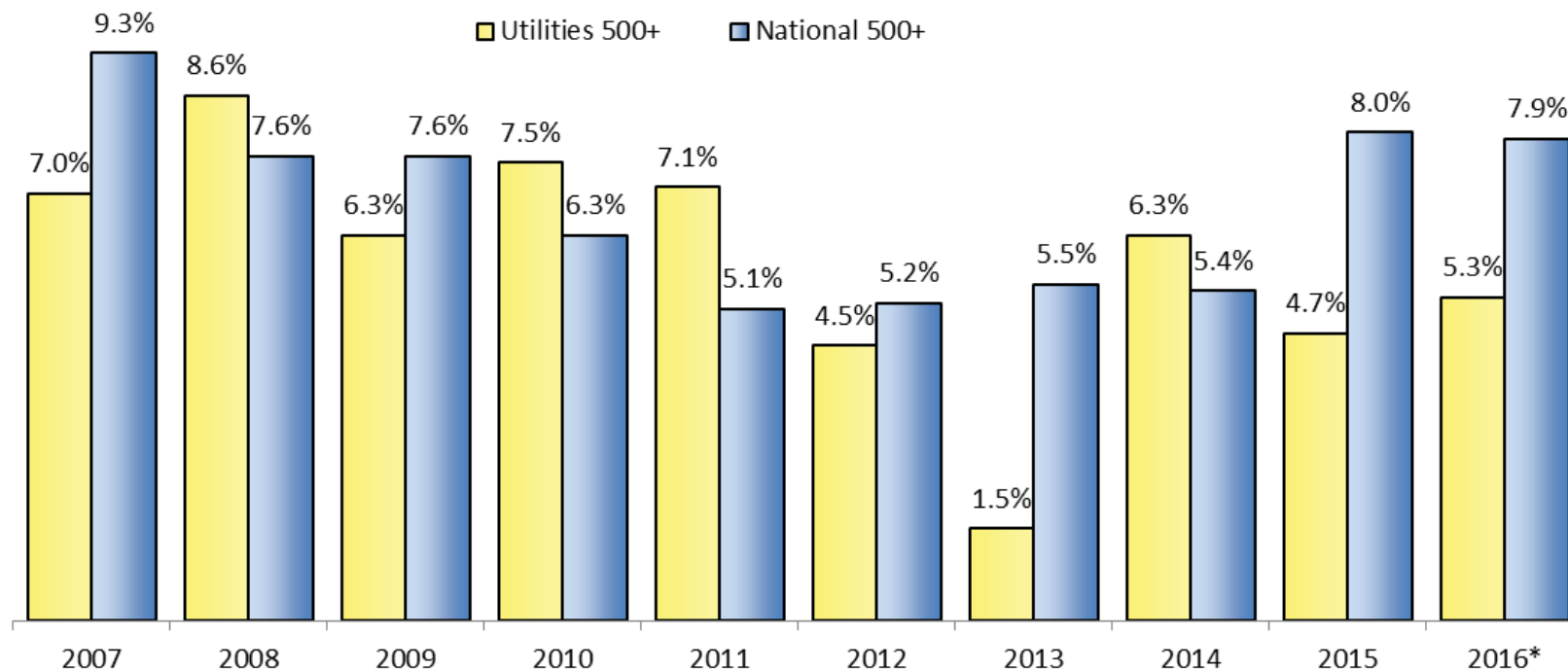
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2015 MERCER NATIONAL HEALTH PLAN SURVEY PRESCRIPTION DRUG BENEFIT COST INCREASE



* projected

2015 MERCER NATIONAL HEALTH PLAN SURVEY

KEY STATISTICS

	Utilities 500+	National 500+
Total Medical Cost per Enrolled Active ¹	\$13,650	\$11,638
Average employee age	44	43
Average % female	24%	48%
Average % union	22%	12%
% enrolling dependents of those electing coverage	66%	54%
% waiving coverage	11%	18%
Offer incentive to waive	28%	15%
Average annual incentive amount	\$819	\$1,879
Special working spouses coverage provision		
Ineligible	7%	8%
Surcharge	14%	12%
No provisions, but considering	18%	12%
Median monthly surcharge amount	\$150	\$100
Require Waiting Period for Newly Hired Full-Time Ees	43%	47%
Median Waiting Period for Full-Time EEs	46 days	60 days
Part-time coverage offered	81%	61%
Average # of hours required, if applicable	20	21
Offer Same-Sex Domestic Partner Coverage	11%	15%

¹ Mercer survey figures blend costs for HMO (44%), PPO (49%) and HDHP w/HSA (7%) per employee reported by employers with 500+ employees.

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

PREVALENCE AND ENROLLMENT BY PLAN TYPE

LG&E and KU Energy	EPO	Low Deductible PPO	PPO	HDHP w/HSA
March 2016	44%	12%	37%	7%

	Utilities 500+						National 500+					
	2010	2011	2012	2013	2014	2015	2010	2011	2012	2013	2014	2015
Prevalence												
• PPO / POS	95%	100%	95%	96%	91%	90%	94%	92%	90%	90%	88%	84%
• HMO	30%	27%	24%	29%	38%	38%	35%	36%	34%	31%	33%	34%
• CDHP												
• HSA Eligible	38%	23%	43%	36%	53%	59%	17%	24%	27%	32%	41%	50%
• HRA Eligible	14%	15%	14%	14%	16%	14%	8%	10%	11%	10%	11%	14%
Enrollment												
• PPO / POS	76%	81%	73%	73%	60%	53%	69%	65%	65%	64%	61%	56%
• HMO	10%	11%	6%	11%	17%	15%	20%	21%	20%	18%	16%	16%
• CDHP	14%	5%	21%	16%	23%	32%	10%	13%	15%	18%	23%	28%

By 2018: 59% of Utilities and 55% of National employers with 500+ employees plan to offer some type of CDHP.
26% of Utilities and 21% of National employers as only type of plan offered.

2015 MERCER NATIONAL HEALTH PLAN SURVEY

PPO/POS PLAN DESIGN – IN-NETWORK

	Utilities 500+				2016 LG&E and KU Energy *
	2012 PPO/POS	2013 PPO/POS	2014 PPO/POS	2015 PPO/POS	
Percent of Employers Offering	95%	96%	91%	90%	Yes
DEDUCTIBLE					
Required	80%	85%	96%	92%	Yes
Single Amount (median)	\$400	\$400	\$500	\$500	\$400
Family Amount (median)	\$950	\$1,000	\$1,000	\$1,000	\$800
DOCTOR'S OFFICE					
Co-pay required	85%	74%	71%	65%	Yes
Co-pay median	\$20	\$20	\$20	\$20	\$20
Co-insurance required	20%	33%	39%	43%	No
Specialist Office Co-pay Higher than PCP	37%	50%	43%	48%	Yes
Co-pay median	\$40	\$38	\$40	\$40	\$40
HOSPITALIZATION					
Per admit co-pay required	16%	15%	15%	17%	No
Per admit co-pay median	\$250	\$250	\$200	\$250	N/A
Co-insurance required	79%	73%	89%	91%	Yes
Co-insurance median	20%	20%	20%	20%	20%
OUT-OF-POCKET MAXIMUM					
Single median	\$2,500	\$2,000	\$2,500	\$2,500	\$2,500
Family median	\$5,000	\$4,000	\$5,000	\$5,000	\$5,000

* LG&E and KU Energy based on PPO Standard plan design

2015 MERCER NATIONAL HEALTH PLAN SURVEY

PPO/POS EMPLOYEE CONTRIBUTIONS

	Utilities 500+				2016 LG&E and KU Energy *
	2012 PPO/POS	2013 PPO/POS	2014 PPO/POS	2015 PPO/POS	
Require Employee Contributions					
• Single	80%	93%	100%	100%	Yes
• Family	90%	93%	100%	100%	Yes
Average Employee Contributions					
• Single	\$88	\$96	\$88	\$138	\$68
• Family	\$289	\$314	\$330	\$421	\$280
Contribution as % of Premium					
• Single	19%	20%	17%	21%	12%
• Family	23%	23%	21%	25%	18%

* LG&E and KU Energy based on Healthy for Life rates for PPO Standard plan

Spousal Surcharge:

- LG&E and KU Energy: \$200 per month

Wellness Differential:

- LG&E and KU Energy: Healthy for Life rates are \$100 per month lower than Base rates. To qualify for the Healthy for Life rates, employees and spouses must complete required wellness steps.

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

HMO/EPO PLAN DESIGN – IN-NETWORK

	Utilities 500+				2016 LG&E and KU Energy
	2012	2013	2014	2015	
Percent of Employers Offering	24%	29%	38%	38%	Yes
Percentage Enrolled when Option	26%	38%	17%	15%	%
DEDUCTIBLE					
Required	40%	13%	0%	9%	No
Single Amount (median)	\$250	\$500	N/A	\$1,000	N/A
Family Amount (median)	\$625	N/A	N/A	\$2,000	N/A
DOCTOR'S OFFICE					
Co-pay required	100%	88%	92%	100%	Yes
Co-pay median	\$20	\$20	\$20	\$20	\$20
<i>Specialist Office Co-pay</i>					
Higher than PCP	50%	57%	64%	70%	Yes
Co-pay median	\$35	\$35	\$40	\$35	\$40
HOSPITALIZATION					
Per admit co-pay required	50%	63%	83%	55%	Yes
Per admit co-pay median	\$200	\$200	\$250	\$250	\$300
Co-insurance required	25%	13%	8%	9%	No
Co-insurance median	20%	20%	20%	20%	No
EMERGENCY ROOM					
Co-pay required	100%	88%	92%	91%	Yes
Co-pay median	\$75	\$100	\$100	\$100	\$100

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

HMO/EPO EMPLOYEE CONTRIBUTIONS

	Utilities 500+				2016 LG&E and KU Energy *
	2012	2013	2014	2015	
Require Employee Contributions					
• Single	80%	88%	82%	100%	Yes
• Family	80%	88%	100%	100%	Yes
Average Employee Contributions					
• Single	\$94	\$130	\$92	\$144	\$131
• Family	\$279	\$355	\$318	\$502	\$463
Contribution as % of Premium					
• Single	19%	32%	19%	22%	21%
• Family	20%	33%	24%	28%	26%

* LG&E and KU Energy based on Healthy for Life rates for EPO plan

Spousal Surcharge:

- LG&E and KU Energy: \$200 per month

Wellness Differential:

- LG&E and KU Energy: Healthy for Life rates are \$100 per month lower than Base rates. To qualify for the Healthy for Life rates, employees and spouses must complete required wellness steps.

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

HDHP/HSA PLAN DESIGN – IN-NETWORK

	Utilities 500+	National 500+	2016 LG&E and KU Energy
Only option offered	6%	10%	No
% Participation when option	35%	29%	7%
Employer contribution to HSA	94%	72%	Yes
Employee Only (median)*	\$600	\$500	\$500 seed + \$200 annual
Family (median)*	\$1,200	\$1,000	\$1,000 seed + \$200 annual
Deductible (median)			
Single	\$1,500	\$1,800	\$1,500
Family	\$3,000	\$4,000	\$3,000
Out-of-Pocket (median)			
Single	\$3,000	\$3,600	\$3,000
Family	\$6,000	\$7,500	\$6,000
Coinsurance (median)	20%	20%	20%
Preventive drugs			
Not subject to deductible	27%	19%	No
Lower cost sharing but not 100%	7%	4%	No

* of those contributing

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HDHP/HSA EMPLOYEE CONTRIBUTIONS

	Utilities 500+	National 500+	2016 LG&E and KU Energy *
Require Employee Contributions			
• Single	94%	89%	Yes
• Family	94%	96%	Yes
Average Employee Contributions			
• Single	\$73	\$85	\$30
• Family	\$247	\$338	\$167
Contribution as % of Premium			
• Single	16%	20%	6%
• Family	19%	27%	11%

* LG&E and KU Energy based on Healthy for Life rates for HDHP plan

Spousal Surcharge:

- LG&E and KU Energy: \$200 per month

Wellness Differential:

- LG&E and KU Energy: Healthy for Life rates are \$100 per month lower than Base rates. To qualify for the Healthy for Life rates, employees and spouses must complete required wellness steps.

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HDHP/HSA- EMPLOYER HSA CONTRIBUTION

	Utilities 500+	National 500+
Employer contribution to HSA		
Applies	94%	72%
Employee Only (median)*	\$600	\$500
Family (median)*	\$1,200	\$1,000
Type of employer contribution		
Matching	0%	8%
Incentive-based	27%	15%
Fixed, non-conditional	73%	79%
Funding for employer contribution		
Fully pre-fund	53%	29%
Fund every paycheck	13%	32%
Fund monthly or other schedule	33%	39%

* of those contributing

2015 MERCER NATIONAL HEALTH PLAN SURVEY

PRESCRIPTION DRUG BENEFITS

	Utilities 500+				National 500+	2016 LG&E and KU Energy
	2012	2013	2014	2015		
CARVED OUT	29%	46%	44%	31%	19%	Yes
DRUG PURCHASING COALITION/COLLECTIVE	21%	36%	41%	24%	16%	Yes
THREE-TIERS – retail/mail	56%	57%/61%	50%/55%	46%/50%	57%/59%	Yes
COPAYS (avg) (3-tier plans)						EPO and PPO
Retail						
• Generic	\$9	\$9	\$10	\$10	\$11	\$7
• Formulary Brand	\$24	\$24	\$27	\$28	\$31	\$25
• Non-Formulary Brand	\$39	\$39	\$42	\$47	\$52	\$40
90-day Mail Order						
• Generic	\$17	\$16	\$20	\$21	\$21	\$17.50
• Formulary Brand	\$43	\$49	\$57	\$56	\$66	\$62.50
• Non-Formulary Brand	\$66	\$85	\$88	\$105	\$109	\$100
% USING COINSURANCE FOR ONE OR MORE TIERS - retail/mail	40%	57%/46%	61%/58%	64%/61%	38%/34%	Yes for HDHP
FOUR or FIVE TIERS – retail/mail	17%	21%/14%	22%/10%	21%/15%	22%/19%	No
MANDATORY GENERICS	10%	26%	28%	39%	32%	No
STEP THERAPY	70%	59%	52%	64%	55%	Yes
MANDATORY DRUG EXCLUSIONS	--	--	--	21%	18%	
MANDATORY MAIL	20%	15%	17%	29%	13%	Yes
RETAIL PENALTY PROGRAM	10%	11%	7%	4%	14%	Yes

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

HEALTH REFORM – EXCISE TAX

	Utilities 500+	National 500+
Excise Tax on High-Cost Plans – Employer Response		
Will do whatever is necessary to bring plan cost below the threshold amounts	41%	29%
Will attempt to bring cost below the threshold amounts, but it may not be possible	41%	33%
Will take no special steps to reduce cost below the threshold amounts	0%	1%
Plan(s) are unlikely to ever trigger the excise tax	19%	36%
Made Changes to Benefit Programs Due to Concerns Over Excise Tax		
Introduced a CDHP or took steps to increase enrollment in current CDHP option(s)	50%	39%
Dropped higher-cost health plan(s)	12%	11%
Plan design changes that shifted cost to employees	21%	19%
Added or expanded health management programs	28%	17%
Eliminated health care FSAs	0%	3%
Moved to a private benefits exchange	0%	2%
Considering Changes to Benefit Programs Due to Concerns Over Excise Tax		
Introduce a CDHP or take steps to increase enrollment in current CDHP option(s)	23%	26%
Drop higher-cost health plan(s)	52%	37%
Plan design changes that shift cost to employees	58%	45%
Add or expand health management programs	40%	41%
Eliminate health care FSAs	33%	18%
Move to a private benefits exchange	44%	23%

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

COST TRANSPARENCY TOOLS

	Utilities 500+	National 500+
Transparency Tools¹ Provided by:		
Health Plan Only	64%	63%
Specialty Vendor	7%	15%
No Transparency Tools Are Provided	29%	22%
Offer Incentives to Use Transparency Tools		
Higher level of reimbursement for health services	0%	2%
Cash/gift card reward	5%	6%
Tool is not integrated with an existing rewards program	0%	7%
No incentives provided, beyond savings from less-costly services	95%	87%
Utilization of Transparency Tools in 2014		
Less than 5% of participants used the tool	10%	13%
5% - 9% used the tool	5%	4%
10% or more used the tool	0%	10%
Utilization is not tracked	86%	73%

2015 MERCER NATIONAL HEALTH PLAN SURVEY

ADVANCED STRATEGIES USED TO CONTROL COST

	Utilities 500+	National 500+
High-Performance Networks	8%	13%
Data Warehouse	30%	30%
Collective Purchasing - Medical	11%	14%
Accountable Care Organizations	4%	13%
Value-Based Plan Design	33%	26%
Reference-Based Pricing	4%	13%
Telemedicine	32%	30%
Surgical Centers of Excellence	30%	25%
Medical Homes	0%	7%

2015 MERCER NATIONAL HEALTH PLAN SURVEY

VOLUNTARY BENEFITS

	Utilities 500+	National 500+
Accident	62%	59%
Cancer / critical illness	38%	45%
Individual disability insurance	50%	61%
Whole / universal life	27%	43%
Hospital indemnity	12%	21%
Long-term care	19%	25%
Auto / homeowners	27%	20%
Telemedicine	27%	18%
ID theft	23%	17%
Legal benefit	35%	30%
Investment advisory	15%	19%
Discount purchase program	35%	26%
Pet insurance	8%	10%

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HEALTH AND WELL-BEING PROGRAMS

	Utilities 500+	National 500+
Health and Well-Being Programs Prevalence		
Health assessment (HA)	89%	77%
Any disease management (DM) program	86%	83%
Face-to-face health/lifestyle coaching	33%	36%
Telephone or web-based health/lifestyle coaching	89%	71%
Health advocate services	58%	56%
Sleep disorder diagnosis and treatment program	43%	39%
Resiliency / stress management program	35%	42%
Provider of Health and Well-Being Programs		
Health Plan – Standard Services Only	25%	42%
Health Plan – Some Optional Services	33%	34%
One or More Specialty Vendor(s)	58%	48%

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HEALTH AND WELL-BEING PROGRAMS

Activities to Encourage Employees to Care for Health and Well-Being	Utilities 500+	National 500+
Business Unit / Location Group Challenges	52%	45%
Personal Challenges	41%	40%
Worksite Biometric Screening Event	76%	56%
Onsite Exercise or Yoga Programs	55%	43%
Peer-to-peer Support	14%	19%
None of the Above	14%	25%

Technology-Based Resources Used to Promote Program Participation / Engagement	Utilities 500+	National 500+
Mobile applications to engage employees (smart phone apps, gamification programs, etc.)	41%	30%
Devices to monitor activity (pedometer, accelerometer, GPS, etc.)	28%	24%
Devices to transmit health measures to providers (blood pressure, weight, etc.)	3%	4%
Onsite kiosks at work place	7%	7%
Other web-based resources or tools	41%	40%
None of the above	34%	40%

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HEALTH AND WELL-BEING PROGRAMS PARTICIPATION

Average Employee Participation Rate	Utilities 500+	National 500+
Completed Health Assessment (% of Eligible EEs)	48%	44%
Completed Validated Biometric Screening (% of Eligible EEs)	51%	38%
Actively Engaged in Any DM Program (% Identified Persons)	25%	14%
Actively Engaged in Any Lifestyle Program (% Identified Persons)	16%	13%

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HEALTH AND WELL-BEING PROGRAMS

Policies Related to Employee Health and Well-Being	Utilities 500+	National 500+
Allow employees to take work time for physical activity or stress management	14%	15%
Support healthy eating (provide healthy options)	50%	58%
Encourage physical activity with features or resources in work environment	54%	45%
Tobacco-free workplace or campus	54%	68%
Policies promoting responsible alcohol use	21%	21%
Support work-life balance	46%	34%
None of the above	14%	12%

Financial Health Resources Offered	Utilities 500+	National 500+
Financial planning calculators to assist with managing personal / family expenses	31%	26%
Financial planning tools for budgeting or debt management	24%	27%
Tools or resources for retirement planning	72%	59%
Other financial resources	38%	29%

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HEALTH AND WELL-BEING PROGRAMS INCENTIVES

	Utilities 500+	National 500+
Prevalence of Incentives for Health and Well-Being Programs		
Financial Rewards	64%	43%
Financial Penalties	9%	13%
Charitable contributions	0%	4%
Non-Financial Rewards	23%	18%
Do not use any incentives	32%	44%
Percent Using Incentives to Encourage Participation*		
Health Assessment	63%	54%
Validated Biometric Screening	62%	40%
Lifestyle Management Program	40%	27%
Require Multiple Actions to Earn Incentive / Point System	90%	73%
Use outcomes-based incentives for achieving, maintaining or progressing toward specific health status targets	36%	21%
Maximum annual value of outcomes-based incentives an employee can earn (median)	\$300	\$500
Spouses Eligible for Key Elements of Health and Well-Being Program	75%	62%
Health Plan Non-Participates Eligible for at Least Some Elements of the Health and Well-Being Program	76%	62%

* Among employers offering program

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HEALTH AND WELL-BEING PROGRAM INCENTIVES

	Utilities 500+	National 500+
Health Assessment Incentives *		
Cash / Gift Cards	33%	34%
Financial Contribution to an HRA, HSA or FSA	17%	15%
Lower Premium Contributions	33%	46%
Lower Deductible, Copay or Other Cost Sharing	0%	5%
Median Incentive Amount	\$370	\$240
Validated Biometric Screening Incentives **		
Cash / Gift Cards	31%	24%
Financial Contribution to an HRA, HSA or FSA	15%	15%
Lower Premium Contributions	38%	51%
Lower Deductible, Copay or Other Cost Sharing	8%	3%
Median Incentive Amount	\$275	\$300
Lifestyle Coaching Program Incentives ***		
Cash / Gift Cards	17%	41%
Financial Contribution to an HRA, HSA or FSA	0%	16%
Lower Premium Contributions	0%	26%
Lower Deductible, Copay or Other Cost Sharing	17%	4%
Median Incentive Amount	\$150	\$100

* Among employers offering health assessment incentive

** Among employers offering validated biometric screening incentive

*** Among employers offering lifestyle coaching program incentive

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

DENTAL PLAN DESIGN – IN-NETWORK

	Utilities 500+	National 500+	LG&E and KU Energy High Option
Offer Dental Coverage	100%	98%	Yes
Deductible for Restorative Services			
• Required – Single / Family	79% / 79%	83% / 81%	Yes
• Amount - Single / Family (median)	\$50 / \$88	\$50 / \$150	\$50 per person
Annual Maximum			
• Required	96%	95%	Yes
• Amount (median)	\$1,500	\$1,500	\$1,750
Preventive Care Subject to Deductible	0%	7%	No
Coinsurance Amount Paid by Plan (median)			
• Preventive Services (Type A)	100%	100%	100%
• Basic Restorative Services (Type B)	80%	80%	80%
• Major Restorative Services (Type C)	50%	50%	50%
• Orthodontia	50%	50%	50%
Orthodontic Services Covered by Plan			
• Children only	42%	46%	Yes
• Adults and Children	50%	41%	No
Orthodontic Lifetime Maximum (median)			
• Applicable	100%	96%	Yes
• Amount (median)	\$1,500	\$1,500	\$1,500
Covered Services			
• Sealants	88%	86%	Yes
• Implants	69%	64%	Yes
• Treatment of TMJ	27%	26%	No
• Posterior Composites	58%	47%	No

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

DENTAL EMPLOYEE CONTRIBUTIONS

	Utilities 500+	National 500+	LG&E and KU Energy High Option
Require Employee Contributions			
Single	83%	84%	Yes
Family	100%	91%	Yes
Employee Contributions			
Single	\$23	\$25	\$7
Family	\$51	\$59	\$27
Contribution as % of Premium			
Single	43%	52%	24%
Family	45%	55%	30%

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HISTORY OF EMPLOYERS INCLUDED IN UTILITIES 500+

Utilities 500+	2011	2012	2013	2014	2015
AGL RESOURCES INC.				X	X
ALLETE	X				
ALLIANT ENERGY CORPORATION		X			
AMERICAN TRANSMISSION COMPANY, LLC		X			X
AQUA AMERICA INC					X
ASSOCIATED ELECTRIC COOPERATIVE, INC.		X			
ATC MANAGEMENT INC.			X		
AVISTA CORPORATION	X	X	X	X	X
BASIN ELECTRIC POWER COOP	X				
BIG RIVERS ELECTRIC CORPORATION	X	X			
BIRMINGHAM WATER WORKS BOARD OF THE THE				X	
BLACK HILLS CORPORATION	X	X	X		
BOARD OF PUBLIC UTILITIES			X		
CALIFORNIA INDEPENDENT SYSTEM OPERATOR				X	
CENTRAL HUDSON GAS & ELEC CORP	X				
CITIZENS ENERGY GROUP				X	
CITY UTILITIES SPRINGFIELD MO		X			
CLECO CORPORATION	X				
COLONIAL PIPELINE COMPANY		X	X		
COLORADO SPRINGS UTILITIES	X		X	X	X
CONSOLIDATED EDISON INC			X	X	
CONSOLIDATED EDISON OF NEW YORK	X				X
CORIX GROUP OF COMPANIES (US)			X	X	
DENVER WATER	X				
DIRECT ENERGY LP				X	X
DOMINION RESOURCES, INC.	X				
DTE ENERGY					X
EAST KENTUCKY POWER COOPERATIVE				X	X
ELECTRIC POWER BD METRO NASHVILLE GOVT D				X	
ELECTRIC POWER BD METRO GOVT			X		
ELECTRIC RELIABILITY COUNCIL OF TEXAS, I		X			
EMPIRE DISTRICT ELECTRIC CO			X		
ENERGY CORPORATION	X				
ERCOT			X		
FIRSTENERGY CORPORATION	X		X	X	X
GAINESVILLE REGIONAL UTILITIES			X		
GDF SUEZ ENERGY NORTH AMERICA, INC.				X	
HAMPTON ROADS SANITATION DISTRICT		X			
ISO NEW ENGLAND INC.					X
ITC				X	
JACO ENVIRONMENTAL INC		X			
KANSAS CITY BOARD OF PUBLIC UTILITIES	X	X			
KANSAS CITY POWER & LIGHT CO.		X			
LACLEDE GROUP					X

Utilities 500+	2011	2012	2013	2014	2015
LAS VEGAS VALLEY WATER DIST.	X				
LG&E AND KU ENERGY LLC	X	X	X	X	X
MADISON GAS AND ELECTRIC COMPANY	X		X	X	X
MDU RESOURCES GROUP, INC.	X	X	X	X	
METROPLTAN UTILITIES DST OMAHA				X	
MICHELS CORPORATION			X	X	
NISOURCE INC			X		
NORTHEAST OHIO REGIONAL SEWER DST		X			
NORTHEAST UTILITIES	X				
NORTHEAST UTILITIES (INCLUDING NSTAR ELE			X		
NORTHWESTERN ENGERY	X				
NSTAR	X	X			
OGE ENERGY CORP.				X	
OHIO VALLEY ELECTRIC CORPORATION					X
ONEOK, INC.	X				
PACIFIC GAS AND ELECTRIC COMPANY			X	X	
PEOPLES NATURAL GAS COMPANY				X	X
PIEDMONT NATURAL GAS CO INC				X	X
PINNACLE WEST CAPITAL CORPORATION	X	X	X		
PJM INTERCONNECTION					X
PORTLAND GENERAL ELECTRIC CO				X	
PRAIRIE STATE GENERATING COMPANY, LLC					X
PROTECTION ONE					X
PUBLIC SERVICE ENTP GROUP INC			X		
PUBLIC UTILITY DST 2 GRANT CNTY	X				
PUGET SOUND ENERGY INC.			X		
RECOLOGY INC.				X	
SALT RIVER PROJECT				X	
SAN ANTONIO WATER SYSTEM	X		X		
SCANA SERVICES, INC.				X	
SEMINOLE ELECTRIC COOPERATIVE					X
SOURCEGAS LLC	X		X	X	
SOUTHERN CALIFORNIA EDISON					X
SOUTHWEST GAS CORPORATION			X		X
TOWNSEND CORPORATION		X			
TRI-STATE GENERATION/TRANSMISSIONS ASSOC				X	X
UNITED SITE SERVICES					X
USIC				X	X
VECTREN CORPORATION		X	X	X	
WASTE INDUSTRIES					X
WESTINGHOUSE ELECTRIC CORPORATION			X	X	X
WILLIAM A. HAZEL, INC.					X
XYLEM INC.		X			

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DISCLAIMER

LG&E and KU Energy understands that Mercer is not engaged in the practice of law and this report, which may include commenting on legal issues or regulations, does not constitute and is not a substitute for legal advice. Accordingly, Mercer recommends that LG&E and KU Energy secures the advice of competent legal counsel with respect to any legal matters related to this report or otherwise.

The information contained in this document and in any attachments is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code or imposed by any legislative body on the taxpayer or plan sponsor.

MAKE  **MERCER**
TOMORROW
TODAY

HEALTH WEALTH CAREER

EMPLOYEE HEALTH PLAN BENCHMARKING

LG&E AND KU ENERGY COMPARED TO KENTUCKY-HEADQUARTERED EMPLOYERS



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2015 MERCER NATIONAL HEALTH PLAN SURVEY

KEY STATISTICS

	Kentucky Employers 500+ Employees*	All Kentucky Employers*	LG&E and KU Energy
Total Medical Cost per Enrolled Active ¹	\$10,841	\$10,725	\$12,008
Average employee age	43	42	47
Average % female	49%	43%	28%
Average % union	13%	7%	23%
% enrolling dependents of those electing coverage	54%	58%	67%
% waiving coverage	23%	20%	7%
Offer incentive to waive	18%	23%	No
Average annual incentive amount	\$925	\$1,142	N/A
Special working spouses coverage provision			
Ineligible	31%	33%	N/A
Surcharge	19%	10%	Yes
No provisions, but considering	6%	7%	N/A
Median monthly surcharge amount	\$108	\$108	\$200
Require Waiting Period for Newly Hired Full-Time Ees	50%	57%	N/A
Median Waiting Period for Full-Time EEs	60 days	60 days	N/A
Part-time coverage offered	59%	47%	Yes
Average # of hours worked per week required, if applicable	21	21	20
Offer Same-Sex Domestic Partner Coverage	18%	17%	No

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plans

¹ Mercer survey figures blend costs for HMO (44%), PPO (49%) and HDHP w/HSA (7%) per employee reported by responding employers. LG&E and KU Energy's figures are based on actual 2015 claims and estimated fixed costs.

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2015 MERCER NATIONAL HEALTH PLAN SURVEY PREVALENCE AND ENROLLMENT BY PLAN TYPE

LG&E and KU Energy	EPO	Low Deductible PPO	PPO	HDHP w/HSA
March 2016	44%	12%	37%	7%

Kentucky Employers 2015*	HMO	PPO/POS	HDHP w/HSA	CDHP w/HRA
% Offering				
• 500+ Employees	35%	76%	71%	29%
• All	19%	84%	63%	16%
% Enrolled				
• 500+ Employees	8%	47%	31%	14%
• All	4%	63%	25%	8%

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plans

2015 MERCER NATIONAL HEALTH PLAN SURVEY

PPO/POS PLAN DESIGN – IN-NETWORK

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy PPO Standard
Percent of Employers Offering	76%	84%	Yes
DEDUCTIBLE			
Required	100%	100%	Yes
Single Amount (median)	\$750	\$750	\$400
Family Amount (median)	\$1,500	\$1,500	\$800
DOCTOR'S OFFICE			
Co-pay required	75%	83%	Yes
Co-pay median	\$25	\$25	\$20
Co-insurance required	42%	29%	No
Specialist Office Co-pay Higher than PCP Co-pay median	64%	71%	Yes
	\$40	\$40	\$40
HOSPITALIZATION			
Per admit co-pay required	8%	9%	No
Per admit co-pay median	Insufficient Data	\$250	N/A
Co-insurance required	100%	96%	Yes
Co-insurance median	20%	20%	20%
OUT-OF-POCKET MAXIMUM			
Single median	\$3,550	\$3,125	\$2,500
Family median	\$7,300	\$6,250	\$5,000

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plans

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

PPO/POS EMPLOYEE CONTRIBUTIONS

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy PPO Standard**
Require Employee Contributions			
• Single	100%	93%	Yes
• Family	100%	96%	Yes
Average Employee Contributions Monthly			
• Single	\$113	\$113	\$68
• Family	\$439	\$423	\$280
Contribution as % of Premium			
• Single	23%	25%	12%
• Family	31%	33%	18%

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plans

** LG&E and KU Energy based on Healthy for Life rates for PPO Standard plan without \$200/month spousal surcharge or additional \$100/month if do not qualify for Healthy for Life rates

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HMO/EPO PLAN DESIGN – IN-NETWORK

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy
Percent of Employers Offering	35%	19%	Yes
Percentage Enrolled when Option	8%	4%	44%
DEDUCTIBLE			
Required	60%	60%	No
Single Amount (median)	\$500	\$500	N/A
Family Amount (median)	\$1,200	\$1,200	N/A
DOCTOR'S OFFICE			
Co-pay required	100%	100%	Yes
Co-pay median	\$25	\$25	\$20
<i>Specialist Office Co-pay</i>			
Higher than PCP	60%	60%	Yes
Co-pay median	\$40	\$40	\$40
HOSPITALIZATION			
Per admit co-pay required	75%	75%	Yes
Per admit co-pay median	\$300	\$300	\$300
Co-insurance required	50%	50%	No
Co-insurance median	10%	10%	No
EMERGENCY ROOM			
Co-pay required	100%	100%	Yes
Co-pay median	\$150	\$150	\$100

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plans

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

HMO/EPO EMPLOYEE CONTRIBUTIONS

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy**
Require Employee Contributions			
• Single	100%	100%	Yes
• Family	100%	100%	Yes
Average Employee Contributions			
• Single	\$161	\$161	\$131
• Family	\$476	\$476	\$463
Contribution as % of Premium			
• Single	30%	30%	21%
• Family	29%	29%	26%

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plans

** LG&E and KU Energy based on Healthy for Life rates for EPO without \$200/month spousal surcharge or additional \$100/month if do not qualify for Healthy for Life rates

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HDHP/HSA PLAN DESIGN – IN-NETWORK

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy
Only option offered	33%	33%	No
% Participation when option	29%	26%	7%
Employer contribution to HSA	83%	83%	Yes
Employee Only (median)**	\$500	\$500	\$500 seed + \$200 annual
Family (median)**	\$1,000	\$1,000	\$1,000 seed + \$200 annual
Deductible (median)			
Single	\$2,000	\$2,500	\$1,500
Family	\$4,000	\$5,000	\$3,000
Out-of-Pocket (median)			
Single	\$3,750	\$3,750	\$3,000
Family	\$7,500	\$7,500	\$6,000
Coinsurance (median)	20%	20%	20%
Preventive drugs			
Not subject to deductible	36%	24%	No
Lower cost sharing but not 100%	9%	6%	No

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plan

** of those contributing

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HDHP/HSA EMPLOYEE CONTRIBUTIONS

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy**
Require Employee Contributions			
• Single	100%	95%	Yes
• Family	100%	95%	Yes
Average Employee Contributions			
• Single	\$66	\$64	\$30
• Family	\$297	\$309	\$167
Contribution as % of Premium			
• Single	16%	16%	6%
• Family	26%	28%	11%

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plans

** LG&E and KU Energy based on Healthy for Life rates for EPO without \$200/month spousal surcharge or additional \$100/month if do not qualify for Healthy for Life rates

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HDHP/HSA- EMPLOYER HSA CONTRIBUTION

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy
Type of employer contribution**			
• Matching	0%	0%	N/A
• Incentive-based	20%	20%	N/A
• Fixed, non-conditional	80%	80%	Yes
Funding for employer contribution			
• Fully pre-fund	20%	20%	Yes
• Fund every paycheck	30%	27%	N/A
• Fund monthly or other schedule	50%	53%	N/A

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plan

** of those contributing

2015 MERCER NATIONAL HEALTH PLAN SURVEY

PRESCRIPTION DRUG BENEFITS

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy
CARVED OUT	35%	23%	Yes
DRUG PURCHASING COALITION/COLLECTIVE	33%	21%	Yes
THREE-TIERS – retail/mail	47%/50%	45%/46%	Yes
COPAYS (avg) (3-tier plans)			EPO and PPO
Retail			
• Generic	\$13	\$11	\$7
• Formulary Brand	\$32	\$33	\$25
• Non-Formulary Brand	\$50	\$49	\$40
90-day Mail Order			
• Generic	\$27	\$24	\$17.50
• Formulary Brand	\$73	\$70	\$62.50
• Non-Formulary Brand	\$110	\$118	\$100
% USING COINSURANCE FOR ONE OR MORE TIERS - retail/mail	71%/60%	67%/67%	Yes for HDHP
FOUR or FIVE TIERS – retail/mail	33%/25%	34%/29%	No
MANDATORY GENERICS	20%	20%	No
STEP THERAPY	87%	87%	Yes
MANDATORY DRUG EXCLUSIONS	20%	20%	
MANDATORY MAIL	40%	40%	Yes
RETAIL PENALTY PROGRAM	7%	7%	Yes

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plans

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

ADVANCED STRATEGIES USED TO CONTROL COST

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy
High-Performance Networks	0%	0%	No
Data Warehouse	29%	29%	No
Collective Purchasing - Medical	23%	23%	No
Accountable Care Organizations	14%	14%	Where available thru Anthem
Value-Based Plan Design	21%	21%	No
Reference-Based Pricing	8%	8%	No
Telemedicine	29%	29%	Yes
Surgical Centers of Excellence	29%	29%	Yes
Medical Homes	7%	7%	No

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plan

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HEALTH AND WELL-BEING PROGRAMS

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy
Health and Well-Being Programs Prevalence			
Health assessment (HA)	92%	75%	Yes
Any disease management (DM) program	100%	71%	Yes
Face-to-face health/lifestyle coaching	46%	32%	Yes
Telephone or web-based health/lifestyle coaching	87%	73%	Yes
Health advocate services	82%	56%	Yes
Sleep disorder diagnosis and treatment program	27%	26%	No
Resiliency / stress management program	36%	29%	No
Provider of Health and Well-Being Programs			
Health Plan – Standard Services Only	13%	13%	No
Health Plan – Some Optional Services	47%	47%	Yes
One or More Specialty Vendor(s)	67%	67%	Yes

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plan

2015 MERCER NATIONAL HEALTH PLAN SURVEY

HEALTH AND WELL-BEING PROGRAMS

Activities to Encourage Employees to Care for Health and Well-Being	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy
Business Unit / Location Group Challenges	75%	48%	Yes
Personal Challenges	50%	39%	Yes
Worksite Biometric Screening Event	63%	58%	Yes
Onsite Exercise or Yoga Programs	69%	45%	Yes
Peer-to-peer Support	19%	13%	N/A
None of the Above	13%	26%	N/A

Technology-Based Resources Used to Promote Program Participation / Engagement	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy
Mobile applications to engage employees (smart phone apps, gamification programs, etc.)	44%	35%	Yes
Devices to monitor activity (pedometer, accelerometer, GPS, etc.)	50%	32%	No
Devices to transmit health measures to providers (blood pressure, weight, etc.)	13%	13%	No
Onsite kiosks at work place	19%	16%	No
Other web-based resources or tools	63%	35%	Yes
None of the above	19%	35%	N/A

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plans

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

HEALTH AND WELL-BEING PROGRAMS

Policies Related to Employee Health and Well-Being	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy
Allow employees to take work time for physical activity or stress management	13%	10%	No
Support healthy eating (provide healthy options)	67%	57%	Yes
Encourage physical activity with features or resources in work environment	67%	50%	Yes
Tobacco-free workplace or campus	87%	70%	No
Policies promoting responsible alcohol use	33%	30%	Yes
Support work-life balance (such as flex time or job share)	40%	33%	Yes
None of the above	7%	10%	N/A

Financial Health Resources Offered	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy
Financial planning calculators to assist with managing personal / family expenses	20%	14%	No
Financial planning tools for budgeting or debt management	27%	17%	No
Tools or resources for retirement planning	73%	55%	Yes
Other financial resources	33%	24%	No

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plan

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

HEALTH AND WELL-BEING PROGRAMS INCENTIVES

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy
Prevalence of Incentives for Health and Well-Being Programs			
Financial Rewards	69%	55%	Yes
Financial Penalties	15%	23%	No
Charitable contributions	0%	0%	No
Non-Financial Rewards	15%	14%	No
Do not use any incentives	15%	27%	N/A
Percent Using Incentives to Encourage Participation**			
Health Assessment	82%	82%	Yes
Validated Biometric Screening	67%	67%	Yes
Lifestyle Management Program	45%	45%	Yes
Require Multiple Actions to Earn Incentive / Point System	67%	67%	Yes
Use outcomes-based incentives for achieving, maintaining or progressing toward specific health status targets	38%	35%	No
Maximum annual outcomes-based incentives	\$300	\$300	N/A
Spouses Eligible for Key Elements of Health/Well-Being Program	64%	64%	Yes
Health Plan Non-Participates Eligible for at Least Some Elements of the Health and Well-Being Program	54%	45%	Yes

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plan

** Among employers offering program

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

HEALTH AND WELL-BEING PROGRAM INCENTIVES

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy
Health Assessment Incentives **			
Cash / Gift Cards	22%	22%	No
Financial Contribution to an HRA, HSA or FSA	22%	22%	No
Lower Premium Contributions	33%	33%	Yes
Lower Deductible, Copay or Other Cost Sharing	0%	0%	No
Median Incentive Amount	\$300	\$300	N/A
Validated Biometric Screening Incentives **			
Cash / Gift Cards	25%	25%	Yes
Financial Contribution to an HRA, HSA or FSA	25%	25%	No
Lower Premium Contributions	38%	38%	Yes
Lower Deductible, Copay or Other Cost Sharing	0%	0%	No
Median Incentive Amount	\$400	\$400	\$75
Lifestyle Coaching Program Incentives **			
Cash / Gift Cards	20%	20%	Yes
Financial Contribution to an HRA, HSA or FSA	40%	40%	No
Lower Premium Contributions	0%	0%	No
Lower Deductible, Copay or Other Cost Sharing	0%	0%	No
Median Incentive Amount	\$350	\$350	\$150

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plan

** Among employers offering this wellness program with incentive

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2015 MERCER NATIONAL HEALTH PLAN SURVEY

DENTAL PLAN DESIGN – IN-NETWORK

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy High Option
Offer Dental Coverage	100%	97%	Yes
Deductible for Restorative Services			
• Required – Single / Family	76% / 76%	79% / 79%	Yes
• Amount - Single / Family (median)	\$50 / \$150	\$50 / \$150	\$50 per person
Annual Maximum			
• Required	100%	97%	Yes
• Amount (median)	\$1,500	\$1,500	\$1,750
Preventive Care Subject to Deductible	0%	3%	No
Coinsurance Amount Paid by Plan (median)			
• Preventive Services (Type A)	100%	100%	100%
• Basic Restorative Services (Type B)	80%	80%	80%
• Major Restorative Services (Type C)	50%	50%	50%
• Orthodontia	50%	50%	50%
Orthodontic Services Covered by Plan			
• Children only	59%	60%	Yes
• Adults and Children	29%	23%	No
Orthodontic Lifetime Maximum (median)			
• Applicable	100%	92%	Yes
• Amount (median)	\$1,500	\$1,500	\$1,500
Covered Services			
• Sealants	82%	72%	Yes
• Implants	65%	59%	Yes
• Treatment of TMJ	18%	17%	No
• Posterior Composites	35%	31%	Yes

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plans

2015 MERCER NATIONAL HEALTH PLAN SURVEY

DENTAL EMPLOYEE CONTRIBUTIONS

	2015 Kentucky Employers 500+ Employees*	2015 All Kentucky Employers*	2016 LG&E and KU Energy High Option
Require Employee Contributions			
Single	79%	64%	Yes
Family	93%	83%	Yes
Employee Contributions			
Single	\$20	\$21	\$7
Family	\$54	\$59	\$27
Contribution as % of Premium			
Single	74%	72%	24%
Family	74%	74%	30%

* Kentucky-headquartered employers who responded to Mercer's 2015 National Survey of Employer-Sponsored Health Plan

MAKE  **MERCER**
TOMORROW
TODAY

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(h)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

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

Response:

See attached.

SCHEDULE H

GROSS REVENUE CONVERSION FACTOR

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

BASE PERIOD: FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED TEST PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2018

SCHEDULE

DESCRIPTION

H-1
WPH-1.A

GROSS REVENUE CONVERSION FACTOR
COMPOSITE FEDERAL AND STATE INCOME TAX RATE

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COMPUTATION OF GROSS REVENUE CONVERSION FACTOR
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): WPH-1.A

SCHEDULE H-1
PAGE 1 OF 1
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	PERCENTAGE OF INCREMENTAL GROSS REVENUE	
		STATE	FEDERAL
1	OPERATING REVENUE	100.000000%	100.000000%
2	LESS: UNCOLLECTIBLE ACCOUNTS EXPENSE	0.352000%	0.352000%
3	LESS: PSC FEES	0.194100%	0.194100%
4	LESS: PRODUCTION ACTIVITIES DEDUCTION-STATE	<u>3.336000%</u>	
5	INCOME BEFORE STATE INCOME TAX	96.117900%	99.453900%
6	STATE INCOME TAX	6.00%	5.767074%
7	LESS: PRODUCTION ACTIVITIES DEDUCTION-FEDERAL		<u>0.000000%</u>
8	INCOME BEFORE FEDERAL INCOME TAX		93.686826%
9	FEDERAL INCOME TAX	35.00%	<u>32.790389%</u>
10	OPERATING INCOME PERCENTAGE (LINES 5 - 6 - 9)		<u><u>60.896437%</u></u>
11	GROSS REVENUE CONVERSTION FACTOR (100% / LINE 10)		<u><u>1.642132</u></u>

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Calculation of Composite Federal and Kentucky
Income Tax Rate

WORKPAPER WPH-1.A
PAGE 1 OF 1
WITNESS: C. M. GARRETT

1. Assume pre-tax income of	100.0000%
2. State income tax (see SIT calc below)	<u>5.7998%</u>
3. Taxable income for Federal income tax before production activities deduction	94.2002%
a. Production Rate	9%
b. Allocation to Production Income	55.60%
c. Allocated Production Rate	0.0000%
4. Less: Production tax deduction (0.0000% of Line 3)	<u>0.0000%</u>
5. Taxable income for Federal income tax (Line 3 - Line 4)	94.2002%
6. Federal income tax at 35% (Line 5 x 35%)	<u>32.9701%</u>
7. Total State and Federal income taxes (Line 2 + Line 6)	<u><u>38.7699%</u></u>

State Income Tax Calculation

1. Assume pre-tax income of	100.0000%
2. Less: Production activities deduction @ 6% X 55.60% (1)	<u>3.3360%</u>
3. Taxable income for State income tax	96.6640%
4. State Tax Rate	<u>6.0000%</u>
5. State Income Tax	<u><u>5.7998%</u></u>

Notes: (1) Pursuant to KRS 141.010(11)(c) and (13)(c), for taxable years beginning on or after January 1, 2010, the amount of domestic production activities deduction calculated at six percent (6%) as allowed in Section 199(a)(2) of the Internal Revenue Code for taxable years beginning before 2010.

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

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

Description of Filing Requirement:

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

Response:

See attached. Note that the attached does not reflect any impact from rate case activity beyond 2016.

Kentucky Utilities Company
Case No. 2016-00370
Comparative Income Statement
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

Schedule I-1

Total Company	<u>Most Recent Five Calendar Years</u>					<u>Base</u>	<u>Test</u>	<u>Forecasted</u>		
	2011	2012	2013	2014	2015	Period	Year	2018	2019	2020
INCOME STATEMENT										
Operating Revenues										
Electric Operating Revenues	\$ 1,547,516,986	\$ 1,523,825,929	\$ 1,634,793,983	\$ 1,739,900,260	\$ 1,732,900,465	\$ 1,776,947,759	\$ 1,834,046,624	\$ 1,847,053,479	\$ 1,834,013,692	\$ 1,822,383,737
Rate Refunds	-	-	-	(2,700,607)	(3,840,132)	-	-	-	-	-
Total Operating Revenues	1,547,516,986	1,523,825,929	1,634,793,983	1,737,199,653	1,729,060,333	1,776,947,759	1,834,046,624	1,847,053,479	1,834,013,692	1,822,383,737
Operating Expenses										
Fuel for Electric Generation	522,648,642	504,482,305	535,625,319	568,077,779	540,902,679	507,061,675	512,202,807	507,786,765	504,276,586	494,697,752
Power Purchased	109,114,948	105,046,895	79,098,106	108,042,627	52,003,009	45,723,874	57,748,982	58,849,711	52,229,233	54,931,167
Other Operation Expenses	233,508,691	231,533,083	260,213,804	265,953,650	290,543,683	293,718,792	316,964,780	320,443,381	329,360,284	332,977,195
Maintenance	116,303,369	142,533,486	111,758,016	130,920,339	133,441,020	131,713,106	149,291,457	159,593,763	164,133,641	163,175,452
Depreciation & Amortization Expense	186,161,709	193,711,065	185,756,680	196,593,945	220,135,572	236,720,825	313,724,400	320,984,019	346,250,060	360,691,377
Regulatory Debits						279,365	1,781,349	3,497,958	9,072,737	13,122,353
Federal & State Income Taxes	(2,486,273)	(20,748,788)	64,134,664	(87,627,907)	(18,299,827)	8,590,228	6,238,253	6,025,860	1,446,205	71,949,319
Deferred Federal & State Income Taxes	111,563,239	115,043,640	69,874,797	225,311,512	161,327,636	151,300,951	125,497,026	122,480,784	105,814,776	17,286,998
Property and Other Taxes	28,115,766	31,089,947	32,726,804	35,625,305	38,301,170	41,428,833	43,865,521	45,270,580	47,669,252	51,545,118
Amortization of Investment Tax Credit						4,000,000	-	-	-	-
Loss(Gain) from Disposition of Allowances	(3,293)	(887)	(360)	(546)	(157)	(92)	-	-	-	-
Total Operating Expenses	1,304,926,798	1,302,690,747	1,339,187,831	1,442,896,703	1,418,354,785	1,420,537,556	1,527,314,575	1,544,932,821	1,560,252,774	1,560,376,731
Net Operating Income	242,590,188	221,135,182	295,606,152	294,302,950	310,705,548	356,410,203	306,732,048	302,120,658	273,760,918	262,007,005
Other Income less deductions	4,478,792	(6,330,749)	2,714,427	2,640,569	4,648,262	1,543,527	1,075,496	1,175,240	1,194,544	1,197,861
Income before Interest Charges	247,068,980	214,804,434	298,320,579	296,943,519	315,353,809	357,953,730	307,807,544	303,295,897	274,955,462	263,204,867
Interest Charges	70,333,584	68,803,504	70,304,985	77,493,250	82,036,801	95,553,683	96,413,666	97,095,812	102,640,804	107,224,395
Net Income	\$ 176,735,396	\$ 146,000,929	\$ 228,015,594	\$ 219,450,269	\$ 233,317,008	\$ 262,400,047	\$ 211,393,878	\$ 206,200,086	\$ 172,314,659	\$ 155,980,472

Kentucky Utilities Company
Case No. 2016-00370
Revenue Statistics
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

Schedule I-2

Total Company Revenue Statistics Ultimate Consumer	Most Recent Five Calendar Years					Base Period	Test Year	Forecasted		
	2011	2012	2013	2014	2015	2/28/2017	6/30/2018	2018	2019	2020
Revenue by Customer class:										
Residential	525,604,627	523,091,322	591,313,426	631,062,022	611,903,176	641,320,774	666,571,848	670,101,914	685,260,052	690,475,954
Commercial	346,999,690	347,449,324	364,914,813	381,624,816	379,981,602	400,071,762	412,651,662	416,852,785	425,405,760	429,417,128
Industrial	381,329,627	381,467,139	400,872,504	433,328,131	429,469,774	424,927,105	444,219,950	446,948,419	458,004,842	463,700,631
Public Street and Highway Lighting	11,147,170	10,252,532	10,769,516	11,417,588	11,659,583	12,222,217	12,586,397	12,653,720	12,876,689	12,967,707
Other Sales to Public Authorities	115,557,142	117,194,322	119,852,921	127,593,749	128,411,369	132,659,788	136,069,288	137,398,001	140,490,568	142,004,004
Rate Refunds	-	-	-	(2,700,607)	(3,840,132)					
Total	1,380,638,257	1,379,454,639	1,487,723,182	1,582,325,699	1,557,585,372	1,611,201,646	1,672,099,144	1,683,954,839	1,722,037,911	1,738,565,425
Number of Customers by class:										
Residential	442,874	443,544	446,188	447,301	449,138	450,649	453,858	454,775	456,664	458,604
Commercial	83,584	84,107	83,703	83,615	83,903	83,685	83,412	83,560	83,888	84,244
Industrial	2,475	2,723	2,939	3,044	3,109	2,712	2,496	2,499	2,508	2,519
Public Street and Highway Lighting	1,253	1,378	1,403	1,471	1,486	1,110	737	739	740	741
Other Sales to Public Authorities	7,359	8,299	8,498	8,215	8,418	8,753	8,981	8,990	9,015	9,047
Total	537,545	540,051	542,731	543,646	546,054	546,908	549,484	550,563	552,815	555,155
Average Revenue per class:										
Residential	1,186.80	1,179.34	1,325.26	1,410.82	1,362.39	1,423.11	1,468.68	1,473.48	1,500.58	1,505.60
Commercial	4,151.51	4,131.04	4,359.64	4,564.07	4,528.82	4,780.70	4,947.13	4,988.64	5,071.09	5,097.29
Industrial	154,072.58	140,090.76	136,397.59	142,354.84	138,137.59	156,712.01	177,987.04	178,877.74	182,645.37	184,080.34
Public Street and Highway Lighting	8,896.38	7,440.15	7,676.06	7,761.79	7,846.29	11,015.00	17,073.24	17,127.60	17,390.62	17,511.40
Other Sales to Public Authorities	15,702.83	14,121.50	14,103.66	15,531.80	15,254.38	15,155.09	15,151.36	15,284.19	15,584.44	15,696.02

Kentucky Utilities Company
Case No. 2016-00370
Sales Statistics
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

Schedule I-3

Total Company Sales Statistics Ultimate Consumer	Most Recent Five Calendar Years					Base Period	Test Year	Forecasted		
	2011	2012	2013	2014	2015	2/28/2017	6/30/2018	2018	2019	2020
Sales (Kwh) by Customer class:										
Residential	6,549,421,114	6,307,895,640	6,597,443,768	6,740,813,176	6,368,650,026	6,464,718,323	6,484,226,557	6,485,391,226	6,498,920,684	6,472,661,677
Commercial	4,306,625,724	4,153,338,487	4,094,011,868	4,071,635,049	3,996,048,573	4,075,958,624	4,061,425,186	4,053,438,442	4,038,439,019	4,031,106,596
Industrial	6,698,134,754	6,928,121,839	7,033,644,793	7,235,685,005	7,009,766,697	6,753,326,030	6,878,372,703	6,879,871,821	6,887,456,980	6,903,448,120
Public Street and Highway Lighting	50,815,039	45,077,854	42,657,023	43,638,776	43,500,132	48,702,453	54,245,772	54,257,609	54,253,533	54,252,412
Other Sales to Public Authorities	1,651,440,832	1,635,041,814	1,622,057,694	1,632,876,268	1,628,429,202	1,621,201,154	1,607,391,527	1,606,907,626	1,606,553,101	1,608,284,681
Total	19,256,437,463	19,069,475,634	19,389,815,146	19,724,648,274	19,046,394,630	18,963,906,583	19,085,661,746	19,079,866,724	19,085,623,317	19,069,753,486
Number of Customers by class:										
Residential	442,874	443,544	446,188	447,301	449,138	450,649	453,858	454,775	456,664	458,604
Commercial	83,584	84,107	83,703	83,615	83,903	83,685	83,412	83,560	83,888	84,244
Industrial	2,475	2,723	2,939	3,044	3,109	2,712	2,496	2,499	2,508	2,519
Public Street and Highway Lighting	1,253	1,378	1,403	1,471	1,486	1,110	737	739	740	741
Other Sales to Public Authorities	7,359	8,299	8,498	8,215	8,418	8,753	8,981	8,990	9,015	9,047
Total	537,545	540,051	542,731	543,646	546,054	546,908	549,484	550,563	552,815	555,155
Average Volume (Kwh) per class:										
Residential	14,788.45	14,221.58	14,786.24	15,069.97	14,179.72	14,345.36	14,286.90	14,260.65	14,231.30	14,113.83
Commercial	51,524.52	49,381.60	48,911.17	48,695.03	47,627.00	48,706.09	48,690.90	48,509.09	48,140.61	47,850.28
Industrial	2,706,317.07	2,544,297.41	2,393,210.21	2,377,031.87	2,254,669.25	2,490,609.09	2,755,979.80	2,753,462.93	2,746,613.21	2,740,537.71
Public Street and Highway Lighting	40,554.70	32,712.52	30,404.15	29,666.06	29,273.31	43,892.00	73,583.51	73,441.05	73,272.14	73,261.65
Other Sales to Public Authorities	224,411.04	197,016.73	190,875.23	198,767.65	193,446.09	185,206.43	178,983.62	178,752.79	178,212.91	177,767.31

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(j)
Sponsoring Witness: Daniel K. Arbough

Description of Filing Requirement:

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

Response:

See attached.

SCHEDULE J

COST OF CAPITAL

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2018

SCHEDULE

DESCRIPTION

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

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COST OF CAPITAL SUMMARY
AS OF JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: AS OF END OF FORECASTED PERIOD

TYPE OF FILING: __X__ ORIGINAL ___ UPDATED ___ REVISED

WORKPAPER REFERENCE NO(S):

SCHEDULE J-1

PAGE 1 OF 2

WITNESS: D. K. ARBOUGH

LINE NO.	CLASS OF CAPITAL	WORKPAPER REFERENCE	AMOUNT	ADJUSTMENT AMOUNT	ADJUSTED CAPITAL	JURISDICTIONAL RATE BASE PERCENTAGE	JURISDICTIONAL CAPITAL	JURISDICTIONAL ADJUSTMENTS	JURISDICTIONAL ADJUSTED CAPITAL	PERCENT OF TOTAL	COST RATE	WEIGHTED COST	13 MONTH AVERAGE WEIGHTED COST
	(A)	(B)	(C)	(D)	(E=C+D)	(F)	(G=ExF)	(H)	(I=G+H)	(J)	(K)	(L=JxK)	(J-1.1/J-1.2)
			\$	\$	\$	%	\$	\$	\$	%	%	%	%
1	SHORT-TERM DEBT	J-2	187,655,067	(42,772)	187,612,295	89.28%	167,500,257	(36,154,945)	131,345,312	3.50%	0.82%	0.03%	0.02%
2	LONG-TERM DEBT	J-3	2,317,060,805	(528,130)	2,316,532,675	89.28%	2,068,200,372	(446,421,228)	1,621,779,144	43.25%	4.12%	1.78%	1.82%
3	COMMON EQUITY		<u>2,853,540,399</u>	<u>(1,154,477)</u>	<u>2,852,385,922</u>	89.28%	<u>2,546,610,151</u>	<u>(549,686,020)</u>	<u>1,996,924,131</u>	53.25%	10.23%	5.45%	5.45%
4	TOTAL CAPITAL		<u>5,358,256,271</u>	<u>(1,725,379)</u>	<u>5,356,530,892</u>		<u>4,782,310,780</u>	<u>(1,032,262,193)</u>	<u>3,750,048,587</u>	100.00%		7.26%	7.29%

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COST OF CAPITAL SUMMARY
AS OF FEBRUARY 28, 2017

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

SCHEDULE J-1
PAGE 2 OF 2
WITNESS: D. K. ARBOUGH

LINE NO.	CLASS OF CAPITAL	WORKPAPER REFERENCE	AMOUNT	ADJUSTMENT AMOUNT	ADJUSTED CAPITAL	JURISDICTIONAL RATE BASE PERCENTAGE	JURISDICTIONAL CAPITAL	JURISDICTIONAL ADJUSTMENTS	JURISDICTIONAL ADJUSTED CAPITAL	PERCENT OF TOTAL	COST RATE	WEIGHTED COST
	(A)	(B)	(C)	(D)	(E=C+D)	(F)	(G=ExF)	(H)	(I=G+H)	(J)	(K)	(L=JxK)
			\$	\$	\$	%	\$	\$	\$		%	%
1	SHORT-TERM DEBT	J-2	-	-	-	89.10%	-	-	-	0.00%	0.65%	0.00%
2	LONG-TERM DEBT	J-3	2,313,737,916	(557,061)	2,313,180,856	89.10%	2,061,044,142	(430,103,512)	1,630,940,630	45.62%	4.10%	1.87%
3	COMMON EQUITY		<u>2,758,955,153</u>	<u>(1,168,319)</u>	<u>2,757,786,835</u>	89.10%	<u>2,457,188,070</u>	<u>(512,771,753)</u>	<u>1,944,416,317</u>	<u>54.38%</u>	10.23%	<u>5.56%</u>
4	TOTAL CAPITAL		<u>5,072,693,070</u>	<u>(1,725,379)</u>	<u>5,070,967,690</u>		<u>4,518,232,212</u>	<u>(942,875,265)</u>	<u>3,575,356,947</u>	<u>100.00%</u>		<u>7.43%</u>

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COST OF CAPITAL SUMMARY
THIRTEEN MONTH AVERAGE
FROM JULY 1, 2017 TO JUNE 30, 2018

DATA: ___ BASE PERIOD ___ X ___ FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: 13 MO AVG FOR FORECASTED PERIOD

TYPE OF FILING: ___ X ___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED

WORKPAPER REFERENCE NO(S):

SCHEDULE J-1.1/J-1.2

PAGE 1 OF 3

WITNESS: D. K. ARBOUGH

LINE NO.	CLASS OF CAPITAL	WORKPAPER REFERENCE	13 MONTH AVERAGE AMOUNT	ADJUSTMENT AMOUNT	ADJUSTED CAPITAL	JURISDICTIONAL RATE BASE PERCENTAGE	JURISDICTIONAL CAPITAL	JURISDICTIONAL ADJUSTMENTS	JURISDICTIONAL ADJUSTED CAPITAL	PERCENT OF TOTAL	COST RATE	13 MONTH AVERAGE WEIGHTED COST
	(A)	(B)	(C)	(D)	(E=C+D)	(F)	(G=ExF)	(H)	(I=G+H)	(J)	(K)	(L=JxK)
			\$	\$	\$		\$	\$	\$		%	%
1	SHORT-TERM DEBT	J-2	129,187,211	(30,147)	129,157,064	89.28%	115,311,427	(25,482,771)	89,828,656	2.47%	0.74%	0.02%
2	LONG-TERM DEBT	J-3	2,315,890,751	(540,431)	2,315,350,320	89.28%	2,067,144,766	(456,820,091)	1,610,324,675	44.25%	4.12%	1.82%
3	COMMON EQUITY		2,788,572,734	(1,154,801)	2,787,417,932	89.28%	2,488,606,730	(549,959,331)	1,938,647,399	53.28%	10.23%	5.45%
4	TOTAL CAPITAL		5,233,650,696	(1,725,379)	5,231,925,316		4,671,062,922	(1,032,262,193)	3,638,800,730	100.00%		7.29%

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COST OF CAPITAL SUMMARY - ADJUSTMENT AMOUNT
THIRTEEN MONTH AVERAGE
FROM JULY 1, 2017 TO JUNE 30, 2018

DATA: ___ BASE PERIOD ___ X ___ FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: 13 MO AVG FOR FORECASTED PERIOD

SCHEDULE J-1.1/J-1.2

TYPE OF FILING: ___ X ___ ORIGINAL ___ ___ UPDATED ___ ___ REVISED

PAGE 2 OF 3

WORKPAPER REFERENCE NO(S):

WITNESS: D. K. ARBOUGH

LINE NO.	CLASS OF CAPITAL	WORKPAPER REFERENCE	13 MONTH AVERAGE AMOUNT	PERCENT OF TOTAL	OTHER COMPREHENSIVE INCOME - EEI	EEI DEFERRED TAXES	INVESTMENT IN OVEC	NET NONUTILITY PROPERTY	ADJUSTMENT AMOUNT
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I=E+F+G+H)
			\$		\$	\$	\$	\$	\$
1	SHORT-TERM DEBT	J-2	129,187,211	2.47%	-	-	(6,171)	(23,976)	(30,147)
2	LONG-TERM DEBT	J-3	2,315,890,751	44.25%	-	-	(110,625)	(429,806)	(540,431)
3	COMMON EQUITY		<u>2,788,572,734</u>	<u>53.28%</u>	-	(504,066)	(133,204)	(517,531)	<u>(1,154,801)</u>
4	TOTAL CAPITAL		<u>5,233,650,696</u>	<u>100.00%</u>	-	(504,066)	(250,000)	(971,313)	<u>(1,725,379)</u>

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
COST OF CAPITAL SUMMARY - JURISDICTIONAL ADJUSTMENTS
THIRTEEN MONTH AVERAGE
FROM JULY 1, 2017 TO JUNE 30, 2018

DATA: ___ BASE PERIOD ___ X ___ FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: 13 MO AVG FOR FORECASTED PERIOD

SCHEDULE J-1.1/J-1.2

TYPE OF FILING: ___ X ___ ORIGINAL ___ UPDATED ___ REVISED

PAGE 3 OF 3

WORKPAPER REFERENCE NO(S):

WITNESS: D. K. ARBOUGH

LINE NO.	CLASS OF CAPITAL	WORKPAPER REFERENCE	JURISDICTIONAL CAPITAL	PERCENT OF TOTAL	ECR RATE BASE	DSM RATE BASE	PROFORMA ADJUSTMENT RATE BASE	JURISDICTIONAL ADJUSTMENTS
	(A)	(B)	(C=PAGE 1 COL G)	(D)	(E)	(F)	(G)	(H=E+F+G)
			\$		\$	\$	\$	\$
1	SHORT-TERM DEBT		115,311,427	2.47%	(25,309,256)	(173,515)	-	(25,482,771)
2	LONG-TERM DEBT		2,067,144,766	44.25%	(453,709,552)	(3,110,539)	-	(456,820,091)
3	COMMON EQUITY		2,488,606,730	53.28%	(546,214,596)	(3,744,734)	-	(549,959,331)
4	TOTAL CAPITAL		4,671,062,922	100.00%	(1,025,233,404)	(7,028,789)	-	(1,032,262,193)

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
EMBEDDED COST OF SHORT-TERM DEBT
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD

SCHEDULE J-2

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 3

WORKPAPER REFERENCE NO(S):

WITNESS: D. K. ARBOUGH

LINE NO.	ISSUE	AMOUNT OUTSTANDING	INTEREST RATE	INTEREST REQUIREMENT
	(A)	(B)	(C)	(D=BxC)
		\$	%	\$
1	Commercial Paper	-	0.651%	-
2				-
3		_____		_____
4	Total	_____	0.651%	_____
5	Weighted Cost of Short-Term Debt		<u><u>0.651%</u></u>	

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
EMBEDDED COST OF SHORT-TERM DEBT
AS OF JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: END OF FORECASTED PERIOD

SCHEDULE J-2

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 2 OF 3

WORKPAPER REFERENCE NO(S):

WITNESS: D. K. ARBOUGH

LINE NO.	ISSUE	AMOUNT OUTSTANDING	INTEREST RATE	INTEREST REQUIREMENT
	(A)	(B)	(C)	(D=BxC)
		\$	%	\$
1	Commercial Paper	187,655,067	0.815%	1,530,174
2				-
3		_____		_____
4	Total	_____187,655,067	0.815%	_____1,530,174
5	Weighted Cost of Short-Term Debt		_____0.815%	

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
EMBEDDED COST OF SHORT-TERM DEBT
THIRTEEN MONTH AVERAGE
FROM JULY 1, 2017 TO JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: 13 MO AVG FOR FORECASTED PERIOD

SCHEDULE J-2

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 3 OF 3

WORKPAPER REFERENCE NO(S):

WITNESS: D. K. ARBOUGH

LINE NO.	ISSUE (A)	AMOUNT OUTSTANDING (B) \$	INTEREST RATE (C) %	INTEREST REQUIREMENT (D=BxC) \$
Commercial Paper:				
1	Jun-17	105,429,633	0.651%	686,168
2	Jul-17	80,317,494	0.651%	522,730
3	Aug-17	48,520,315	0.651%	315,785
4	Sep-17	93,637,798	0.651%	609,423
5	Oct-17	122,193,646	0.651%	795,273
6	Nov-17	157,420,455	0.651%	1,024,540
7	Dec-17	140,336,505	0.651%	913,352
8	Jan-18	124,549,964	0.815%	1,015,603
9	Feb-18	88,303,571	0.815%	720,044
10	Mar-18	144,427,494	0.815%	1,177,688
11	Apr-18	175,548,178	0.815%	1,431,452
12	May-18	211,093,618	0.815%	1,721,296
13	Jun-18	<u>187,655,067</u>	0.815%	<u>1,530,174</u>
14	Total	<u>1,679,433,738</u>		<u>12,463,527</u>
15	13 Month Average	<u>129,187,211</u>	0.742%	<u>958,733</u>
16	Weighted Cost of Short-Term Debt		<u>0.742%</u>	

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
EMBEDDED COST OF LONG-TERM DEBT
AS OF FEBRUARY 28, 2017

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

SCHEDULE J-3
PAGE 1 OF 3
WITNESS: D. K. ARBOUGH

LINE NO.	DEBT ISSUE TYPE	COUPON RATE (A)	DATE ISSUED (DAY/MO/YR) (B)	MATURITY DATE (DAY/MO/YR) (C)	PRINCIPAL AMOUNT (D)	UNAMORT. (DISCOUNT) OR PREMIUM (E)	UNAMORT. DEBT EXPENSE (F)	UNAMORT. LOSS ON REACQUIRED DEBT (G)	CARRYING VALUE (H=D+E-F-G)	INTEREST (I=AxD)	ANNUAL COST				TOTAL (N=I+J+K+L+M)	
											AMORT. (DISCOUNT) OR PREMIUM (J)	AMORT. DEBT EXPENSE (K)	AMORT. LOSS ON REACQUIRED DEBT (L)	LETTER OF CREDIT AND OTHER FEES (M)		
		%			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
1	Kentucky Utilities PCB 14483RAN7 Variable due Feb 1, 2032	0.39%	Oct. 17, 2008	Feb 1, 2032	77,947,405		515,226	1,360,676	76,071,503	300,550		31,918	84,320	546,783	963,572	
2	Kentucky Utilities_PCB 14483RAP2 Variable due Oct 1, 2034	0.39%	Feb. 23, 2007	Oct 1, 2034	54,000,000		849,536	231,707	52,918,757	208,214		44,382	12,232	378,797	643,625	
3	Kentucky Utilities_PCB due Feb 1, 2026	5.75%	May 24, 2007	Feb 1, 2026	17,875,000		97,576	199,875	17,577,548	1,027,813		10,143	20,599	-	1,058,554	
4	Kentucky Utilities_PCB due Mar 1, 2037	6.00%	May 24, 2007	Mar 1, 2037	8,927,000		105,434	216,049	8,605,518	535,620		4,866	9,972	-	550,458	
5	Kentucky Utilities_PCB PCS 13 Variable due Feb 1, 2032	0.59%	May 23, 2002	Feb 1, 2032	2,400,000		42,694	61,993	2,295,313	14,054		2,641	3,841	2,209	22,746	
6	Kentucky Utilities_PCB PCS 14 Variable due Feb 1, 2032	0.59%	May 23, 2002	Feb 1, 2032	2,400,000		17,163	192,503	2,190,334	14,054		1,062	11,929	2,209	29,255	
7	Kentucky Utilities_PCB PCS 15 Variable due Feb 1, 2032	0.59%	May 23, 2002	Feb 1, 2032	7,400,000		47,530	190,253	7,162,217	43,333		2,940	11,790	6,812	64,875	
8	Kentucky Utilities_PCB PCS 17 Variable due Oct 1, 2034	0.39%	Oct. 20, 2004	Oct 1, 2034	50,000,000		179,464	1,669,214	48,151,322	192,791		9,324	87,690	350,369	640,174	
9	Kentucky Utilities_PCB Variable due Feb 1, 2032	0.59%	May 23, 2002	Feb 1, 2032	20,930,000		61,365	541,509	20,327,126	122,562		3,800	33,557	19,267	179,186	
10	Kentucky Utilities_PCB Variable due May 1, 2023	0.39%	May 19, 2000	May 1, 2023	12,900,000		68,271	221,241	12,610,488	49,740		10,170	32,991	90,015	182,916	
11	Kentucky Utilities_PCB due Sept. 1, 2042	1.05%	Aug. 25, 2016	Sep 1, 2042	96,000,000		629,640	4,049,203	91,321,157	1,008,000		169,688	240,143	-	1,417,831	
12	Kentucky Utilities_FMB due Nov. 1, 2020	3.25%	Nov. 16, 2010	Nov. 1, 2020	500,000,000	(696,992)	1,544,027	-	497,758,981	16,250,000		174,926	386,447	-	16,811,374	
13	Kentucky Utilities_FMB due Nov. 1, 2040	5.125%	Nov. 16, 2010	Nov. 1, 2040	750,000,000	(6,431,951)	5,917,560	-	737,650,489	38,437,500		249,862	229,915	-	38,917,277	
14	Kentucky Utilities_FMB due Nov 1, 2043	4.65%	Nov. 14, 2013	Nov. 15, 2043	250,000,000	(1,602,556)	2,465,497	-	245,931,947	11,625,000		55,192	85,111	-	11,765,303	
15	Kentucky Utilities_FMB due Oct. 1, 2025	3.30%	Sep. 28, 2015	Oct. 1, 2025	250,000,000	(92,242)	1,731,180	-	248,176,578	8,250,000		9,875	185,368	-	8,445,244	
16	Kentucky Utilities_FMB due Oct. 1, 2045	4.375%	Sep. 28, 2015	Oct. 1, 2045	250,000,000	(197,676)	2,455,995	-	247,346,329	10,937,500		6,359	79,021	-	11,022,880	
17	Revolving Credit Facility				-		1,882,345	145,545	(2,027,890)	-		-	451,510	34,877	373,333	859,720
18	L of C Facility				-		130,287	61,165	(191,452)	-		-	203,653	95,589		299,242
19	Called Bonds				-		-	138,349	(138,349)	-		-	-	5,375		5,375
20	2013 30-Year - Swap Hedging FMB - 4.65%									(1,319,492)		-	-	-		(1,319,492)
21	2015 10-Year - Swap Hedging FMB -3.30%									1,293,719						1,293,719
22	2015 30-Year - Swap Hedging FMB - 4.375%									907,712						907,712
23																
24																
25				TOTALS	2,350,779,405	(9,021,416)	18,740,791	9,279,281	2,313,737,916	89,898,670		496,214	1,911,960	684,905	1,769,795	94,761,544
26																
27																4.10%

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

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
EMBEDDED COST OF LONG-TERM DEBT
THIRTEEN MONTH AVERAGE
FROM JULY 1, 2017 TO JUNE 30, 2018

DATA: ___BASE PERIOD ___X FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: 13 MO AVG FOR FORECASTED PERIOD
TYPE OF FILING: ___X ORIGINAL ___ UPDATED ___ REVISD
WORKPAPER REFERENCE NO(S):

SCHEDULE J-3
PAGE 3 OF 3
WITNESS: D. K. ARBOUGH

LINE NO.	DEBT ISSUE TYPE	COUPON RATE (A) %	DATE ISSUED (DAY/MO/YR) (B)	MATURITY DATE (DAY/MO/YR) (C)	AVERAGE PRINCIPAL AMOUNT (D) \$	UNAMORT. (DISCOUNT) OR PREMIUM (E) \$	UNAMORT. DEBT EXPENSE (F) \$	UNAMORT. LOSS ON REACQUIRED DEBT (G) \$	CARRYING VALUE (H=D+E-F-G) \$	INTEREST (I=AxD) \$	ANNUAL COST				TOTAL (N=I+J+K+L+M) \$
											AMORT. (DISCOUNT) OR PREMIUM (J) \$	AMORT. DEBT EXPENSE (K) \$	AMORT. LOSS ON REACQUIRED DEBT (L) \$	LETTER OF CREDIT AND OTHER FEES (M) \$	
1	Kentucky Utilities PCB 14483RAN7 Variable due Feb 1, 2032	0.44%	Oct. 17, 2008	Feb 1, 2032	77,947,405	-	486,237	1,284,097	76,177,071	345,453	-	34,673	91,598	596,096	1,067,820
2	Kentucky Utilities_PCB 14483RAP2 Variable due Oct 1, 2034	0.44%	Feb. 23, 2007	Oct 1, 2034	54,000,000	-	809,229	220,598	52,970,173	239,321	-	48,213	13,287	412,960	713,781
3	Kentucky Utilities_PCB due Feb 1, 2026	5.75%	May 24, 2007	Feb 1, 2026	17,875,000	-	88,365	181,168	17,605,467	1,027,813	-	11,018	22,377	-	1,061,207
4	Kentucky Utilities_PCB due Mar 1, 2037	6.00%	May 24, 2007	Mar 1, 2037	8,927,000	-	101,014	206,993	8,618,993	535,620	-	5,286	10,832	-	551,738
5	Kentucky Utilities_PCB PCS 13 Variable due Feb 1, 2032	0.64%	May 23, 2002	Feb 1, 2032	2,400,000	-	40,295	58,504	2,301,201	15,436	-	2,869	4,173	2,400	24,879
6	Kentucky Utilities_PCB PCS 14 Variable due Feb 1, 2032	0.64%	May 23, 2002	Feb 1, 2032	2,400,000	-	16,199	181,669	2,202,133	15,436	-	1,154	12,959	2,400	31,949
7	Kentucky Utilities_PCB PCS 15 Variable due Feb 1, 2032	0.64%	May 23, 2002	Feb 1, 2032	7,400,000	-	44,860	179,545	7,175,595	47,596	-	3,194	12,808	7,400	70,997
8	Kentucky Utilities_PCB PCS 17 Variable due Oct 1, 2034	0.44%	Oct. 20, 2004	Oct 1, 2034	50,000,000	-	170,996	1,589,575	48,239,429	221,593	-	10,129	95,259	381,968	708,949
9	Kentucky Utilities_PCB Variable due Feb 1, 2032	0.64%	May 23, 2002	Feb 1, 2032	20,930,000	-	57,914	511,033	20,361,053	134,619	-	4,128	36,453	20,930	196,131
10	Kentucky Utilities_PCB Variable due May 1, 2023	0.44%	May 19, 2000	May 1, 2023	12,900,000	-	59,035	191,278	12,649,687	57,171	-	11,048	35,839	98,133	202,190
11	Kentucky Utilities_PCB due Sept. 1, 2042	1.05%	Aug. 25, 2016	Sep 1, 2042	96,000,000	-	475,530	3,831,107	91,693,363	1,008,000	-	184,333	260,870	-	1,453,203
12	Kentucky Utilities_FMB due Nov. 1, 2020	3.25%	Nov. 16, 2010	Nov. 1, 2020	500,000,000	(538,125)	1,193,057	-	498,268,818	16,250,000	190,024	419,802	-	-	16,859,825
13	Kentucky Utilities_FMB due Nov. 1, 2040	5.125%	Nov. 16, 2010	Nov. 1, 2040	750,000,000	(6,205,028)	5,708,752	-	738,086,220	38,437,500	271,427	249,759	-	-	38,958,686
14	Kentucky Utilities_FMB due Nov 1, 2043	4.65%	Nov. 14, 2013	Nov. 15, 2043	250,000,000	(1,552,430)	2,388,200	-	246,059,369	11,625,000	59,956	92,457	-	-	11,777,412
15	Kentucky Utilities_FMB due Oct. 1, 2025	3.30%	Sep. 28, 2015	Oct. 1, 2025	250,000,000	(83,273)	1,562,829	-	248,353,898	8,250,000	10,728	201,367	-	-	8,462,095
16	Kentucky Utilities_FMB due Oct. 1, 2045	4.375%	Sep. 28, 2015	Oct. 1, 2045	250,000,000	(191,900)	2,384,228	-	247,423,871	10,937,500	6,908	85,841	-	-	11,030,249
17	Revolving Credit Facility	-	-	-	-	-	1,639,354	113,870	(1,753,223)	-	-	528,017	37,887	-	565,904
18	L of C Facility	-	-	-	-	-	404,808	4,092	(408,901)	-	-	221,230	26,458	-	247,688
19	Called Bonds	-	-	-	-	-	-	133,467	(133,467)	-	-	-	5,839	405,556	411,394
20	2013 30-Year - Swap Hedging FMB - 4.65%	-	-	-	-	-	-	-	-	(1,433,376)	-	-	-	-	(1,433,376)
21	2015 10-Year - Swap Hedging FMB - 3.30%	-	-	-	-	-	-	-	-	1,405,380	-	-	-	-	1,405,380
22	2015 30-Year - Swap Hedging FMB - 4.375%	-	-	-	-	-	-	-	-	986,056	-	-	-	-	986,056
23															-
24															
25				TOTALS	2,350,779,405	(8,570,756)	17,630,904	8,686,994	2,315,890,751	90,106,118	539,042	2,114,518	666,637	1,927,843	95,354,159
26															
27															4.12%

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

KENTUCKY UTILITIES COMPANY

Net Original Cost Kentucky Jurisdictional Rate Base as of February 28, 2017

Title of Account (1)	Kentucky Jurisdictional Rate Base (2)	Kentucky Jurisdictional ECR Rate Base (3)	Kentucky Jurisdictional DSM Rate Base (4)	Kentucky Jurisdictional ARO Rate Base (5)	Kentucky Jurisdictional Pro Forma Adjustments (6)	Kentucky Jurisdictional Pro Forma Base Rate Base (7)	Other Jurisdictional Rate Base (8)	Total Company Rate Base (9)
						(2 - 3 - 4 - 5 - 6)		(2 + 8)
1. Utility Plant at Original Cost	\$ 8,362,938,049	\$ 1,227,939,151	\$ 9,232,005	\$ 291,777,957	\$ -	\$ 6,833,988,936	\$ 1,060,121,105	\$ 9,423,059,154
2. Deduct:								
3. Reserve for Depreciation	2,720,167,537	52,580,598	981,867	92,918,157	-	2,573,686,914	362,844,958	3,083,012,494
4. Net Utility Plant	5,642,770,512	1,175,358,554	8,250,137	198,859,799	-	4,260,302,022	697,276,148	6,340,046,660
5. Deduct:								
6. Customer Advances for Construction	1,549,704	-	-	-	-	1,549,704	26,702	1,576,406
7. Accumulated Deferred Income Taxes	1,066,958,828	245,493,332	1,882,102	-	-	819,583,394	131,841,467	1,198,800,295
8. Investment Tax Credit (a)	82,538,337	-	-	-	-	82,538,337	12,326,699	94,865,036
9. Total Deductions	1,151,046,869	245,493,332	1,882,102	-	-	903,671,435	144,194,868	1,295,241,737
10. Net Plant Deductions	4,491,723,643	929,865,221	6,368,035	198,859,799	-	3,356,630,587	553,081,279	5,044,804,922
11. Add:								
12. Materials and Supplies (b)	136,624,417	-	-	-	-	136,624,417	18,415,759	155,040,176
13. Prepayments (b)(c)	13,556,946	-	-	-	-	13,556,946	876,496	14,433,442
14. Emission Allowances (b)	120,320	120,320	-	-	-	0	17,067	137,387
15. Cash Working Capital (page 2)	103,768,560	2,766,333	-	-	-	101,002,227	7,878,706	111,647,266
16. Unamortized Closure Costs	3,755,355	3,755,355	-	-	-	-	532,670	4,288,025
17. Total Additions	257,825,598	6,642,008	-	-	-	251,183,589	27,720,699	285,546,297
18. Total Net Original Cost Rate Base	\$ 4,749,549,241	\$ 936,507,230	\$ 6,368,035	\$ 198,859,799	\$ -	\$ 3,607,814,176	\$ 580,801,978	\$ 5,330,351,219
19. ARO Balance Sheet Offset				(198,859,799)	-	198,859,799		-
20. Total Net Original Cost Rate Base for Capital Allocation	\$ 4,749,549,241	\$ 936,507,230	\$ 6,368,035	\$ -	\$ -	\$ 3,806,673,976	\$ 580,801,978	\$ 5,330,351,219
21. Percentage of Rate Base to Total Company Rate Base	89.10%	17.57%	0.12%	0.00%	0.00%	71.42%	10.90%	100.00%

(a) Reflects investment tax credit treatment per Case No. 2007-00178.

(b) Average for 13 months.

(c) Excludes PSC fees.

KENTUCKY UTILITIES

**Calculation of Cash Working Capital
As of February 28, 2017**

Title of Account (1)	Kentucky Jurisdictional Rate Base (2)	Kentucky Jurisdictional ECR Rate Base (3)	Kentucky Jurisdictional DSM Rate Base (4)	Kentucky Jurisdictional ARO Rate Base (5)	Kentucky Jurisdictional Pro Forma Adjustments (6)	Kentucky Jurisdictional Pro Forma Base Rate Base (7)	Other Jurisdictional Rate Base (8)	Total Company Rate Base (9)
						(2 - 3 - 4 - 5 - 6)		(2 + 8)
1. Operating and maintenance expense for the 12 months ended February 28, 2017	\$ 870,328,948	\$ 22,130,661	\$ -	\$ -	\$ -	\$ 848,198,287	\$ 107,888,498	\$ 978,217,446
2. Deduct:								
3. Electric Power Purchased	40,180,467	-	-	-	-	40,180,467	5,543,406	45,723,874
4. Total Deductions	\$ 40,180,467	\$ -	\$ -	\$ -	\$ -	\$ 40,180,467	\$ 5,543,406	\$ 45,723,874
5. Remainder (Line 1 - Line 4)	<u>\$ 830,148,481</u>	<u>\$ 22,130,661</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 808,017,820</u>	<u>\$ 102,345,091</u>	<u>\$ 932,493,572</u>
6. Cash Working Capital	<u>\$ 103,768,560</u>	<u>\$ 2,766,333</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,002,227</u>	<u>\$ 7,878,706</u>	<u>\$ 111,647,266</u>

Kentucky Jurisdictional (12 1/2% of Line 5)
 Other Jurisdictional comprised of FERC, Tennessee,
 and Virginia Jurisdictional methodologies.

KENTUCKY UTILITIES COMPANY

Net Original Cost Kentucky Jurisdictional Rate Base as of June 30, 2018

Thirteen Month Average

Title of Account (1)	Kentucky Jurisdictional Rate Base (2)	Kentucky Jurisdictional ECR Rate Base (3)	Kentucky Jurisdictional DSM Rate Base (4)	Kentucky Jurisdictional ARO Rate Base (5)	Kentucky Jurisdictional Pro Forma Adjustments (6)	Kentucky Jurisdictional Pro Forma Base Rate Base (7) (2 - 3 - 4 - 5 - 6)	Other Jurisdictional Rate Base (8)	Total Company Rate Base (9) (2 + 8)
1. Utility Plant at Original Cost	\$ 8,743,135,275	\$ 1,351,104,279	\$ 10,795,860	\$ 291,777,957	\$ -	\$ 7,089,457,180	\$ 1,094,608,020	\$ 9,837,743,296
2. Deduct:								
3. Reserve for Depreciation	2,912,060,195	85,061,828	1,864,701	125,590,902	-	2,699,542,764	389,540,285	3,301,600,481
4. Net Utility Plant	5,831,075,080	1,266,042,450	8,931,159	166,187,055	-	4,389,914,416	705,067,735	6,536,142,815
5. Deduct:								
6. Customer Advances for Construction	1,549,704	-	-	-	-	1,549,704	26,702	1,576,406
7. Accumulated Deferred Income Taxes	1,179,774,203	267,444,134	1,902,371	-	-	910,427,698	140,725,032	1,320,499,235
8. Investment Tax Credit (a)	81,185,411	-	-	-	-	81,185,411	12,118,168	93,303,580
9. Total Deductions	1,262,509,318	267,444,134	1,902,371	-	-	993,162,813	152,869,903	1,415,379,221
10. Net Plant Deductions	4,568,565,762	998,598,316	7,028,789	166,187,055	-	3,396,751,603	552,197,832	5,120,763,594
11. Add:								
12. Materials and Supplies (b)	119,808,344	-	-	-	-	119,808,344	16,051,091	135,859,435
13. Prepayments (b)(c)	16,171,254	-	-	-	-	16,171,254	1,029,276	17,200,529
14. Emission Allowances (b)	119,596	119,596	-	-	-	0	16,964	136,560
15. Cash Working Capital (page 2)	109,010,035	2,661,475	-	-	-	106,348,560	8,142,055	117,152,090
16. Unamortized Closure Costs	23,854,017	23,854,017	-	-	-	-	3,383,522	27,237,539
17. Total Additions	268,963,245	26,635,088	-	-	-	242,328,158	28,622,907	297,586,153
18. Total Net Original Cost Rate Base	\$ 4,837,529,008	\$ 1,025,233,404	\$ 7,028,789	\$ 166,187,055	\$ -	\$ 3,639,079,760	\$ 580,820,739	\$ 5,418,349,747
19. ARO Balance Sheet Offset				(166,187,055)		166,187,055		-
20. Total Net Original Cost Rate Base for Capital Allocation	\$ 4,837,529,008	\$ 1,025,233,404	\$ 7,028,789	\$ -	\$ -	\$ 3,805,266,815	\$ 580,820,739	\$ 5,418,349,747
21. Percentage of Rate Base to Total Company Rate Base	89.28%	18.92%	0.13%	0.00%	0.00%	70.23%	10.72%	100.00%

(a) Reflects investment tax credit treatment per Case No. 2007-00178.

(b) Average for 13 months.

(c) Excludes PSC fees.

KENTUCKY UTILITIES

**Calculation of Cash Working Capital
As of June 30, 2018**

Title of Account (1)	Kentucky Jurisdictional Rate Base (2)	Kentucky Jurisdictional ECR Rate Base (3)	Kentucky Jurisdictional DSM Rate Base (4)	Kentucky Jurisdictional ARO Rate Base (5)	Kentucky Jurisdictional Pro Forma Adjustments (6)	Kentucky Jurisdictional Pro Forma Base Rate Base (7)	Other Jurisdictional Rate Base (8)	Total Company Rate Base (9)
						(2 - 3 - 4 - 5 - 6)		(2 + 8)
1. Operating and maintenance expense for the 12 months ended June 30, 2018	\$ 922,833,618	\$ 21,291,799	\$ -	\$ -	\$ -	\$ 901,541,819	\$ 113,374,408	\$ 1,036,208,026
2. Deduct:								
3. Electric Power Purchased	<u>50,753,339</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,753,339</u>	<u>6,995,643</u>	<u>57,748,982</u>
4. Total Deductions	<u>\$ 50,753,339</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,753,339</u>	<u>\$ 6,995,643</u>	<u>\$ 57,748,982</u>
5. Remainder (Line 1 - Line 4)	<u>\$ 872,080,280</u>	<u>\$ 21,291,799</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 850,788,480</u>	<u>\$ 106,378,765</u>	<u>\$ 978,459,044</u>
6. Cash Working Capital	<u>\$ 109,010,035</u>	<u>\$ 2,661,475</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,348,560</u>	<u>\$ 8,142,055</u>	<u>\$ 117,152,090</u>

Kentucky Jurisdictional (12 1/2% of Line 5)
 Other Jurisdictional comprised of FERC, Tennessee,
 and Virginia Jurisdictional methodologies.

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

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

Description of Filing Requirement:

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

Response:

See attached. Note that the attached does not reflect any impact from rate case activity beyond 2016.

Kentucky Utilities Company
Case No. 2016-00370
Comparative financial data
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

Line No.	Description	Forecasted Period		Ten most recent calendar years										
		(a)	Base Period (a)	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	
1	Utility Plant in Service (\$000)													
2	Electric Plant													
3	Electric Distribution	\$ 1,881,655	\$ 1,766,868	\$ 1,662,187	\$ 1,607,084	\$ 1,534,956	\$ 1,475,676	\$ 1,406,474	\$ 1,349,275	\$ 1,302,009	\$ 1,231,342	\$ 1,038,231	\$ 1,013,864	
4	Electric General	214,656	190,671	177,719	174,933	152,501	143,158	137,494	126,013	112,810	109,060	97,982	106,184	
5	Hydro Production Plant	42,705	41,930	39,799	39,469	38,944	33,953	28,640	16,849	12,859	11,843	10,975	9,945	
6	Electric Intangible Plant	120,589	101,358	92,355	81,831	70,120	60,375	58,649	52,326	51,698	27,889	24,723	25,651	
7	Electric Other Production	1,033,399	1,002,156	969,359	550,836	548,183	540,195	526,993	523,150	523,200	503,261	497,591	490,395	
8	Electric Steam Production	5,344,215	5,273,397	5,065,548	4,564,415	3,896,763	3,797,974	3,627,077	2,725,170	2,239,550	2,023,377	1,678,194	1,528,205	
9	Electric Transmission	1,030,110	906,260	807,381	768,438	728,201	690,259	656,885	627,463	529,058	529,108	520,265	506,490	
10	Total Electric Plant - Gross	9,667,329	9,282,640	8,814,348	7,787,006	6,969,668	6,741,590	6,442,212	5,420,246	4,771,184	4,435,880	3,867,961	3,680,734	
11	Less: Accumulated Depreciation and Amortization	3,440,759	3,083,012	2,849,852	2,798,969	2,647,411	2,519,600	2,395,038	2,261,927	2,168,491	2,052,492	1,931,455	1,850,012	
12	Electric Plant in Service-Net	\$ 6,226,571	\$ 6,199,627	\$ 5,964,496	\$ 4,988,037	\$ 4,322,257	\$ 4,221,990	\$ 4,047,174	\$ 3,158,319	\$ 2,602,693	\$ 2,383,388	\$ 1,936,506	\$ 1,830,722	
13	Plant Purchased or Sold	-	-	-	-	-	-	484	484	-	-	-	-	
14	Plant Held for Future Use	748	748	634	634	325	-	793	121,621	120,828	10,138	-	-	
15	Construction Work In Progress	431,089	139,672	267,027	880,068	1,138,613	490,182	339,711	954,430	1,257,409	1,176,440	1,071,389	487,244	
16	Net Utility Plant	\$ 6,658,407	\$ 6,340,047	\$ 6,232,157	\$ 5,868,739	\$ 5,461,195	\$ 4,712,172	\$ 4,388,162	\$ 4,234,854	\$ 3,980,930	\$ 3,569,966	\$ 3,007,895	\$ 2,317,966	
17	Capital Structure: (\$000)													
18	(\$'s Based on Period-End Accounts)													
19	Short-Term Debt	\$ 187,655	\$ -	\$ 47,997	\$ 235,592	\$ 149,967	\$ 69,992	\$ -	\$ 10,434	\$ 77,975	\$ 16,247	\$ 23,219	\$ 150,043	
20	Long-Term Debt	2,342,477	2,341,758	2,341,131	2,090,768	2,090,070	1,841,227	1,840,592	1,839,956	1,648,779	1,531,779	1,263,753	789,385	
21	Preferred Stock	-	-	-	-	-	-	-	-	-	-	-	-	
22	Common Equity	2,853,540	2,758,955	2,679,353	2,599,430	2,437,296	2,176,783	2,128,238	2,075,467	1,951,966	1,744,720	1,435,516	1,193,198	
23	Total	\$ 5,383,673	\$ 5,100,713	\$ 5,068,481	\$ 4,925,790	\$ 4,677,333	\$ 4,088,002	\$ 3,968,830	\$ 3,925,857	\$ 3,678,720	\$ 3,292,746	\$ 2,722,488	\$ 2,132,626	
24	Condensed Income Statement Data: (\$000)													
25	Operating Revenues	\$ 1,834,047	\$ 1,776,948	\$ 1,729,060	\$ 1,737,200	\$ 1,634,794	\$ 1,523,826	\$ 1,547,517	\$ 1,511,710	\$ 1,356,189	\$ 1,404,042	\$ 1,272,549	\$ 1,210,019	
26	Operating Expenses (Excluding Income Taxes)	1,351,714	1,215,218	1,237,026	1,269,588	1,172,452	1,177,306	1,167,734	1,139,345	1,065,322	1,124,734	986,465	956,644	
27	Federal and State Income Taxes	6,238	8,590	(18,299)	(87,627)	64,135	(20,749)	(2,486)	74,415	(3,134)	53,239	40,822	60,073	
28	Deferred Federal and State Income Taxes	125,497	151,301	161,327	225,311	69,875	115,044	111,563	25,586	53,275	(13,353)	(6,848)	671	
29	Property and Other Taxes	43,866	41,429	38,300	35,625	32,726	31,090	28,116	19,896	20,955	20,661	18,440	18,602	
30	Investment Tax Credit	-	4,000	-	-	-	-	-	-	21,416	25,267	42,567	12,000	
31	Net Operating Income	306,732	356,410	310,706	294,303	295,606	221,135	242,590	252,468	198,355	193,494	191,103	162,029	
32	AFUDC - Equity	-	241	1,976	1,388	485	50	43	521	3,906	6,041	3,328	384	
33	Amortization of Investment Tax Credit	1,931	1,846	1,846	1,871	1,871	2,800	2,686	-	-	-	-	-	
34	Other Income (Deductions), Net	(857)	(543)	826	(619)	359	(9,181)	1,750	1,130	6,133	29,381	28,451	27,804	
35	Income before Interest Charges	307,807	357,954	315,354	296,943	298,321	214,804	247,069	254,119	208,394	228,916	222,882	190,217	
36	Interest Charges	96,414	95,554	82,037	77,493	70,305	68,803	70,334	78,625	75,067	71,650	55,919	38,396	
37	Net Income	211,393	262,400	233,317	219,450	228,016	146,001	176,735	175,494	133,327	157,266	166,963	151,821	
38	Preferred Dividends	-	-	-	-	-	-	-	-	-	-	-	-	
39	Net Income Available for Common Equity	\$ 211,393	\$ 262,400	\$ 233,317	\$ 219,450	\$ 228,016	\$ 146,001	\$ 176,735	\$ 175,494	\$ 133,327	\$ 157,266	\$ 166,963	\$ 151,821	

(a) Data for forecast does not reflect any impact from rate case activity beyond 2016.

Kentucky Utilities Company
Case No. 2016-00370
Comparative financial data
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

Line No.	Description	Forecasted Period (a)	Base Period (a)	Ten most recent calendar years										
				2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	
40	Cash Flow (in millions)													
41	Net operating cash flows	\$ 634	\$ 614	\$ 608	\$ 566	\$ 495	\$ 500	\$ 444	\$ 374	\$ 253	\$ 292	\$ 311	\$ 233	
42	Net investing cash flows	(595)	(391)	(512)	(603)	(853)	(480)	(279)	(429)	(507)	(695)	(737)	(348)	
43	Net Free Cash Flow before dividends	\$ 39	\$ 223	\$ 96	\$ (37)	\$ (358)	\$ 20	\$ 165	\$ (55)	\$ (254)	\$ (403)	\$ (426)	\$ (115)	
44	Cost of Capital:													
45	Embedded Cost of Debt (Short and Long Term)	3.85%	4.13%	3.96%	3.36%	3.52%	3.57%	3.68%	3.76%	4.56%	4.64%	5.24%	4.88%	
46	Embedded Cost of Preferred Stock	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
47	Fixed Charge Coverages:													
48	Ratio of Earnings to Fixed Charges	4.5	5.3	5.4	5.4	5.9	4.2	4.8	4.2	3.7	3.9	5.1	6.5	
49	Stock and Bond Ratings:													
50	Moody's Senior Secured	A1	A1	A1	A1	A2	A2	A2	A2	N/A	N/A	N/A	A1	
51	S&P Senior Secured	A	A	A	A-	A-	A-	A-	A	N/A	N/A	N/A	A	
52	Fitch Senior Secured	N/A	N/A	N/A	A+	A+	A+	A+	A+	N/A	N/A	N/A	N/A	
53	Moody's Commercial Paper	P-2	P-2	P-2	P-2	P-2	P-2	P-2	P-2	P-1	P-1	P-1	P-1	
54	S&P Commercial Paper	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	
55	Fitch Commercial Paper	N/A	N/A	N/A	F2	F2	F2	F2	F2	N/A	N/A	N/A	N/A	
56	Moody's Preferred Stock	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
57	S&P Preferred Stock	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
58	Common Stock Related Data:													
59	Dividend Payout Ratio (Declared Basis)	0.65	0.65	0.66	0.67	0.54	0.68	0.70	0.28	0	0	0	0	
60	Rate of Return Measures:													
61	Return on Common Equity (13 Month Average)	7.58%	9.71%	8.81%	8.69%	9.88%	6.78%	8.39%	8.69%	7.22%	9.97%	12.88%	13.83%	

(a) Data for forecast does not reflect any impact from rate case activity beyond 2016.

(59) In 2006 through 2009, under the Company's previous owner, dividends were netted with capital contributions whenever the owner made contributions to Kentucky Utilities Company. In November and December 2010, dividend payments changed due to the acquisition of Kentucky Utilities Company by PPL Corporation.

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

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

Description of Filing Requirement:

A narrative description and explanation of all proposed tariff changes.

Response:

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

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(m)
Sponsoring Witness: William Steven Seelye

Description of Filing Requirement:

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

Response:

See attached.

SCHEDULE M

BILLING DETERMINANTS AND EXHIBITS FOR THE BASE PERIOD

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

BASE PERIOD: FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
M-1.1	BASE PERIOD REVENUES AT CURRENT RATES
M-1.2	AVERAGE BILL AT CURRENT RATES
M-1.3, Page 1	SUMMARY OF BASE REVENUES
M-1.3, Pages 2-20	DETAILED CALCULATION OF BASE PERIOD REVENUES

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2018

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
M-2.1	FORECAST PERIOD REVENUES AT CURRENT AND PROPOSED RATES
M-2.2	AVERAGE BILL COMPARISON AT CURRENT AND PROPOSED RATES
M-2.3, Pages 1-2	SUMMARY OF PROPOSED REVENUE INCREASE
M-2.3, Pages 3-21	CALCULATION OF PROPOSED RATE INCREASE

Kentucky Utilities Company
Case No. 2016-00370
Base Period Revenues at Current Rates
for the Twelve Months Ending February 28, 2017

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

Schedule M-1.1
Page 1 of 1
Witness: W. S. SEELYE

Rate Class	Total Revenue at Present Rates
Residential Service	\$ 596,053,536
Residential Time-of-Day Service	\$ 18,785
General Service	\$ 221,474,990
All Electric School Service	\$ 12,590,058
Power Service Secondary	\$ 187,198,011
Power Service Primary	\$ 14,009,400
Time-of-Day Secondary Service	\$ 122,859,682
Time-of-Day Primary Service	\$ 253,254,255
Retail Transmission Service	\$ 83,610,072
Fluctuating Load Service	\$ 30,214,092
Curtailed Service Riders	\$ (16,917,300)
Lighting Energy Service	\$ 31,646
Traffic Energy Service	\$ 168,975
Lighting Service and Restricted Lighting Service	<u>\$ 28,720,111</u>
Sales to Ultimate Customers	\$ 1,533,286,313
Other Operating Revenue:	
Late Payment Charge	\$ 4,055,578
Electric Service Revenues	\$ 2,177,201
Rent from Electric Property	\$ 3,246,156
Other Miscellaneous Revenues	<u>\$ 19,448,940</u>
Total Operating Revenues	\$ 1,562,214,188

Kentucky Utilities Company
Case No. 2016-00370
Average Bill at Current Rates
for the Twelve Months Ending February 28, 2017

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

Schedule M-1.2
Page 1 of 1
Witness: W. S. SEELYE

Rate Class	Customer Months	kWh Billed	Average Consumption in kWh	Annual Revenues at Present Rates	Average Bill at Present Rates
Residential Service Rate RS	5,144,970	6,029,484,205	1,172	\$ 596,053,536	\$ 115.85
Residential Time-of-Day Service Rate RTOD	<u>178</u>	<u>212,323</u>	<u>1,193</u>	<u>\$ 18,785</u>	<u>\$ 105.53</u>
Residential Service Rates RS & RTOD	5,145,148	6,029,696,527	1,172	\$ 596,072,321	\$ 115.85
General Service Rate	995,425	1,791,163,513	1,799	\$ 221,474,990	\$ 222.49
All Electric School Service Rate	7,152	144,274,147	20,173	\$ 12,590,058	\$ 1,760.35
Power Service Secondary	55,855	2,099,057,087	37,581	\$ 187,198,011	\$ 3,351.52
Power Service Primary	<u>2,413</u>	<u>158,782,068</u>	<u>65,803</u>	<u>\$ 14,009,400</u>	<u>\$ 5,805.80</u>
Power Service Rate	58,268	2,257,839,155	38,749	\$ 201,207,411	\$ 3,453.16
Time of Day Secondary	7,403	1,681,369,142	227,112	\$ 122,859,682	\$ 16,595.33
Time of Day Primary	<u>3,077</u>	<u>4,036,359,118</u>	<u>1,311,784</u>	<u>\$ 253,254,255</u>	<u>\$ 82,305.58</u>
Time of Day Service	10,480	5,717,728,261	545,571	\$ 376,113,937	\$ 35,887.82
Retail Transmission Service	356	1,425,542,498	4,004,333	\$ 83,610,072	\$ 234,859.75
Fluctuating Load Service	12	560,241,683	46,686,807	\$ 30,214,092	\$ 2,517,841.00
Curtable Service Riders	84	-	-	\$ (16,917,300)	\$ (201,396.43)
Lighting Energy Service	48	434,212	9,046	\$ 31,646	\$ 659.29
Traffic Energy Service	9,199	1,518,249	165	\$ 168,975	\$ 18.37
Lighting Service and Restricted Lighting Service	2,026,572	123,549,966	61	28,720,111	\$ 14.17

Kentucky Utilities Company
Case No. 2016-00370
Summary of Base Revenues
for the Twelve Months Ended February 28, 2017

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

Schedule M-1.3
Page 1 of 20
Witness: W. S. SEELYE

Rate Class	Revenue As Billed	Adjustment to Remove Fuel Adjustment Clause	Adjustment to Remove DSM	Adjustment to Remove ECR	Adjustment to Remove Off- System Sales Adjustment Clause	Actual Net Revenue at Base Rates	Calculated Net Revenue at Base Rates
Residential Service Rate RS	\$ 596,053,536	\$ (22,513,466)	\$ 16,218,834	\$ 15,520,758	\$ (31,793)	\$ 586,859,204	\$ 586,859,204
Residential Time-of-Day Service Rate RTOD	\$ 18,785	\$ (781)	\$ 509	\$ 449	\$ (1)	\$ 18,608	\$ 18,608
Residential Service Rates RS & RTOD	\$ 596,072,321	\$ (22,514,247)	\$ 16,219,343	\$ 15,521,207	\$ (31,795)	\$ 586,877,812	\$ 586,877,812
General Service Rate	\$ 221,474,990	\$ (7,022,924)	\$ 3,554,635	\$ 9,775,928	\$ (9,520)	\$ 215,176,871	\$ 215,176,871
All Electric School Rate	\$ 12,590,058	\$ (546,671)	\$ 224,845	\$ 608,961	\$ (713)	\$ 12,303,636	\$ 12,303,636
Power Service Secondary	\$ 187,198,011	\$ (8,273,323)	\$ 526,266	\$ 4,047,798	\$ (10,947)	\$ 190,908,218	\$ 190,908,218
Power Service Primary	\$ 14,009,400	\$ (629,758)	\$ 29,961	\$ 311,270	\$ (903)	\$ 14,298,831	\$ 14,298,831
Power Service Rate	\$ 201,207,411	\$ (8,903,081)	\$ 556,227	\$ 4,359,068	\$ (11,850)	\$ 205,207,049	\$ 205,207,049
Time of Day Secondary	\$ 122,859,682	\$ (6,738,540)	\$ 262,669	\$ 2,767,251	\$ (9,000)	\$ 126,577,302	\$ 126,577,302
Time of Day Primary	\$ 253,254,255	\$ (16,294,862)	\$ 260,565	\$ 5,863,657	\$ (23,827)	\$ 263,448,722	\$ 263,448,722
Time of Day Service	\$ 376,113,937	\$ (23,033,402)	\$ 523,234	\$ 8,630,908	\$ (32,827)	\$ 390,026,024	\$ 390,026,024
Retail Transmisison Service	\$ 83,610,072	\$ (5,778,764)	\$ -	\$ 1,970,575	\$ (9,746)	\$ 87,428,006	\$ 87,428,006
Fluctuating Load Service	\$ 30,214,092	\$ (2,373,336)	\$ -	\$ 738,721	\$ (4,864)	\$ 31,853,570	\$ 31,853,570
Curtable Service Rider	\$ (16,917,300)	\$ -	\$ -	\$ -	\$ -	\$ (16,917,300)	\$ (16,917,300)
Lighting Energy	\$ 31,646	\$ (1,783)	\$ -	\$ 1,613	\$ (3)	\$ 31,819	\$ 31,819
Traffic Energy	\$ 168,975	\$ (6,004)	\$ -	\$ 5,488	\$ (8)	\$ 169,499	\$ 169,499
Lighting Service	\$ 24,765,002	\$ (397,664)	\$ -	\$ 976,696	\$ (244)	\$ 24,186,214	\$ 24,186,214
Restricted Lighting Service	\$ 3,955,109	\$ (69,436)	\$ -	\$ 157,221	\$ (46)	\$ 3,867,371	\$ 3,867,371
Total Lighting Service	\$ 28,720,111	\$ (467,100)	\$ -	\$ 1,133,917	\$ (290)	\$ 28,053,585	\$ 28,053,585
TOTAL ULTIMATE CUSTOMERS	\$ 1,533,286,313	\$ (70,647,312)	\$ 21,078,284	\$ 42,746,386	\$ (101,616)	\$ 1,540,210,571	\$ 1,540,210,571

Kentucky Utilities Company
Case No. 2016-00370
Detailed Calculation of Base Period Revenues
for the Twelve Months Ended February 28, 2017

DATA: BASE PERIOD FORECAST PERIOD
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	Customer Months	Total kWh	Unit Charges	Calculated Revenue
RESIDENTIAL RATE RS, inclusive of Volunteer Fire Department customers				
Basic Service Charges	5,144,970		\$ 10.75	\$ 55,308,427
Partial month, prorated and corrected billings				(113,260)
Minimum and Partial Month Billings, Energy		6,029,484,205	\$ 0.08870	\$ 534,815,249 (3,151,212)
Total Calculated at Base Rates				\$ 586,859,204
Correction Factor				<u>1.000000000</u>
Total After Application of Correction Factor				\$ 586,859,204
FAC Mechanism Revenues				\$ (22,513,466)
DSM Mechanism Revenues				\$ 16,218,834
ECR Mechanism Revenues				\$ 15,520,758
OSS Mechanism Revenues				\$ (31,793)
Total Test Year Adjusted Revenues				<u>\$ 596,053,536</u>

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Case No. 2016-00370
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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
RESIDENTIAL RATE RTOD, Residential Time-of-Day Demand and Residential Time-of-Day Energy					
Basic Service Charges	178			\$ 10.75	\$ 1,914
Partial month, prorated and corrected billings					\$ (6)
Energy Used (RTOD-Demand Only)			-	\$ 0.04370	\$ -
Energy Used, Off-Peak (RTOD-Energy Only)			191,721	\$ 0.05740	\$ 11,005
Energy Used, Peak (RTOD-Energy Only)			20,602	\$ 0.27646	\$ 5,696
Minimum and Partial Month Billings, Energy					\$ 0
Peak Demand		-		\$ 13.05	\$ 0
Off-Peak Demand		-		\$ 3.70	\$ 0
Total Calculated at Base Rates					\$ 18,608
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 18,608
FAC Mechanism Revenues					\$ (781)
DSM Mechanism Revenues					\$ 509
ECR Mechanism Revenues					\$ 449
OSS Mechanism Revenues					\$ (1)
Total Test Year Adjusted Revenues					<u>\$ 18,785</u>

Kentucky Utilities Company
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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
GENERAL SERVICE RATE GS					
Single Phase Basic Service Charge	767,034			\$ 25.00	\$ 19,175,849
Single Phase Partial Month, Prorated and Corrected Billings					\$ 107,226
Single Phase Energy Charge			746,536,687	\$ 0.10426	\$ 77,833,915
Single Phase Minimum and Partial Month Billings, Energy					\$ 4,527
Three Phase Basic Service Charge	228,391			\$ 40.00	\$ 9,135,634
Three Phase Partial Month, Prorated and Corrected Billings					\$ 8,262
Three Phase Energy Charge			1,044,626,826	\$ 0.10426	\$ 108,912,793
Three Phase Minimum and Partial Month Billings, Energy					\$ (1,335)
Total Calculated at Base Rates					\$ 215,176,871
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 215,176,871
FAC Mechanism Revenues					\$ (7,022,924)
DSM Mechanism Revenues					\$ 3,554,635
ECR Mechanism Revenues					\$ 9,775,928
OSS Mechanism Revenues					\$ (9,520)
Total Test Year Adjusted Revenues					<u>\$ 221,474,990</u>

Kentucky Utilities Company
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for the Twelve Months Ended February 28, 2017

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	Customer Months	Total kWh	Unit Charges	Calculated Revenue
ALL ELECTRIC SCHOOLS RATE AES				
Single Phase Customer Charge	4,019		\$ 25.00	\$ 100,475
Single Phase Partial Month, Prorated and Corrected Billings				\$ 1,050
Single Phase Energy Charge		6,416,545	\$ 0.08369	\$ 537,001
Single Phase Minimum and Partial Month Billings, Energy				\$ (1)
Three Phase Customer Charge	3,133		\$ 40.00	\$ 125,320
Three Phase Partial Month, Prorated and Corrected Billings				\$ 543
Three Phase Energy Charge		137,857,602	\$ 0.08369	\$ 11,537,303
Three Phase Minimum and Partial Month Billings, Energy				\$ 1,946
Total Calculated at Base Rates				\$ 12,303,636
Correction Factor				<u>1.000000000</u>
Total After Application of Correction Factor				\$ 12,303,636
FAC Mechanism Revenues				\$ (546,671)
DSM Mechanism Revenues				\$ 224,845
ECR Mechanism Revenues				\$ 608,961
OSS Mechanism Revenues				\$ (713)
Total Test Year Adjusted Revenues				<u>\$ 12,590,058</u>

Kentucky Utilities Company
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Detailed Calculation of Base Period Revenues
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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
POWER SERVICE RATE PS-Secondary					
Basic Service Charges	55,855			\$ 90.00	\$ 5,026,922
Partial month, prorated and corrected billings					\$ (807)
All Energy			2,099,057,087	\$ 0.03572	\$ 74,978,319
Minimum and Partial Month Billings, Energy					\$ 5
Summer Demand, kW		2,214,481		\$ 19.05	\$ 42,185,860
Winter Demand, kW		4,035,876		\$ 16.95	\$ 68,408,093
Partial Month and Prorated Billings, Demand					\$ 309,825
Redundant Capacity Rider		1,770		\$ 1.12	\$ 1,982
Total Calculated at Base Rates					\$ 190,908,218
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 190,908,218
FAC Mechanism Revenues					\$ (8,273,323)
DSM Mechanism Revenues					\$ 526,266
ECR Mechanism Revenues					\$ 4,047,798
OSS Mechanism Revenues					\$ (10,947)
Total Test Year Adjusted Revenues					<u>\$ 187,198,011</u>

Kentucky Utilities Company
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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
POWER SERVICE RATE PS-Primary					
Basic Service Charges	2,413			\$ 200.00	\$ 482,600
Partial month, prorated and corrected billings					\$ 654
All Energy			158,782,068	\$ 0.03446	\$ 5,471,630
Minimum and Partial Month Billings, Energy					\$ 0
Summer Demand, kW		180,248		\$ 19.51	\$ 3,516,639
Winter Demand, kW		273,287		\$ 17.41	\$ 4,757,927
Partial Month and Prorated Billings, Demand					\$ 65,052
Redundant Capacity Rider		3,900		\$ 1.11	\$ 4,329
Total Calculated at Base Rates					\$ 14,298,831
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 14,298,831
FAC Mechanism Revenues					\$ (629,758)
DSM Mechanism Revenues					\$ 29,961
ECR Mechanism Revenues					\$ 311,270
OSS Mechanism Revenues					\$ (903)
Total Test Year Adjusted Revenues					<u>\$ 14,009,400</u>

Kentucky Utilities Company
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Detailed Calculation of Base Period Revenues
for the Twelve Months Ended February 28, 2017

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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
TIME OF DAY SECONDARY SERVICE RATE TODS					
Basic Service Charges	7,403			\$ 200.00	\$ 1,480,654
Partial month, prorated and corrected billings					\$ 2,666
All Energy			1,681,369,142	\$ 0.03527	\$ 59,301,890
Minimum and Partial Month Billings, Energy					\$ 1
Demand kW Base		4,395,048		\$ 5.20	\$ 22,854,251
Demand kW Intermediate		3,978,274		\$ 4.53	\$ 18,021,583
Demand kW Peak		3,886,648		\$ 6.13	\$ 23,825,152
Partial Month and Prorated Billings, Demand					1,037,341
Redundant Capacity Rider		48,005		\$ 1.12	\$ 53,765
Total Calculated at Base Rates					\$ 126,577,302
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 126,577,302
FAC Mechanism Revenues					\$ (6,738,540)
DSM Mechanism Revenues					\$ 262,669
ECR Mechanism Revenues					\$ 2,767,251
OSS Mechanism Revenues					\$ (9,000)
Total Test Year Adjusted Revenues					<u>\$ 122,859,682</u>

Kentucky Utilities Company
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Detailed Calculation of Base Period Revenues
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	Customer Months	Demand kVA	Total kWh	Unit Charges	Calculated Revenue
TIME OF DAY PRIMARY SERVICE RATE TODP					
Basic Service Charges	3,077			\$ 300.00	\$ 923,100
Partial month, prorated and corrected billings					\$ 6,860
All Energy			4,036,359,118	\$ 0.03432	\$ 138,527,845
Minimum and Partial Month Billings, Energy					\$ 0
Demand kVA Base		9,730,510		\$ 3.34	\$ 32,499,902
Demand kVA Intermediate		8,968,545		\$ 4.39	\$ 39,371,911
Demand kVA Peak		8,820,412		\$ 5.89	\$ 51,952,224
Partial Month and Prorated Billings, Demand					(45,311)
Redundant Capacity Rider		81,400		\$ 1.11	\$ 90,354
Adjustment to Reflect Special Contract at Standby Rates					\$ 121,837
Total Calculated at Base Rates					\$ 263,448,722
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 263,448,722
FAC Mechanism Revenues					\$ (16,294,862)
DSM Mechanism Revenues					\$ 260,565
ECR Mechanism Revenues					\$ 5,863,657
OSS Mechanism Revenues					\$ (23,827)
Total Test Year Adjusted Revenues					<u>\$ 253,254,255</u>

Kentucky Utilities Company
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Detailed Calculation of Base Period Revenues
for the Twelve Months Ended February 28, 2017

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	Customer Months	Demand kVA	Total kWh	Unit Charges	Calculated Revenue
RETAIL TRANSMISSION SERVICE RATE RTS					
Basic Service Charges	356			\$ 1,000.00	\$ 356,000
Partial month, prorated and corrected billings					\$ 2,000
All Energy			1,425,542,498	\$ 0.03357	\$ 47,855,462
Minimum and Partial Month Billings, Energy					\$ (0)
Demand kVA Base		3,209,917		\$ 3.10	\$ 9,950,741
Demand kVA Intermediate		3,166,492		\$ 4.63	\$ 14,660,859
Demand kVA Peak		3,101,026		\$ 4.73	\$ 14,667,855
Partial Month and Prorated Billings, Demand					\$ (64,911)
Total Calculated at Base Rates					\$ 87,428,006
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 87,428,006
FAC Mechanism Revenues					\$ (5,778,764)
DSM Mechanism Revenues					\$ -
ECR Mechanism Revenues					\$ 1,970,575
OSS Mechanism Revenues					\$ (9,746)
Total Test Year Adjusted Revenues					<u>\$ 83,610,072</u>

Kentucky Utilities Company
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Detailed Calculation of Base Period Revenues
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	Customer Months	Demand kVA	Total kWh	Unit Charges	Calculated Revenue
FLUCTUATING LOAD SERVICE RATE FLS					
Primary Delivery					
Basic Service Charges	-			\$ 1,000.00	\$ -
Partial month, prorated and corrected billings					\$ -
All Energy			-	\$ 0.03643	\$ -
Minimum and Partial Month Billings, Energy					\$ -
Demand Base (5-minute kVA)		-		\$ 2.17	\$ -
Demand Intermediate (5-minute kVA)		-		\$ 2.12	\$ -
Demand Peak (5-minute kVA)		-		\$ 3.01	\$ -
Partial Month and Prorated Billings, Demand					\$ -
Transmission Delivery					
Basic Service Charges	12			\$ 1,000.00	\$ 12,000
Partial month, prorated and corrected billings					\$ -
All Energy			560,241,683	\$ 0.03344	\$ 18,734,482
Minimum and Partial Month Billings, Energy					\$ -
Demand Base (5-minute kVA)		2,305,959		\$ 1.42	\$ 3,274,461
Demand Intermediate (5-minute kVA)		2,305,959		\$ 2.12	\$ 4,888,632
Demand Peak (5-minute kVA)		1,642,523		\$ 3.01	\$ 4,943,994
Partial Month and Prorated Billings, Demand					\$ -
Total Calculated at Base Rates					\$ 31,853,570
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 31,853,570
FAC Mechanism Revenues					\$ (2,373,336)
DSM Mechanism Revenues					\$ -
ECR Mechanism Revenues					\$ 738,721
OSS Mechanism Revenues					\$ (4,864)
Total Test Year Adjusted Revenues					<u>\$ 30,214,092</u>

Kentucky Utilities Company
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	Curtailable Demand, kVA	Unit Charges	Calculated Revenue
CURTAILABLE SERVICE RIDERS			
Transmission Voltage Service	84	\$ (6.40)	\$ (15,799,648)
Primary Voltage Service	171,947	\$ (6.50)	\$ (1,117,653)
Non-Compliance Charge	-	\$ 16.00	\$ -
Total Calculated at Base Rates			(16,917,300)
Correction Factor			<u>1.000000000</u>
Total After Application of Correction Factor		\$	(16,917,300)
Total Test Year Adjusted Revenues			<u>(16,917,300)</u>

Kentucky Utilities Company
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	Customer Months	Total kWh	Unit Charges	Calculated Revenue
LIGHTING ENERGY SERVICE RATE LE				
Basic Service Charges	48		\$ -	\$ -
Partial month, prorated and corrected billings				\$ -
All Energy		434,212	\$ 0.07328	\$ 31,819
Minimum and Partial Month Billings, Energy				\$ 0
Total Calculated at Base Rates				\$ 31,819
Correction Factor				<u>1.000000000</u>
Total After Application of Correction Factor				\$ 31,819
FAC Mechanism Revenues				\$ (1,783)
DSM Mechanism Revenues				\$ -
ECR Mechanism Revenues				\$ 1,613
OSS Mechanism Revenues				\$ (3)
Total Test Year Adjusted Revenues				<u>\$ 31,646</u>

Kentucky Utilities Company
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Detailed Calculation of Base Period Revenues
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	Customer Months	Total kWh	Unit Charges	Calculated Revenue
TRAFFIC ENERGY SERVICE RATE TE				
Basic Service Charges	9,199		\$ 4.00	\$ 36,796
Partial month, prorated and corrected billings				\$ 12
All Energy		1,518,249	\$ 0.08740	\$ 132,695
Minimum and Partial Month Billings, Energy				\$ (3)
Total Calculated at Base Rates				\$ 169,499
Correction Factor				<u>1.000000000</u>
Total After Application of Correction Factor				\$ 169,499
FAC Mechanism Revenues				\$ (6,004)
DSM Mechanism Revenues				\$ -
ECR Mechanism Revenues				\$ 5,488
OSS Mechanism Revenues				\$ (8)
Total Test Year Adjusted Revenues				<u>\$ 168,975</u>

Kentucky Utilities Company
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Detailed Calculation of Base Period Revenues
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	Rate Code	Total Lights	Present Rates	Base Period Revenue
LIGHTING SERVICE -- RATE SHEET NO. 35				
Overhead				
High Pressure Sodium				
Cobra Head, 5800 Lumen, Standard 5,800 Lumen HPS Std RC-462	462	103,357	\$ 9.86	\$ 1,019,103
Cobra Head, 5800 Lumen, Ornamental 5,800 Lumen HPS Ormtl	472	107,685	\$ 13.04	\$ 1,404,209
Cobra Head, 9500 Lumen, Standard 9,500 Lumen HPS Std	463	247,119	\$ 10.28	\$ 2,540,384
Cobra Head, 9500 Lumen, Ornamental 9,500 Lumen HPS Ormtl RC-473	473	40,155	\$ 13.70	\$ 550,121
Cobra Head, 22000 Lumen, Standard 22,000 Lumen HPS Std	464	90,752	\$ 16.08	\$ 1,459,291
Cobra Head, 22000 Lumen, Ornamental 22,000 Lumen HPS Ormtl RC-474	474	62,579	\$ 19.50	\$ 1,220,294
Cobra Head, 50000 Lumen, Standard 50,000 Lumen HPS Std	465	32,157	\$ 25.61	\$ 823,532
Cobra Head, 50000 Lumen, Ornamental 50,000 Lumen HPS Ormtl RC-475	475	6,399	\$ 27.37	\$ 175,136
Directional, 9500 Lumen, Standard 9,500L Directional HPS RC-487	487	130,631	\$ 10.13	\$ 1,323,289
Directional, 22000 Lumen, Standard 22,000L Directional HPS RC-488	488	78,175	\$ 15.42	\$ 1,205,465
Directional, 50000 Lumen, Standard 50,000L Directional HPS RC-489	489	100,694	\$ 21.95	\$ 2,210,226
Open Bottom, 9500 Lumen, Standard 9,500L Open Bottom HPS Std RC-428	428	430,918	\$ 8.87	\$ 3,822,241
Metal Halide				
Directional, 12000 Lumen, Standard 12,000L Fixture Only Dir-MH RC-450	450	8,256	\$ 16.13	\$ 133,177
Directional, 32000 Lumen, Standard 32,000L Fixture Only Dir-MH RC-451	451	64,473	\$ 22.80	\$ 1,469,993
Directional, 107800 Lumen, Standard 107,800L Fixture Only Dir-MH	452	11,529	\$ 47.70	\$ 549,950

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	Rate Code	Total Lights	Present Rates	Base Period Revenue
LIGHTING SERVICE, CONTINUED, RATE SHEET NO. 35.1				
Underground				
High Pressure Sodium				
Colonial, 5800 Lumen, Decorative 5,800L Colonial HPS UG RC-467	467	17,167	\$ 12.14	\$ 208,412
Colonial, 9500 Lumen, Decorative 9,500L Colonial HPS UG RC-468	468	48,517	\$ 12.46	\$ 604,526
Acorn, 5800 Lumen, Smooth Pole 5,800L Acorn (D Pole) HPS UG	401	703	\$ 16.57	\$ 11,655
Acorn, 5800 Lumen, Fluted Pole 5,800L Acorn (Hist Pole) HPS UG	411	1,736	\$ 23.63	\$ 41,017
Acorn, 9500 Lumen, Smooth Pole 9,500L Acorn (D Pole) HPS UG RC-420	420	6,190	\$ 17.01	\$ 105,288
Acorn, 9500 Lumen, Fluted Pole 9,500L Acorn (Hist Pole) HPS UG	430	15,003	\$ 24.20	\$ 363,061
Victorian, 5800 Lumen, Fluted Pole 5,800L Coach HPS UG	414	253	\$ 33.87	\$ 8,580
Victorian, 9500 Lumen, Fluted Pole 9,500L Coach HPS UG RC-415	415	121	\$ 34.19	\$ 4,131
Contemporary Fixture and Pole, 5800 Lumen, Second Fixture 5,800L UG HPS Contemporary Fixture Only	492	24	\$ 17.12	\$ 405
Contemporary Fixture and Pole, 5800 Lumen 5,800L Contemporary HPS UG RC-476	476	58,032	\$ 18.66	\$ 1,082,879
Contemporary Fixture and Pole, 9500 Lumen, Second Fixture 9,500L Contemp Decor UG Fixture Only	497	206	\$ 17.00	\$ 3,501
Contemporary Fixture and Pole, 9500 Lumen 9,500L Contemporary HPS UG RC-477	477	12,518	\$ 23.09	\$ 289,044
Contemporary Fixture and Pole, 22000 Lumen, Second Fixture 22,000L UG HPS Contemporary (Add Fixture)	498	352	\$ 19.84	\$ 6,991
Contemporary Fixture and Pole, 22000 Lumen 22,000L Contemporary HPS UG RC-478	478	16,948	\$ 29.73	\$ 503,856
Contemporary Fixture and Pole, 50000 Lumen, Second Fixture 50,000L Contemp Decor UG Fixture Only	499	411	\$ 24.15	\$ 9,921
Contemporary Fixture and Pole, 50000 Lumen 50,000L Contemporary HPS UG RC-479	479	11,079	\$ 36.74	\$ 407,053
Dark Sky, 4000 Lumen 4,000L HPS DSK Lantern	300	-	\$ 24.72	\$ -
Dark Sky, 9500 Lumen 9,500L HPS DSK Lantern	301	-	\$ 25.83	\$ -

Kentucky Utilities Company
Case No. 2016-00370
Detailed Calculation of Base Period Revenues
for the Twelve Months Ended February 28, 2017

DATA: BASE PERIOD FORECAST PERIOD
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	Rate Code	Total Lights	Present Rates	Base Period Revenue
LIGHTING SERVICE -- RATE SHEET NO. 35.2				
Underground, continued				
Metal Halide				
Contemporary, 12000 Lumen, Fixture Only				
12,000L Fixture Only Cont-MH RC-490	490	693	\$ 17.45	\$ 12,096
Contemporary, 12000 Lumen, Fixture with Smooth Pole				
12,000L Fix With M Pole Cont-MH	494	2,173	\$ 31.42	\$ 68,277
Contemporary, 32000 Lumen, Fixture Only				
32,000L Fixture Only Cont-MH RC-491	491	3,515	\$ 24.68	\$ 86,752
Contemporary, 32000 Lumen, Fixture with Smooth Pole				
32,000L Fix with M Pole Cont-MH RC-495	495	8,094	\$ 38.64	\$ 312,736
Contemporary, 107800 Lumen, Fixture Only				
107,800L Fixture Only Cont-MH RC-493	493	505	\$ 51.32	\$ 25,937
Contemporary, 107800 Lumen, Fixture with Smooth Pole				
107,800L Fix With M Pole Cont-MH	496	1,619	\$ 65.28	\$ 105,699

Kentucky Utilities Company
Case No. 2016-00370
Detailed Calculation of Base Period Revenues
for the Twelve Months Ended February 28, 2017

DATA: BASE PERIOD FORECAST PERIOD
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	Rate Code	Total Lights	Present Rates	Base Period Revenue
RESTRICTED LIGHTING SERVICE -- RATE SHEET NO. 36				
Overhead				
High Pressure Sodium				
Cobra Head, 4000 Lumen, Fixture Only				
4,000 Lumen HPS Std RC-461	461	81,851	\$ 8.53	\$ 698,186
Cobra Head, 4000 Lumen, Fixture and Pole				
4,000 Lumen HPS Ormtl RC-471	471	43,267	\$ 11.73	\$ 507,523
Cobra Head, 50000 Lumen, Fixture Only				
50,000L HPS Special Lighting RC-409	409	1,576	\$ 13.56	\$ 21,368
Open Bottom, 5800 Lumen, Fixture Only				
5,800L Open Bottom HPS Std RC-426	426	1,855	\$ 8.54	\$ 15,843
Metal Halide				
Directional, 12000 Lumen, Flood, Fixture with Pole				
12,000L Fix with W Pole Dir-MH RC-454	454	1,792	\$ 20.89	\$ 37,445
Directional, 32000 Lumen, Flood, Fixture with Pole				
32,000L Fix with W Pole Dir-MH	455	11,835	\$ 27.56	\$ 326,163
Directional, 107800 Lumen, Flood, Fixture with Pole				
107,800L Fix With W Pole Dir-MH	459	2,307	\$ 52.45	\$ 121,021
Mercury Vapor				
Cobra Head, 7000 Lumen, Fixture Only				
7,000 Lumen MV Std RC-446	446	11,697	\$ 10.77	\$ 125,972
Cobra Head, 7000 Lumen, Fixture and Pole				
7,000 Lumen MV Ormtl	456	1,592	\$ 13.27	\$ 21,132
Cobra Head, 10000 Lumen, Fixture Only				
10,000 Lumen MV Std	447	8,104	\$ 12.77	\$ 103,490
Cobra Head, 10000 Lumen, Fixture and Pole				
10,000 Lumen MV Ormtl	457	5,256	\$ 14.98	\$ 78,738
Cobra Head, 20000 Lumen, Fixture Only				
20,000 Lumen MV Std RC-448	448	16,720	\$ 14.45	\$ 241,605
Cobra Head, 20000 Lumen, Fixture and Pole				
20,000 Lumen MV Ormtl	458	16,600	\$ 16.91	\$ 280,707
Open Bottom, 7000 Lumen, Fixture Only				
7,000L Open Bottom M V Std RC-404	404	75,874	\$ 11.87	\$ 900,626

Kentucky Utilities Company
Case No. 2016-00370
Detailed Calculation of Base Period Revenues
for the Twelve Months Ended February 28, 2017

DATA: BASE PERIOD FORECAST PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
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Witness: W. S. SEELYE

	Rate Code	Total Lights	Present Rates	Base Period Revenue
RESTRICTED LIGHTING SERVICE, CONTINUED, RATE SHEET NO. 36.1				
Overhead, continued				
Incandescent				
Tear Drop, 1000 Lumen, Fixture Only				
1,000 Lumen Incand Std	421	19	\$ 3.81	\$ 73
Tear Drop, 2500 Lumen, Fixture Only				
2,500 Lumen Incand Std	422	5,875	\$ 5.11	\$ 30,021
Tear Drop, 4000 Lumen, Fixture Only				
4,000 Lumen Incand Std RC-424	424	331	\$ 7.63	\$ 2,523
Tear Drop, 4000 Lumen, Fixture with Pole				
4,000 Lumen Incand Ormtrl	434	-	\$ 8.67	\$ -
Tear Drop, 6000 Lumen, Fixture Only				
6,000 Lumen Incand Std	425	23	\$ 10.19	\$ 239
Underground				
Metal Halide				
Directional, 12000 Lumen, Flood, Fixture with Pole				
12,000L Fix With M Pole Dir-MH	460	263	\$ 30.10	\$ 7,902
Directional, 32000 Lumen, Flood, Fixture with Pole				
32,000L Fix With M Pole Dir-MH	469	3,421	\$ 36.77	\$ 125,786
Directional, 107800 Lumen, Flood, Fixture with Pole				
107,800L Fix With M Pole Dir-MH	470	635	\$ 61.66	\$ 39,131
High Pressure Sodium				
Acorn, 4000 Lumen, Smooth Pole				
4,000L Acorn (Decorative Pole) UG RC-440	440	24	\$ 15.11	\$ 358
Acorn, 4000 Lumen, Fluted Pole				
4,000L Acorn (Hist Pole) HPS UG RC-410	410	2,841	\$ 22.31	\$ 63,375
Colonial, 4000 Lumen, Smooth Pole				
4,000L Colonial HPS UG RC-466	466	10,162	\$ 10.79	\$ 109,647
Coach, 5800 Lumen, Smooth Pole				
5,800L Coach Decor UG RC-412	412	341	\$ 33.87	\$ 11,555
Coach, 9500 Lumen, Smooth Pole				
9,500L Coach Decor UG RC-413	413	1,188	\$ 34.19	\$ 40,623

Kentucky Utilities Company
Case No. 2016-00370
Detailed Calculation of Base Period Revenues
for the Twelve Months Ended February 28, 2017

DATA: BASE PERIOD FORECAST PERIOD
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	Rate Code	Total Lights	Present Rates	Base Period Revenue
RESTRICTED LIGHTING SERVICE, CONTINUED, RATE SHEET NO. 36.2				
Underground, continued				
Granville Lights				
Pole and Fixture	360	385	\$ 62.30	\$ 23,955
Prorated and corrected billings				\$ (49,650)
Total Lighting Service				\$ 28,053,585
Correction Factor				<u>1.000000000</u>
Total After Application of Correction Factor				\$ 28,053,585
FAC Mechanism Revenues				\$ (467,100)
DSM Mechanism Revenues				\$ -
ECR Mechanism Revenues				\$ 1,133,917
OSS Mechanism Revenues				\$ (290)
Total Test Year Adjusted Revenues				<u>\$ 28,720,111</u>

KENTUCKY UTILITIES COMPANY
Case No. 2016-00370
Forecast Period Revenues at Current and Proposed Rates
for the Twelve Months Ended June 30, 2018

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

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Witness: W. S. SEELYE

Rate Class	Total Revenue at Present Rates	Total Revenue at Proposed Rates	Change in Total Revenue	Percent Change in Total Revenue
Residential Service	\$ 622,779,411	\$ 659,777,674	\$ 36,998,263	5.94%
Residential Time-of-Day Service	\$ 30,441	\$ 32,241	\$ 1,800	5.91%
General Service	\$ 239,171,377	\$ 251,265,831	\$ 12,094,454	5.06%
All Electric School Service	\$ 14,562,100	\$ 15,339,251	\$ 777,151	5.34%
Power Service Secondary	\$ 187,147,175	\$ 196,625,481	\$ 9,478,306	5.06%
Power Service Primary	\$ 14,972,312	\$ 15,678,164	\$ 705,852	4.71%
Time-of-Day Secondary Service	\$ 123,707,658	\$ 130,573,606	\$ 6,865,948	5.55%
Time-of-Day Primary Service	\$ 262,428,533	\$ 279,764,084	\$ 17,335,551	6.61%
Retail Transmission Service	\$ 89,717,941	\$ 95,740,763	\$ 6,022,822	6.71%
Fluctuating Load Service	\$ 30,814,610	\$ 33,049,624	\$ 2,235,014	7.25%
Curtable Service Riders	\$ (17,395,776)	\$ (8,707,401)	\$ 8,688,375	49.95%
Lighting Energy Service	\$ 35,467	\$ 35,467	\$ -	0.00%
Traffic Energy Service	\$ 173,457	\$ 181,632	\$ 8,175	4.71%
Lighting Service & Restricted Lighting Service	<u>\$ 30,389,694</u>	<u>\$ 32,256,178</u>	<u>\$ 1,866,484</u>	<u>6.14%</u>
Sales to Ultimate Customers	\$ 1,598,534,402	\$ 1,701,612,597	\$ 103,078,195	6.45%
Other Operating Revenue:				
Late Payment Charges	\$ 3,857,505	\$ 3,857,505	\$ -	0.00%
Electric Service Revenue	\$ 2,108,282	\$ 2,108,282	\$ -	0.00%
Rent from Electric Property	\$ 3,142,645	\$ 3,162,365	\$ 19,720	0.63%
Other Miscellaneous Revenue	<u>\$ 22,338,060</u>	<u>\$ 22,338,060</u>	<u>\$ -</u>	<u>0.00%</u>
Total Operating Revenues	<u>\$ 1,629,980,893</u>	<u>\$ 1,733,078,808</u>	<u>\$ 103,097,915</u>	<u>6.33%</u>

KENTUCKY UTILITIES COMPANY
Case No. 2016-00370
Average Bill Comparison at Current and Proposed Rates
for the Twelve Months Ended June 30, 2018

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

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Witness: W. S. SEELYE

Rate Class	Customer Months	Total kWh	Average Consumption, kWh	Annual Revenue at Current Rates	Average Current Bill	Revenue Increase	Annual Revenue at Proposed Rates	Average Proposed Bill	Change in Average Bill	Percent Change in Average Bill
Residential Service Rate RS	5,167,560	6,091,291,833	1,179	\$ 622,779,411	\$ 120.54	\$ 36,998,263	\$ 659,777,674	\$ 127.70	\$ 7.16	5.94%
Residential Time-of-Day Service Rate RTOD	290	339,607	1,171	\$ 30,441	\$ 104.96	\$ 1,800	\$ 32,241	\$ 111.17	\$ 6.21	5.91%
Residential Service Rates RS & RTOD	5,167,850	6,091,631,440	1,179	\$ 622,809,852	\$ 120.54	\$ 37,000,063	\$ 659,809,915	\$ 127.70	\$ 7.16	5.94%
General Service Rate	999,947	1,804,682,196	1,805	\$ 239,171,377	\$ 239.21	\$ 12,094,454	\$ 251,265,831	\$ 251.31	\$ 12.10	5.06%
All Electric School Rate	7,116	151,861,000	21,341	\$ 14,562,100	\$ 2,046.41	\$ 777,151	\$ 15,339,251	\$ 2,155.62	\$ 109.21	5.34%
Power Service Secondary	54,034	2,146,594,132	39,727	\$ 187,147,175	\$ 3,463.53	\$ 9,478,306	\$ 196,625,481	\$ 3,638.95	\$ 175.42	5.06%
Power Service Primary	2,070	169,814,471	82,036	\$ 14,972,312	\$ 7,233.00	\$ 705,852	\$ 15,678,164	\$ 7,573.99	\$ 340.99	4.71%
Power Service Rate	56,104	2,316,408,603	41,288	\$ 202,119,487	\$ 3,602.61	\$ 10,184,158	\$ 212,303,645	\$ 3,784.13	\$ 181.52	5.04%
Time of Day Secondary	7,419	1,671,130,915	225,256	\$ 123,707,658	\$ 16,674.87	\$ 6,865,948	\$ 130,573,606	\$ 17,600.35	\$ 925.48	5.55%
Time of Day Primary	3,318	4,118,000,917	1,241,109	\$ 262,428,533	\$ 79,092.36	\$ 17,335,551	\$ 279,764,084	\$ 84,317.06	\$ 5,224.70	6.61%
Time of Day Service	10,737	5,789,131,832	539,186	\$ 386,136,191	\$ 35,963.81	\$ 24,201,499	\$ 410,337,690	\$ 38,217.88	\$ 2,254.07	6.27%
Retail Transmision Service	360	1,497,714,279	4,160,317	\$ 89,717,941	\$ 249,216.48	\$ 6,022,822	\$ 95,740,763	\$ 265,946.54	\$ 16,730.06	6.71%
Fluctuating Load Service	12	552,917,598	46,076,466	\$ 30,814,610	\$ 2,567,884.18	\$ 2,235,014	\$ 33,049,624	\$ 2,754,135.34	\$ 186,251.16	7.25%
Curtaillable Service Rider	108	-	-	\$ (17,395,776)	\$ (161,072.00)	\$ 8,688,375	\$ (8,707,401)	\$ (80,624.08)	\$ 80,447.92	49.95%
Lighting Energy	48	446,721	9,307	\$ 35,467	\$ 738.92	\$ -	\$ 35,467	\$ 738.92	\$ -	0.00%
Traffic Energy	9,312	1,489,131	160	\$ 173,457	\$ 18.63	\$ 8,175	\$ 181,632	\$ 19.50	\$ 0.88	4.71%
Lighting Service and Restricted Lighting Service	2,021,809	123,634,653	61	\$ 30,389,694	\$ 14.99	\$ 1,866,484	\$ 32,256,178	\$ 15.91	\$ 0.92	6.14%

Kentucky Utilities Company
Case No. 2016-00370
Summary of Proposed Revenue Increase
for the Twelve Months Ended June 30, 2018

DATA: ____ BASE PERIOD __X__ FORECAST PERIOD
TYPE OF FILING: __X__ ORIGINAL ____ UPDATED ____ REVISED
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	Revenue Adjusted to as Billed Basis	Adjustment to Remove Fuel Adjustment Clause	Adjustment to Remove DSM	Adjustment to Remove ECR	Adjustment to Remove Off-System Sales Adjustment Clause	Test Year Base Revenues	Adjustment to Reflect Removal of Base Rate ECR Revenues	Adjustment to Reflect Addition of Redundant Capacity Revenues	Adjustment to Reflect Lost Lighting Revenue	Adjustment to Reflect Service Pursuant to Special Contract for Standby Service	Adjusted Billings Net of ECR at Current Rates
Residential Service Rate RS	\$ 622,779,411	\$ (18,415,019)	\$ 18,248,592	\$ 27,174,298	\$ (77,314)	\$ 595,848,853	\$ (41,332,783)	\$ -	\$ -	\$ -	\$ 554,516,070
Residential Service Rate RTOD	\$ 30,441	\$ (1,031)	\$ 822	\$ 1,237	\$ (4)	\$ 29,418	\$ (2,299)	\$ -	\$ -	\$ -	\$ 27,119
Residential Service Rates	\$ 622,809,852	\$ (18,416,049)	\$ 18,249,414	\$ 27,175,535	\$ (77,318)	\$ 595,878,272	\$ (41,335,082)	\$ -	\$ -	\$ -	\$ 554,543,189
General Service Rate	\$ 239,171,377	\$ (5,600,807)	\$ 5,136,109	\$ 22,964,630	\$ (24,448)	\$ 216,695,892	\$ (18,461,899)	\$ -	\$ -	\$ -	\$ 198,233,994
All Electric School Rate	\$ 14,562,100	\$ (468,172)	\$ 367,276	\$ 1,731,885	\$ (1,936)	\$ 12,933,047	\$ (895,056)	\$ -	\$ -	\$ -	\$ 12,037,991
Power Service Secondary	\$ 187,144,151	\$ (6,698,526)	\$ 460,748	\$ 3,221,732	\$ (29,308)	\$ 190,189,506	\$ (15,733,089)	\$ 3,024	\$ -	\$ -	\$ 174,459,441
Power Service Primary	\$ 14,963,654	\$ (532,650)	\$ 22,865	\$ 278,001	\$ (2,339)	\$ 15,197,776	\$ (1,255,783)	\$ 8,658	\$ -	\$ -	\$ 13,950,651
Power Service Rates	\$ 202,107,805	\$ (7,231,176)	\$ 483,613	\$ 3,499,733	\$ (31,647)	\$ 205,387,282	\$ (16,988,872)	\$ 11,682	\$ -	\$ -	\$ 188,410,092
Time of Day Secondary Service	\$ 123,615,998	\$ (5,243,842)	\$ 223,571	\$ 3,106,734	\$ (22,860)	\$ 125,552,395	\$ (8,764,109)	\$ 91,660	\$ -	\$ -	\$ 116,879,945
Time of Day Primary Service	\$ 262,138,724	\$ (12,916,753)	\$ 217,739	\$ 8,207,994	\$ (56,722)	\$ 266,686,466	\$ (15,414,378)	\$ 178,161	\$ -	\$ 111,648	\$ 251,561,897
Retail Transmission Service	\$ 89,717,941	\$ (4,693,393)	\$ -	\$ 2,878,222	\$ (20,044)	\$ 91,553,156	\$ (4,841,696)	\$ -	\$ -	\$ -	\$ 86,711,460
Fluctuating Load Service	\$ 30,814,610	\$ (1,734,703)	\$ -	\$ 1,050,248	\$ (7,333)	\$ 31,506,398	\$ (1,614,291)	\$ -	\$ -	\$ -	\$ 29,892,107
Curtaillable Service Rider	\$ (17,395,776)	\$ -	\$ -	\$ -	\$ -	\$ (17,395,776)	\$ -	\$ -	\$ -	\$ -	\$ (17,395,776)
Lighting Energy	\$ 35,467	\$ (1,404)	\$ -	\$ 4,141	\$ (6)	\$ 32,736	\$ (3,266)	\$ -	\$ -	\$ -	\$ 29,470
Traffic Lighting Energy	\$ 173,457	\$ (4,616)	\$ -	\$ 10,695	\$ (19)	\$ 167,398	\$ (10,886)	\$ -	\$ -	\$ -	\$ 156,512
Lighting Service	\$ 26,150,821	\$ (327,761)	\$ -	\$ 2,365,174	\$ (1,278)	\$ 24,114,686	\$ (1,723,271)	\$ -	\$ -	\$ -	\$ 22,391,415
Restricted Lighting Service	\$ 4,259,856	\$ (53,397)	\$ -	\$ 384,460	\$ (242)	\$ 3,929,035	\$ (267,071)	\$ -	\$ (20,984)	\$ -	\$ 3,640,981
Total Lighting Service	\$ 30,410,678	\$ (381,158)	\$ -	\$ 2,749,634	\$ (1,520)	\$ 28,043,721	\$ (1,990,341)	\$ -	\$ (20,984)	\$ -	\$ 26,032,396
TOTAL ULTIMATE CUSTOMERS	\$ 1,598,162,234	\$ (56,692,073)	\$ 24,677,723	\$ 73,379,452	\$ (243,854)	\$ 1,557,040,986	\$ (110,319,877)	\$ 281,503	\$ (20,984)	\$ 111,648	\$ 1,447,093,276
Late Payment Charges	\$ 3,857,505					\$ 3,857,505					\$ 3,857,505
Electric Service Revenues	\$ 2,108,282					\$ 2,108,282					\$ 2,108,282
Rent from Electric Property	\$ 3,142,645					\$ 3,142,645					\$ 3,142,645
Other Miscellaneous Electric Revenue	\$ 22,338,060					\$ 22,338,060					\$ 22,338,060
TOTAL JURISDICTIONAL	\$ 1,629,608,726	\$ (56,692,073)	\$ 24,677,723	\$ 73,379,452	\$ (243,854)	\$ 1,588,487,477	\$ (110,319,877)	\$ 281,503	\$ (20,984)	\$ 111,648	\$ 1,478,539,768

Kentucky Utilities Company
Case No. 2016-00370
Summary of Proposed Revenue Increase
for the Twelve Months Ended June 30, 2018

DATA: ___ BASE PERIOD ___X___ FORECAST PERIOD
TYPE OF FILING: ___X___ ORIGINAL ___ UPDATED ___ REVISE
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	Adjusted Billings Net of ECR at Current Rates	Add Back Fuel Adjustment Clause Billings	Add Back DSM Billings	Add Back ECR Billings	Add Base ECR Revenues	Add Off-System Sales Adjustment Clause Billings	Adjusted Billings Including All ECR Revenue at Current Rates	Increase	Percentage Increase
Residential Service Rate RS	\$ 554,516,070	\$ (18,415,019)	\$ 18,248,592	\$ 27,174,298	\$ 41,332,783	\$ (77,314)	\$ 622,779,411	\$ 36,998,263	5.94%
Residential Service Rate RTOD	\$ 27,119	\$ (1,031)	\$ 822	\$ 1,237	\$ 2,299	\$ (4)	\$ 30,441	\$ 1,800	5.91%
Residential Service Rates	\$ 554,543,189	\$ (18,416,049)	\$ 18,249,414	\$ 27,175,535	\$ 41,335,082	\$ (77,318)	\$ 622,809,852	\$ 37,000,063	5.94%
General Service Rate	\$ 198,233,994	\$ (5,600,807)	\$ 5,136,109	\$ 22,964,630	\$ 18,461,899	\$ (24,448)	\$ 239,171,377	\$ 12,094,454	5.06%
All Electric School Rate	\$ 12,037,991	\$ (468,172)	\$ 367,276	\$ 1,731,885	\$ 895,056	\$ (1,936)	\$ 14,562,100	\$ 777,151	5.34%
Power Service Secondary	\$ 174,459,441	\$ (6,698,526)	\$ 460,748	\$ 3,221,732	\$ 15,733,089	\$ (29,308)	\$ 187,147,175	\$ 9,478,306	5.06%
Power Service Primary	\$ 13,950,651	\$ (532,650)	\$ 22,865	\$ 278,001	\$ 1,255,783	\$ (2,339)	\$ 14,972,312	\$ 705,852	4.71%
Power Service Rates	\$ 188,410,092	\$ (7,231,176)	\$ 483,613	\$ 3,499,733	\$ 16,988,872	\$ (31,647)	\$ 202,119,487	\$ 10,184,158	5.04%
Time of Day Secondary Service	\$ 116,879,945	\$ (5,243,842)	\$ 223,571	\$ 3,106,734	\$ 8,764,109	\$ (22,860)	\$ 123,707,658	\$ 6,865,948	5.55%
Time of Day Primary Service	\$ 251,561,897	\$ (12,916,753)	\$ 217,739	\$ 8,207,994	\$ 15,414,378	\$ (56,722)	\$ 262,428,533	\$ 17,335,551	6.61%
Retail Transmission Service	\$ 86,711,460	\$ (4,693,393)	\$ -	\$ 2,878,222	\$ 4,841,696	\$ (20,044)	\$ 89,717,941	\$ 6,022,822	6.71%
Fluctuating Load Service	\$ 29,892,107	\$ (1,734,703)	\$ -	\$ 1,050,248	\$ 1,614,291	\$ (7,333)	\$ 30,814,610	\$ 2,235,014	7.25%
Curtable Service Rider	\$ (17,395,776)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (17,395,776)	\$ 8,688,375	49.95%
Lighting Energy	\$ 29,470	\$ (1,404)	\$ -	\$ 4,141	\$ 3,266	\$ (6)	\$ 35,467	\$ -	0.00%
Traffic Lighting Energy	\$ 156,512	\$ (4,616)	\$ -	\$ 10,695	\$ 10,886	\$ (19)	\$ 173,457	\$ 8,175	4.71%
Lighting Service	\$ 22,391,415	\$ (327,761)	\$ -	\$ 2,365,174	\$ 1,723,271	\$ (1,278)	\$ 26,150,821		
Restricted Lighting Service	\$ 3,640,981	\$ (53,397)	\$ -	\$ 384,460	\$ 267,071	\$ (242)	\$ 4,238,872		
Total Lighting Service	\$ 26,032,396	\$ (381,158)	\$ -	\$ 2,749,634	\$ 1,990,341	\$ (1,520)	\$ 30,389,694	\$ 1,866,484	6.14%
TOTAL ULTIMATE CUSTOMERS	\$ 1,447,093,276	\$ (56,692,073)	\$ 24,677,723	\$ 73,379,452	\$ 110,319,877	\$ (243,854)	\$ 1,598,534,402	\$ 103,078,195	6.45%
Late Payment Charges	\$ 3,857,505						\$ 3,857,505	\$ -	0.00%
Electric Service Revenues	\$ 2,108,282						\$ 2,108,282	\$ -	0.00%
Rent from Electric Property	\$ 3,142,645						\$ 3,142,645	\$ 19,720	0.63%
Other Miscellaneous Electric Revenue	\$ 22,338,060						\$ 22,338,060	\$ -	0.00%
TOTAL JURISDICTIONAL	\$ 1,478,539,768	\$ (56,692,073)	\$ 24,677,723	\$ 73,379,452	\$ 110,319,877	\$ (243,854)	\$ 1,629,980,893	\$ 103,097,915	6.33%

KENTUCKY UTILITIES COMPANY
Case No. 2016-00370
Calculation of Proposed Rate Increase
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	Customer Months	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
RESIDENTIAL RATE RS, inclusive of Volunteer Fire Department customers						
Basic Service Charges	5,167,560		\$ 10.75	\$ 55,551,268	\$ 22.00	\$ 113,686,315
Energy Charge		6,091,291,833	\$ 0.08870	\$ 540,297,586	\$ 0.05015	\$ 305,478,285
Infrastructure Charge		6,091,291,833			<u>\$ 0.03508</u>	\$ 213,682,517
Variable Energy Charge		6,091,291,833			\$ 0.08523	
Total Energy Charge						
Total Calculated at Base Rates				\$ 595,848,854		\$ 632,847,117
Correction Factor				<u>1.000000000</u>		<u>1.000000000</u>
Total After Application of Correction Factor				\$ 595,848,854		\$ 632,847,117
Adjustment to Reflect Removal of Base ECR Revenues				\$ (41,332,783)		\$ (41,332,783)
Total Base Revenues Net of ECR				<u>\$ 554,516,071</u>		<u>\$ 591,514,334</u>
FAC Mechanism Revenues				\$ (18,415,019)		\$ (18,415,019)
DSM Mechanism Revenues				\$ 18,248,592		\$ 18,248,592
ECR Mechanism Revenues				\$ 27,174,298		\$ 27,174,298
OSS Mechanism Revenues				\$ (77,314)		\$ (77,314)
ECR Base Revenues				\$ 41,332,783		\$ 41,332,783
Total Base Revenues Inclusive of ECR				<u>\$ 622,779,411</u>		<u>\$ 659,777,674</u>
Proposed Increase						\$ 36,998,263
Percentage Increase						5.94%

KENTUCKY UTILITIES COMPANY
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	Customer Months	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
GENERAL SERVICE RATE GS						
Single Phase Basic Service Charge	763,878		\$ 25.00	\$ 19,096,938	\$ 31.50	\$ 24,062,142
Single Phase Energy Charge		763,117,081	\$ 0.10426	\$ 79,562,587		
Single Phase Infrastructure Energy Charge		763,117,081			\$ 0.07137	\$ 54,463,666
Single Phase Variable Energy Charge		763,117,081			\$ 0.03548	\$ 27,075,394
Single Phase Total Energy Charge					\$ 0.10685	
Three Phase Basic Service Charge	236,070		\$ 40.00	\$ 9,442,788	\$ 50.40	\$ 11,897,913
Three Phase Energy Charge		1,041,565,116	\$ 0.10426	\$ 108,593,579		
Three Phase Infrastructure Energy Charge		1,041,565,116			\$ 0.07137	\$ 74,336,502
Three Phase Variable Energy Charge		1,041,565,116			\$ 0.03548	\$ 36,954,730
Three Phase Total Energy Charge					\$ 0.10685	
Total Calculated at Base Rates				\$ 216,695,893		\$ 228,790,347
Correction Factor				<u>1.000000000</u>		<u>1.000000000</u>
Total After Application of Correction Factor				\$ 216,695,893		\$ 228,790,347
Adjustment to Reflect Removal of Base ECR Revenues				\$ (18,461,899)		\$ (18,461,899)
Total Base Revenues Net of ECR				\$ 198,233,994		\$ 210,328,448
FAC Mechanism Revenues				\$ (5,600,807)		\$ (5,600,807)
DSM Mechanism Revenues				\$ 5,136,109		\$ 5,136,109
ECR Mechanism Revenues				\$ 22,964,630		\$ 22,964,630
OSS Mechanism Revenues				\$ (24,448)		\$ (24,448)
ECR Base Revenues				\$ 18,461,899		\$ 18,461,899
Total Base Revenues Inclusive of ECR				\$ 239,171,377		\$ 251,265,831
Proposed Increase						\$ 12,094,454
Percentage Increase						5.06%

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	Customer Months	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
ALL ELECTRIC SCHOOLS RATE AES						
Single Phase Customer Charge	4,056		\$ 25.00	\$ 101,400	\$ 85.00	\$ 344,760
Single Phase Energy Charge		7,122,000	\$ 0.08369	\$ 596,040		
Single Phase Infrastructure Energy Charge		7,122,000			\$ 0.04996	\$ 355,815
Single Phase Variable Energy Charge		7,122,000			\$ <u>0.03523</u>	\$ 250,908
Single Phase Total Energy Charge					\$ 0.08519	
Three Phase Customer Charge	3,060		\$ 40.00	\$ 122,400	\$ 140.00	\$ 428,400
Three Phase Energy Charge		144,739,000	\$ 0.08369	\$ 12,113,207		
Three Phase Infrastructure Energy Charge		144,739,000			\$ 0.04996	\$ 7,231,160
Three Phase Variable Energy Charge		144,739,000			\$ <u>0.03523</u>	\$ 5,099,155
Three Phase Total Energy Charge					\$ 0.08519	
Total Calculated at Base Rates				\$ 12,933,047		\$ 13,710,198
Correction Factor						<u>1.000000000</u>
Total After Application of Correction Factor				\$ 12,933,047		\$ 13,710,198
Adjustment to Reflect Removal of Base ECR Revenues				\$ (895,056)		\$ (895,056)
Total Base Revenues Net of ECR				\$ 12,037,991		\$ 12,815,142
FAC Mechanism Revenues				\$ (468,172)		\$ (468,172)
DSM Mechanism Revenues				\$ 367,276		\$ 367,276
ECR Mechanism Revenues				\$ 1,731,885		\$ 1,731,885
OSS Mechanism Revenues				\$ (1,936)		\$ (1,936)
ECR Base Revenues				\$ 895,056		\$ 895,056
Total Base Revenues Inclusive of ECR				\$ 14,562,100		\$ 15,339,251
Proposed Increase						\$ 777,151
Percentage Increase						5.34%

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	Curtable Demand, KVA	Present Rates Unit Charges	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
CURTAILABLE SERVICE RIDERS					
Transmission Voltage Service	2,557,060	\$ (6.40)	\$ (16,365,183)	\$ (3.20)	\$ (8,182,591)
Primary Voltage Service	158,553	\$ (6.50)	\$ (1,030,593)	\$ (3.31)	\$ (524,810)
Non-Compliance Charge	-	\$ 16.00	\$ -	\$ 16.00	\$ -
Total Calculated at Base Rates			\$ (17,395,776)		\$ (8,707,401)
Correction Factor			<u>1.000000000</u>		<u>1.000000000</u>
Total After Application of Correction Factor			\$ (17,395,776)		\$ (8,707,401)
Total Base Revenues			<u>\$ (17,395,776)</u>		<u>\$ (8,707,401)</u>
Proposed Increase					\$ 8,688,375
Percentage Increase					49.95%

KENTUCKY UTILITIES COMPANY
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	Customer Months	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
LIGHTING ENERGY SERVICE RATE LE						
Basic Service Charges	48		\$ -	\$ -	\$ -	\$ -
All Energy		446,721	\$ 0.07328	\$ 32,736	\$ 0.07328	\$ 32,736
Total Calculated at Base Rates				\$ 32,736		\$ 32,736
Correction Factor				<u>1.000000000</u>		<u>1.000000000</u>
Total After Application of Correction Factor				\$ 32,736		\$ 32,736
Adjustment to Reflect Removal of Base ECR Revenues				\$ (3,266)		\$ (3,266)
Total Base Revenues Net of ECR				\$ 29,470		\$ 29,470
FAC Mechanism Revenues				\$ (1,404)		\$ (1,404)
DSM Mechanism Revenues				\$ -		\$ -
ECR Mechanism Revenues				\$ 4,141		\$ 4,141
OSS Mechanism Revenues				\$ (6)		\$ (6)
ECR Base Revenues				\$ 3,266		\$ 3,266
Total Base Revenues Inclusive of Base ECR				\$ 35,467		\$ 35,467
Proposed Increase						\$ -
Percentage Increase						0.00%

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	Customer Months	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
TRAFFIC ENERGY SERVICE RATE TE						
Basic Service Charges	9,312		\$ 4.00	\$ 37,248	\$ 4.00	\$ 37,248
All Energy		1,489,131	\$ 0.08740	\$ 130,150	\$ 0.09289	\$ 138,325
Total Calculated at Base Rates				\$ 167,398		\$ 175,573
Correction Factor				<u>1.000000000</u>		<u>1.000000000</u>
Total After Application of Correction Factor				\$ 167,398		\$ 175,573
Adjustment to Reflect Removal of Base ECR Revenues				\$ (10,886)		\$ (10,886)
Total Base Revenues Net of ECR				<u>\$ 156,512</u>		<u>\$ 164,687</u>
FAC Mechanism Revenues				\$ (4,616)		\$ (4,616)
DSM Mechanism Revenues				\$ -		\$ -
ECR Mechanism Revenues				\$ 10,695		\$ 10,695
OSS Mechanism Revenues				\$ (19)		\$ (19)
ECR Base Revenues				\$ 10,886		\$ 10,886
Total Base Revenues Inclusive of Base ECR				<u>\$ 173,457</u>		<u>\$ 181,632</u>
Proposed Increase						\$ 8,175
Percentage Increase						4.71%

KENTUCKY UTILITIES COMPANY
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	Rate Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
LIGHTING SERVICE -- RATE SHEET NO. 35						
Overhead						
High Pressure Sodium						
Cobra Head, 5800 Lumen, Fixture Only						
5,800 Lumen HPS Std RC-462	462	102,897	\$ 9.86	\$ 1,014,567	\$ 9.86	\$ 1,014,567
Cobra Head, 5800 Lumen, Fixture Only						
5,800 Lumen HPS Ormtl	472	106,255	\$ 13.04	\$ 1,385,563	\$ 15.65	\$ 1,662,888
Cobra Head, 9500 Lumen, Fixture Only						
9,500 Lumen HPS Std	463	245,847	\$ 10.28	\$ 2,527,304	\$ 10.79	\$ 2,652,686
Cobra Head, 9500 Lumen, Fixture Only						
9,500 Lumen HPS Ormtl RC-473	473	40,218	\$ 13.70	\$ 550,984	\$ 16.44	\$ 661,181
Cobra Head, 22000 Lumen, Fixture Only						
22,000 Lumen HPS Std	464	90,463	\$ 16.08	\$ 1,454,646	\$ 16.08	\$ 1,454,646
Cobra Head, 22000 Lumen, Fixture Only						
22,000 Lumen HPS Ormtl RC-474	474	61,537	\$ 19.50	\$ 1,199,968	\$ 23.40	\$ 1,439,962
Cobra Head, 50000 Lumen, Fixture Only						
50,000 Lumen HPS Std	465	32,185	\$ 25.61	\$ 824,255	\$ 25.61	\$ 824,255
Cobra Head, 50000 Lumen, Fixture Only						
50,000 Lumen HPS Ormtl RC-475	475	6,251	\$ 27.37	\$ 171,078	\$ 32.84	\$ 205,268
Directional, 9500 Lumen, Fixture Only						
9,500L Directional HPS RC-487	487	130,644	\$ 10.13	\$ 1,323,425	\$ 10.44	\$ 1,363,925
Directional, 22000 Lumen, Fixture Only						
22,000L Directional HPS RC-488	488	78,294	\$ 15.42	\$ 1,207,300	\$ 15.42	\$ 1,207,300
Directional, 50000 Lumen, Fixture Only						
50,000L Directional HPS RC-489	489	100,227	\$ 21.95	\$ 2,199,992	\$ 21.95	\$ 2,199,992
Open Bottom, 9500 Lumen, Fixture Only						
9,500L Open Bottom HPS Std RC-428	428	430,135	\$ 8.87	\$ 3,815,294	\$ 8.87	\$ 3,815,294
Metal Halide						
Directional, 12000 Lumen, Fixture Only						
12,000L Fixture Only Dir-MH RC-450 (MOVED TO RLS)	450	8,200	\$ 16.13	\$ 132,263		
Directional, 32000 Lumen, Fixture Only						
32,000L Fixture Only Dir-MH RC-451	451	63,188	\$ 22.80	\$ 1,440,681	\$ 22.80	\$ 1,440,681
Directional, 107800 Lumen, Fixture Only						
107,800L Fixture Only Dir-MH (MOVED TO RLS)	452	12,000	\$ 47.70	\$ 572,410		
Light Emitting Diode (LED)						
Cobra Head, 8179 Lumen, Fixture Only						
8,179L Cobra LED RC-390	390	-		\$	15.21	\$ -
Cobra Head, 14166 Lumen, Fixture Only						
14,166L Cobra LED RC-391	391	-		\$	18.42	\$ -
Cobra Head, 23214 Lumen, Fixture Only						
23,214L Cobra LED RC-392	392	-		\$	28.09	\$ -
Open Bottom, 5007 Lumen, Fixture Only						
5,007L Cobra LED RC-393	393	-		\$	10.13	\$ -

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	Rate Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
LIGHTING SERVICE, CONTINUED, RATE SHEET NO. 35.1						
Underground						
High Pressure Sodium						
Colonial, 5800 Lumen, Decorative						
5,800L Colonial HPS UG RC-467	467	16,635	\$ 12.14	\$ 201,952	\$ 14.57	\$ 242,376
Colonial, 9500 Lumen, Decorative						
9,500L Colonial HPS UG RC-468	468	48,312	\$ 12.46	\$ 601,963	\$ 14.95	\$ 722,259
Acorn, 5800 Lumen, Smooth Pole						
5,800L Acorn (D Pole) HPS UG	401	612	\$ 16.57	\$ 10,135	\$ 19.88	\$ 12,160
Acorn, 5800 Lumen, Fluted Pole						
5,800L Acorn (Hist Pole) HPS UG	411	1,762	\$ 23.63	\$ 41,636	\$ 28.36	\$ 49,970
Acorn, 9500 Lumen, Smooth Pole						
9,500L Acorn (D Pole) HPS UG RC-420	420	6,095	\$ 17.01	\$ 103,683	\$ 20.41	\$ 124,407
Acorn, 9500 Lumen, Fluted Pole						
9,500L Acorn (Hist Pole) HPS UG	430	14,913	\$ 24.20	\$ 360,892	\$ 29.04	\$ 433,070
Victorian, 5800 Lumen, Fluted Pole						
5,800L Coach HPS UG	414	252	\$ 33.87	\$ 8,549	\$ 36.70	\$ 9,264
Victorian, 9500 Lumen, Fluted Pole						
9,500L Coach HPS UG RC-415	415	120	\$ 34.19	\$ 4,116	\$ 37.46	\$ 4,509
Contemporary Fixture and Pole, 5800 Lumen, Second Fixture						
5,800L UG HPS Contemporary Fixture Only	492	24	\$ 17.12	\$ 404	\$ 17.12	\$ 404
Contemporary Fixture and Pole, 5800 Lumen						
5,800L Contemporary HPS UG RC-476	476	56,519	\$ 18.66	\$ 1,054,653	\$ 22.39	\$ 1,265,471
Contemporary Fixture and Pole, 9500 Lumen, Second Fixture						
9,500L Contemp Decor UG Fixture Only	497	195	\$ 17.00	\$ 3,309	\$ 17.00	\$ 3,309
Contemporary Fixture and Pole, 9500 Lumen						
9,500L Contemporary HPS UG RC-477	477	12,498	\$ 23.09	\$ 288,573	\$ 27.71	\$ 346,313
Contemporary Fixture and Pole, 22000 Lumen, Second Fixture						
22,000L UG HPS Contemporary	498	350	\$ 19.84	\$ 6,942	\$ 19.84	\$ 6,942
Contemporary Fixture and Pole, 22000 Lumen						
22,000L Contemporary HPS UG RC-478	478	17,005	\$ 29.73	\$ 505,573	\$ 35.68	\$ 606,755
Contemporary Fixture and Pole, 50000 Lumen, Second Fixture						
50,000L Contemp Decor UG Fixture Only	499	412	\$ 24.15	\$ 9,952	\$ 24.15	\$ 9,952
Contemporary Fixture and Pole, 50000 Lumen						
50,000L Contemporary HPS UG RC-479	479	11,127	\$ 36.74	\$ 408,817	\$ 42.55	\$ 473,467
Dark Sky, 4000 Lumen, Decorative						
4,000L HPS DSK Lantern	300	-	\$ 24.72	\$ -	\$ 26.46	\$ -
Dark Sky, 9500 Lumen, Decorative						
9,500L HPS DSK Lantern	301	-	\$ 25.83	\$ -	\$ 28.18	\$ -

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	Rate Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
LIGHTING SERVICE, CONTINUED, RATE SHEET NO. 35.2						
Underground, continued						
Metal Halide						
Contemporary, 12000 Lumen, Fixture Only						
12,000L Fixture Only Cont-MH RC-490 (MOVED TO RLS)	490	696	\$ 17.45	\$ 12,148		
Contemporary, 12000 Lumen, Fixture with Smooth Pole						
12,000L Fix With M Pole Cont-MH (MOVED TO RLS)	494	2,160	\$ 31.42	\$ 67,869		
Contemporary, 32000 Lumen, Fixture Only						
32,000L Fixture Only Cont-MH RC-491	491	3,632	\$ 24.68	\$ 89,633	\$ 24.68	\$ 89,633
Contemporary, 32000 Lumen, Fixture with Smooth Pole						
32,000L Fix with M Pole Cont-MH RC-495	495	8,003	\$ 38.64	\$ 309,249	\$ 41.06	\$ 328,617
Contemporary, 107800 Lumen, Fixture Only						
107,800L Fixture Only Cont-MH RC-493 (MOVED TO RLS)	493	509	\$ 51.32	\$ 26,099		
Contemporary, 107800 Lumen, Fixture with Smooth Pole						
107,800L Fix With M Pole Cont-MH (MOVED TO RLS)	496	1,731	\$ 65.28	\$ 112,970		
Light Emitting Diode (LED)						
Cobra Head, 8179 Lumen, Smooth Pole						
8,179L Cobra LED RC-396	396	-			\$ 36.27	\$ -
Cobra Head, 14166 Lumen, Smooth Pole						
14,166L Cobra LED RC-397	397	-			\$ 39.47	\$ -
Cobra Head, 23214 Lumen, Smooth Pole						
23,214L Cobra LED RC-398	398	-			\$ 49.15	\$ -
Colonial, 5665 Lumen, 4-Sided Decorative						
5,665L Colonial LED UG RC-399	399	-			\$ 38.32	\$ -

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	Rate Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
RESTRICTED LIGHTING SERVICE -- RATE SHEET NO. 36						
Overhead						
High Pressure Sodium						
Cobra Head, 4000 Lumen, Fixture Only						
4,000 Lumen HPS Std RC-461	461	81,478	\$ 8.53	\$ 695,009	\$ 10.07	\$ 820,485
Cobra Head, 4000 Lumen, Fixture and Pole						
4,000 Lumen HPS Ormtl RC-471	471	42,850	\$ 11.73	\$ 502,635	\$ 14.08	\$ 603,334
Cobra Head, 50000 Lumen, Fixture Only						
50,000L HPS Special Lighting RC-409	409	1,590	\$ 13.56	\$ 21,559	\$ 16.27	\$ 25,867
Open Bottom, 5800 Lumen, Fixture Only						
5,800L Open Bottom HPS Std RC-426	426	1,873	\$ 8.54	\$ 15,993	\$ 8.54	\$ 15,993
Metal Halide						
Directional, 12000 Lumen, Fixture Only						
12,000L Fixture Only Dir-MH RC-450 (MOVED FROM LS)	450	8,200			\$ 16.13	\$ 132,263
Directional, 12000 Lumen, Flood, Fixture with Pole						
12,000L Fix with W Pole Dir-MH RC-454	454	1,769	\$ 20.89	\$ 36,953	\$ 20.89	\$ 36,953
Directional, 32000 Lumen, Flood, Fixture with Pole						
32,000L Fix with W Pole Dir-MH	455	12,109	\$ 27.56	\$ 333,714	\$ 27.56	\$ 333,714
Directional, 107800 Lumen, Fixture Only						
107,800L Fixture Only Dir-MH (MOVED FROM LS)	452	12,000			\$ 47.70	\$ 572,410
Directional, 107800 Lumen, Flood, Fixture with Pole						
107,800L Fix With W Pole Dir-MH	459	2,455	\$ 52.45	\$ 128,758	\$ 52.45	\$ 128,758
Mercury Vapor						
Cobra Head, 7000 Lumen, Fixture Only						
7,000 Lumen MV Std RC-446	446	12,112	\$ 10.77	\$ 130,450	\$ 11.09	\$ 134,325
Cobra Head, 7000 Lumen, Fixture and Pole						
7,000 Lumen MV Ormtl	456	1,628	\$ 13.27	\$ 21,606	\$ 14.01	\$ 22,810
Cobra Head, 10000 Lumen, Fixture Only						
10,000 Lumen MV Std	447	8,109	\$ 12.77	\$ 103,546	\$ 13.49	\$ 109,384
Cobra Head, 10000 Lumen, Fixture and Pole						
10,000 Lumen MV Ormtl	457	5,234	\$ 14.98	\$ 78,410	\$ 15.82	\$ 82,806
Cobra Head, 20000 Lumen, Fixture Only						
20,000 Lumen MV Std RC-448	448	17,068	\$ 14.45	\$ 246,638	\$ 14.88	\$ 253,978
Cobra Head, 20000 Lumen, Fixture and Pole						
20,000 Lumen MV Ormtl	458	16,662	\$ 16.91	\$ 281,759	\$ 17.86	\$ 297,588
Open Bottom, 7000 Lumen, Fixture Only						
7,000L Open Bottom M V Std RC-404	404	78,426	\$ 11.87	\$ 930,914	\$ 11.87	\$ 930,914

KENTUCKY UTILITIES COMPANY
Case No. 2016-00370
Calculation of Proposed Rate Increase
for the Twelve Months Ended June 30, 2018

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

Schedule M-2.3
 Page 20 of 21
 Witness: W. S. SEELYE

	Rate Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
RESTRICTED LIGHTING SERVICE, CONTINUED, RATE SHEET NO. 36.1						
Overhead, continued						
Incandescent						
Tear Drop, 1000 Lumen, Fixture Only						
1,000 Lumen Incand Std	421	42	\$ 3.81	\$ 161	\$ 3.81	\$ 161
Tear Drop, 2500 Lumen, Fixture Only						
2,500 Lumen Incand Std	422	6,853	\$ 5.11	\$ 35,019	\$ 5.11	\$ 35,019
Tear Drop, 4000 Lumen, Fixture Only						
4,000 Lumen Incand Std RC-424	424	341	\$ 7.63	\$ 2,603	\$ 7.63	\$ 2,603
Tear Drop, 6000 Lumen, Fixture Only						
6,000 Lumen Incand Std	425	24	\$ 10.19	\$ 241	\$ 10.19	\$ 241
Underground						
Metal Halide						
Directional, 12000 Lumen, Flood, Fixture with Pole						
12,000L Fix With M Pole Dir-MH	460	272	\$ 30.10	\$ 8,194	\$ 35.23	\$ 9,591
Directional, 32000 Lumen, Flood, Fixture with Pole						
32,000L Fix With M Pole Dir-MH	469	3,443	\$ 36.77	\$ 126,607	\$ 39.76	\$ 136,902
Directional, 107800 Lumen, Flood, Fixture with Pole						
107,800L Fix With M Pole Dir-MH	470	699	\$ 61.66	\$ 43,077	\$ 61.66	\$ 43,077
Contemporary, 12000 Lumen, Fixture Only						
12,000L Fixture Only Cont-MH RC-490 (MOVED FROM LS)	490	696		\$ 17.45	\$ 12,148	
Contemporary, 12000 Lumen, Fixture with Smooth Pole						
12,000L Fix With M Pole Cont-MH (MOVED FROM LS)	494	2,160		\$ 31.42	\$ 67,869	
Contemporary, 107800 Lumen, Fixture Only						
107,800L Fixture Only Cont-MH RC-493 (MOVED FROM LS)	493	509		\$ 51.32	\$ 26,099	
Contemporary, 107800 Lumen, Fixture with Smooth Pole						
107,800L Fix With M Pole Cont-MH (MOVED FROM LS)	496	1,731		\$ 65.28	\$ 112,970	
High Pressure Sodium						
Acorn, 4000 Lumen, Smooth Pole						
4,000L Acorn (Decorative Pole) UG RC-440	440	24	\$ 15.11	\$ 359	\$ 18.13	\$ 431
Acorn, 4000 Lumen, Fluted Pole						
4,000L Acorn (Hist Pole) HPS UG RC-410	410	2,852	\$ 22.31	\$ 63,623	\$ 26.77	\$ 76,342
Colonial, 4000 Lumen, Smooth Pole						
4,000L Colonial HPS UG RC-466	466	10,096	\$ 10.79	\$ 108,934	\$ 12.95	\$ 130,741
Coach, 5800 Lumen, Smooth Pole						
5,800L Coach Decor UG RC-412	412	344	\$ 33.87	\$ 11,647	\$ 36.70	\$ 12,620
Coach, 9500 Lumen, Smooth Pole						
9,500L Coach Decor UG RC-413	413	1,169	\$ 34.19	\$ 39,954	\$ 37.46	\$ 43,775

KENTUCKY UTILITIES COMPANY
Case No. 2016-00370
Calculation of Proposed Rate Increase
for the Twelve Months Ended June 30, 2018

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

Schedule M-2.3
Page 21 of 21
Witness: W. S. SEELYE

	Rate Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
RESTRICTED LIGHTING SERVICE, CONTINUED, RATE SHEET NO. 36.2						
Underground, continued						
Granville Lights, 16000 Lumen, Smooth Pole	360	384.82	\$ 62.30	\$ 23,974	\$ 62.30	\$ 23,974
Adjustment to Reflect Sale of Granville Lighting Fixtures		337		\$ (20,984)		\$ (20,984)
Partial Month and Prorated Bills				\$ 2,538		\$ 2,538
Total Calculated at Base Rates				\$ 28,022,738		\$ 29,889,222
Correction Factor				<u>1.000000000</u>		<u>1.000000000</u>
Total After Application of Correction Factor				\$ 28,022,738		\$ 29,889,222
Applicable to all lighting schedules:						
Adjustment to Reflect Removal of Base ECR Revenues				\$ (1,990,341)		\$ (1,990,341)
Total Net Base Revenues				\$ 26,032,397		\$ 27,898,881
FAC Mechanism Revenues				\$ (381,158)		\$ (381,158)
DSM Mechanism Revenues				\$ -		\$ -
ECR Mechanism Revenues				\$ 2,749,634		\$ 2,749,634
OSS Mechanism Revenues				\$ (1,520)		\$ (1,520)
ECR Base Revenues				\$ 1,990,341		\$ 1,990,341
Total Base Revenues Inclusive of ECR				\$ 30,389,694		\$ 32,256,178
Proposed Increase						\$ 1,866,484
Percentage Increase						6.14%

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(n)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

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

Response:

See attached.

SCHEDULE N

TYPICAL BILL COMPARISON UNDER PRESENT & PROPOSED RATES

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

FORECASTED PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
PAGE 1 of 22
WITNESS: C. M. GARRETT

Residential (Rate RS) / Volunteer Fire Dept (Rate VFD)

kWh	A	B	C	D	Billing Factors			H	I	J
	Base Rate Current Bill	Base Rate Proposed Bill	Increase (\$) [B - A]	Increase (%) [C / A]	FAC+OSS	DSM	ECR	Total Current Bill (\$) [A+E+F+G]	Total Proposed Bill (\$) [B+E+F+G]	Increase (%) [(I - H)/H]
500	\$55.10	\$64.62	\$ 9.52	17.3%	\$ (1.52)	\$ 1.50	\$ 2.23	\$ 57.31	\$ 66.83	16.6%
750	\$77.28	\$85.92	\$ 8.65	11.2%	\$ (2.28)	\$ 2.25	\$ 3.35	\$ 80.60	\$ 89.24	10.7%
1,000	\$99.45	\$107.23	\$ 7.78	7.8%	\$ (3.04)	\$ 3.00	\$ 4.46	\$ 103.87	\$ 111.65	7.5%
1,179	\$115.33	\$122.49	\$ 7.16	6.2%	\$ (3.58)	\$ 3.53	\$ 5.26	\$ 120.54	\$ 127.70	5.9%
1,500	\$143.80	\$149.85	\$ 6.04	4.2%	\$ (4.55)	\$ 4.49	\$ 6.69	\$ 150.43	\$ 156.48	4.0%
2,000	\$188.15	\$192.46	\$ 4.31	2.3%	\$ (6.07)	\$ 5.99	\$ 8.92	\$ 196.99	\$ 201.30	2.2%
2,500	\$232.50	\$235.08	\$ 2.57	1.1%	\$ (7.59)	\$ 7.49	\$ 11.15	\$ 243.55	\$ 246.13	1.1%
3,000	\$276.85	\$277.69	\$ 0.84	0.3%	\$ (9.11)	\$ 8.99	\$ 13.38	\$ 290.11	\$ 290.95	0.3%

Assumptions:

Average usage = 1,179 kWh per month
 Billing Factors calculated as a unit charge based on forecast period revenues and volumes
 Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
PAGE 2 of 22
WITNESS: C. M. GARRETT

Residential Time-of-Day Energy

kWh	A	B	C	D	E			F			G	H	I	J
	Base Rate Current Bill (Rate LEV)	Base Rate Proposed Bill	Increase (\$) [B - A]	Increase (%) [C / A]	FAC+OSS	DSM	ECR	DSM	ECR	ECR	Total Current Bill (\$) [A+E+F+G]	Total Proposed Bill (\$) [B+E+F+G]	Increase (%) [(I - H)/H]	
500	\$49.47	\$58.57	\$ 9.10	18.4%	\$ (1.52)	\$ 1.21	\$ 1.82	\$ 1.21	\$ 1.82	\$ 1.82	\$ 50.98	\$ 60.08	17.8%	
750	\$68.83	\$76.85	\$ 8.02	11.7%	\$ (2.29)	\$ 1.82	\$ 2.73	\$ 1.82	\$ 2.73	\$ 2.73	\$ 71.09	\$ 79.11	11.3%	
1,000	\$88.19	\$95.14	\$ 6.94	7.9%	\$ (3.05)	\$ 2.42	\$ 3.64	\$ 2.42	\$ 3.64	\$ 3.64	\$ 91.20	\$ 98.15	7.6%	
1,500	\$126.92	\$131.71	\$ 4.79	3.8%	\$ (4.57)	\$ 3.63	\$ 5.46	\$ 3.63	\$ 5.46	\$ 5.46	\$ 131.44	\$ 136.23	3.6%	
2,000	\$165.64	\$168.28	\$ 2.64	1.6%	\$ (6.10)	\$ 4.84	\$ 7.28	\$ 4.84	\$ 7.28	\$ 7.28	\$ 171.66	\$ 174.30	1.5%	
2,500	\$204.36	\$204.85	\$ 0.48	0.2%	\$ (7.62)	\$ 6.05	\$ 9.11	\$ 6.05	\$ 9.11	\$ 9.11	\$ 211.90	\$ 212.39	0.2%	
3,000	\$243.08	\$241.41	\$ (1.67)	-0.7%	\$ (9.14)	\$ 7.26	\$ 10.93	\$ 7.26	\$ 10.93	\$ 10.93	\$ 252.13	\$ 250.46	-0.7%	
5,000	\$397.97	\$387.69	\$ (10.28)	-2.6%	\$ (15.24)	\$ 12.10	\$ 18.21	\$ 12.10	\$ 18.21	\$ 18.21	\$ 413.04	\$ 402.76	-2.5%	

Assumptions:

Average usage = 1,171 kWh per month

Billing Factors calculated as a unit charge based on forecast period revenues and volumes

Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
 PAGE 3 of 22
 WITNESS: C. M. GARRETT

Residential Time-of-Day Demand

CURRENT RATES			A	B	C	D	E	F	G	H	I	J
kW	Load Factor	kWh	Base Rate	Base Rate	Increase (\$)	Increase (%)	Billing Factors			Total Current Bill (\$)	Total Proposed Bill (\$)	Increase (%)
			Current Bill (Rate RS)	Proposed Bill			FAC+OSS	DSM	ECR			
					[B - A]	[C / A]				[A+E+F+G]	[B+E+F+G]	[(I - H)/H]
2	30%	438	\$ 63.39	\$ 59.99	\$ (3.41)	-5.4%	\$ (1.33)	\$ 1.31	\$ 1.95	\$ 65.32	\$ 61.92	-5.2%
	50%	730	\$ 76.15	\$ 70.23	\$ (5.92)	-7.8%	\$ (2.22)	\$ 2.19	\$ 3.26	\$ 79.38	\$ 73.46	-7.5%
	70%	1,022	\$ 88.91	\$ 80.47	\$ (8.44)	-9.5%	\$ (3.10)	\$ 3.06	\$ 4.56	\$ 93.43	\$ 84.99	-9.0%
5	30%	1,095	\$ 142.35	\$ 116.96	\$ (25.39)	-17.8%	\$ (3.32)	\$ 3.28	\$ 4.88	\$ 147.19	\$ 121.80	-17.3%
	50%	1,825	\$ 174.25	\$ 142.57	\$ (31.68)	-18.2%	\$ (5.54)	\$ 5.47	\$ 8.14	\$ 182.32	\$ 150.64	-17.4%
	70%	2,555	\$ 206.15	\$ 168.18	\$ (37.97)	-18.4%	\$ (7.76)	\$ 7.65	\$ 11.40	\$ 217.44	\$ 179.47	-17.5%
7	30%	1,533	\$ 194.99	\$ 154.95	\$ (40.04)	-20.5%	\$ (4.65)	\$ 4.59	\$ 6.84	\$ 201.77	\$ 161.73	-19.9%
	50%	2,555	\$ 239.65	\$ 190.80	\$ (48.85)	-20.4%	\$ (7.76)	\$ 7.65	\$ 11.40	\$ 250.94	\$ 202.09	-19.5%
	70%	3,577	\$ 284.31	\$ 226.65	\$ (57.66)	-20.3%	\$ (10.86)	\$ 10.72	\$ 15.96	\$ 300.13	\$ 242.47	-19.2%
10	30%	2,190	\$ 273.95	\$ 211.93	\$ (62.03)	-22.6%	\$ (6.65)	\$ 6.56	\$ 9.77	\$ 283.63	\$ 221.61	-21.9%
	50%	3,650	\$ 337.76	\$ 263.14	\$ (74.61)	-22.1%	\$ (11.08)	\$ 10.93	\$ 16.28	\$ 353.89	\$ 279.27	-21.1%
	70%	5,110	\$ 401.56	\$ 314.36	\$ (87.20)	-21.7%	\$ (15.51)	\$ 15.31	\$ 22.80	\$ 424.16	\$ 336.96	-20.6%
15	30%	3,285	\$ 405.55	\$ 306.89	\$ (98.67)	-24.3%	\$ (9.97)	\$ 9.84	\$ 14.65	\$ 420.07	\$ 321.41	-23.5%
	50%	5,475	\$ 501.26	\$ 383.71	\$ (117.54)	-23.5%	\$ (16.62)	\$ 16.40	\$ 24.42	\$ 525.46	\$ 407.91	-22.4%
	70%	7,665	\$ 596.96	\$ 460.54	\$ (136.42)	-22.9%	\$ (23.27)	\$ 22.96	\$ 34.19	\$ 630.84	\$ 494.42	-21.6%

Assumptions:

Average usage = 0 kWh per month ***No customers currently on this rate***
 Billing Factors calculated as a unit charge based on forecast period revenues and volumes
 Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
PAGE 4 of 22
WITNESS: C. M. GARRETT

All Electric Schools - Single Phase

kWh	A	B	C	D	E			F			G	H	I	J
	Base Rate	Base Rate	Increase	Increase	Billing Factors			DSM	ECR	Total	Total	Increase		
	Current	Proposed			FAC+OSS	DSM	ECR						Current	Proposed
	Bill	Bill	(\$)	(%)										
			[B - A]	[C / A]										
500	\$66.85	\$127.60	\$ 60.75	90.9%	\$ (1.55)	\$ 1.21	\$ 5.70	\$ 72.21	\$ 132.96	84.1%				
1,000	\$108.69	\$170.19	\$ 61.50	56.6%	\$ (3.10)	\$ 2.42	\$ 11.40	\$ 119.41	\$ 180.91	51.5%				
1,500	\$150.54	\$212.79	\$ 62.25	41.4%	\$ (4.64)	\$ 3.63	\$ 17.11	\$ 166.64	\$ 228.89	37.4%				
2,000	\$192.38	\$255.38	\$ 63.00	32.8%	\$ (6.19)	\$ 4.84	\$ 22.81	\$ 213.84	\$ 276.84	29.5%				
3,000	\$276.07	\$340.57	\$ 64.50	23.4%	\$ (9.29)	\$ 7.26	\$ 34.21	\$ 308.25	\$ 372.75	20.9%				
5,000	\$443.45	\$510.95	\$ 67.50	15.2%	\$ (15.48)	\$ 12.09	\$ 57.02	\$ 497.08	\$ 564.58	13.6%				
7,500	\$652.68	\$723.93	\$ 71.25	10.9%	\$ (23.22)	\$ 18.14	\$ 85.53	\$ 733.13	\$ 804.38	9.7%				
10,000	\$861.90	\$936.90	\$ 75.00	8.7%	\$ (30.96)	\$ 24.19	\$ 114.04	\$ 969.17	\$ 1,044.17	7.7%				

Assumptions:

Average usage = 1,756 kWh per month
 Billing Factors calculated as a unit charge based on forecast period revenues and volumes
 Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
 PAGE 5 of 22
 WITNESS: C. M. GARRETT

All Electric Schools - Three Phase

kWh	A	B	C	D	Billing Factors			H	I	J
	Base Rate Current Bill	Base Rate Proposed Bill	Increase (\$) [B - A]	Increase (%) [C / A]	FAC+OSS	DSM	ECR	Total Current Bill (\$) [A+E+F+G]	Total Proposed Bill (\$) [B+E+F+G]	Increase (%) [(I - H)/H]
1,000	\$123.69	\$225.19	\$ 101.50	82.1%	\$ (3.10)	\$ 2.42	\$ 11.40	\$ 134.41	\$ 235.91	75.5%
5,000	\$458.45	\$565.95	\$ 107.50	23.5%	\$ (15.48)	\$ 12.09	\$ 57.02	\$ 512.08	\$ 619.58	21.0%
10,000	\$876.90	\$991.90	\$ 115.00	13.1%	\$ (30.96)	\$ 24.19	\$ 114.04	\$ 984.17	\$ 1,099.17	11.7%
25,000	\$2,132.25	\$2,269.75	\$ 137.50	6.5%	\$ (77.39)	\$ 60.46	\$ 285.11	\$ 2,400.43	\$ 2,537.93	5.7%
50,000	\$4,224.50	\$4,399.50	\$ 175.00	4.1%	\$ (154.78)	\$ 120.93	\$ 570.22	\$ 4,760.87	\$ 4,935.87	3.7%
75,000	\$6,316.75	\$6,529.25	\$ 212.50	3.4%	\$ (232.17)	\$ 181.39	\$ 855.33	\$ 7,121.30	\$ 7,333.80	3.0%
100,000	\$8,409.00	\$8,659.00	\$ 250.00	3.0%	\$ (309.56)	\$ 241.85	\$1,140.44	\$ 9,481.73	\$ 9,731.73	2.6%
150,000	\$12,593.50	\$12,918.50	\$ 325.00	2.6%	\$ (464.35)	\$ 362.78	\$1,710.66	\$14,202.59	\$14,527.59	2.3%

Assumptions:

Average usage = 47,300 kWh per month
 Billing Factors calculated as a unit charge based on forecast period revenues and volumes
 Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
 PAGE 6 of 22
 WITNESS: C. M. GARRETT

General Service - Single Phase

kWh	A	B	C	D	Billing Factors			H	I	J
	Base Rate Current Bill	Base Rate Proposed Bill	Increase (\$) [B - A]	Increase (%) [C / A]	FAC+OSS	DSM	ECR	Total Current Bill (\$) [A+E+F+G]	Total Proposed Bill (\$) [B+E+F+G]	Increase (%) [(I - H)/H]
100	\$35.43	\$42.19	\$ 6.76	19.1%	\$ (0.31)	\$ 0.28	\$ 1.27	\$ 36.67	\$ 43.43	18.4%
250	\$51.07	\$58.21	\$ 7.15	14.0%	\$ (0.78)	\$ 0.71	\$ 3.18	\$ 54.18	\$ 61.32	13.2%
500	\$77.13	\$84.93	\$ 7.80	10.1%	\$ (1.56)	\$ 1.42	\$ 6.36	\$ 83.35	\$ 91.15	9.4%
1,000	\$129.26	\$138.35	\$ 9.09	7.0%	\$ (3.12)	\$ 2.85	\$ 12.73	\$ 141.72	\$ 150.81	6.4%
1,500	\$181.39	\$191.78	\$ 10.39	5.7%	\$ (4.68)	\$ 4.27	\$ 19.09	\$ 200.07	\$ 210.46	5.2%
2,000	\$233.52	\$245.20	\$ 11.68	5.0%	\$ (6.23)	\$ 5.69	\$ 25.45	\$ 258.43	\$ 270.11	4.5%
3,000	\$337.78	\$352.05	\$ 14.27	4.2%	\$ (9.35)	\$ 8.54	\$ 38.18	\$ 375.15	\$ 389.42	3.8%
4,000	\$442.04	\$458.90	\$ 16.86	3.8%	\$ (12.47)	\$ 11.38	\$ 50.90	\$ 491.85	\$ 508.71	3.4%
5,000	\$546.30	\$565.75	\$ 19.45	3.6%	\$ (15.59)	\$ 14.23	\$ 63.63	\$ 608.57	\$ 628.02	3.2%

Assumptions:

Average usage = 999 kWh per month

Billing Factors calculated as a unit charge based on forecast period revenues and volumes

Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
PAGE 7 of 22
WITNESS: C. M. GARRETT

General Service - Three Phase

kWh	A	B	C	D	E			F			G	H	I	J
	Base Rate	Base Rate	Increase	Increase	Billing Factors			DSM	ECR	Total	Total	Increase		
	Current	Proposed			FAC+OSS	DSM	ECR						Current	Proposed
	Bill	Bill	(\$)	(%)										
			[B - A]	[C / A]										
500	\$92.13	\$103.83	\$ 11.70	12.7%	\$ (1.56)	\$ 1.42	\$ 6.36	\$ 98.35	\$ 110.05	11.9%				
1,000	\$144.26	\$157.25	\$ 12.99	9.0%	\$ (3.12)	\$ 2.85	\$ 12.73	\$ 156.72	\$ 169.71	8.3%				
2,000	\$248.52	\$264.10	\$ 15.58	6.3%	\$ (6.23)	\$ 5.69	\$ 25.45	\$ 273.43	\$ 289.01	5.7%				
5,000	\$561.30	\$584.65	\$ 23.35	4.2%	\$ (15.59)	\$ 14.23	\$ 63.63	\$ 623.57	\$ 646.92	3.7%				
7,500	\$821.95	\$851.78	\$ 29.82	3.6%	\$ (23.38)	\$ 21.34	\$ 95.44	\$ 915.35	\$ 945.18	3.3%				
10,000	\$1,082.60	\$1,118.90	\$ 36.30	3.4%	\$ (31.17)	\$ 28.46	\$ 127.25	\$ 1,207.14	\$ 1,243.44	3.0%				
15,000	\$1,603.90	\$1,653.15	\$ 49.25	3.1%	\$ (46.76)	\$ 42.69	\$ 190.88	\$ 1,790.71	\$ 1,839.96	2.8%				
20,000	\$2,125.20	\$2,187.40	\$ 62.20	2.9%	\$ (62.34)	\$ 56.92	\$ 254.50	\$ 2,374.28	\$ 2,436.48	2.6%				

Assumptions:

Average usage = 4,412 kWh per month
 Billing Factors calculated as a unit charge based on forecast period revenues and volumes
 Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
 TYPE OF FILING: __X__ ORIGINAL ___ ___ UPDATED ___ ___ REVISED
 WORKPAPER REFERENCE NO(S): _____

SCHEDULE N
PAGE 8 of 22
WITNESS: C. M. GARRETT

Power Service Secondary (Rate PSS)

kW	Load Factor	kWh	A	B	C	D	E			G	H	I	J
			Base Rate Current Bill	Base Rate Proposed Bill	Increase (\$) [B - A]	Increase (%) [C / A]	FAC+OSS	DSM	ECR	Total Current Bill (\$) [A+E+F+G]	Total Proposed Bill (\$) [B+E+F+G]	Increase (%) [(I - H)/H]	
50	30%	10,950	\$ 1,372.38	\$ 1,450.13	\$ 77.75	5.7%	\$ (34.32)	\$ 2.35	\$ 16.43	\$ 1,356.84	\$ 1,434.59	5.7%	
	50%	18,250	\$ 1,633.14	\$ 1,710.89	\$ 77.75	4.8%	\$ (57.20)	\$ 3.92	\$ 27.39	\$ 1,607.25	\$ 1,685.00	4.8%	
	70%	25,550	\$ 1,893.90	\$ 1,971.65	\$ 77.75	4.1%	\$ (80.08)	\$ 5.48	\$ 38.35	\$ 1,857.65	\$ 1,935.40	4.2%	
75	30%	16,425	\$ 2,013.58	\$ 2,130.20	\$ 116.62	5.8%	\$ (51.48)	\$ 3.53	\$ 24.65	\$ 1,990.28	\$ 2,106.90	5.9%	
	50%	27,375	\$ 2,404.72	\$ 2,521.34	\$ 116.62	4.9%	\$ (85.80)	\$ 5.88	\$ 41.09	\$ 2,365.89	\$ 2,482.51	4.9%	
	70%	38,325	\$ 2,795.85	\$ 2,912.47	\$ 116.62	4.2%	\$ (120.12)	\$ 8.23	\$ 57.52	\$ 2,741.48	\$ 2,858.10	4.3%	
100	30%	21,900	\$ 2,654.77	\$ 2,810.27	\$ 155.50	5.9%	\$ (68.64)	\$ 4.70	\$ 32.87	\$ 2,623.70	\$ 2,779.20	5.9%	
	50%	36,500	\$ 3,176.28	\$ 3,331.78	\$ 155.50	4.9%	\$ (114.40)	\$ 7.83	\$ 54.78	\$ 3,124.49	\$ 3,279.99	5.0%	
	70%	51,100	\$ 3,697.79	\$ 3,853.29	\$ 155.50	4.2%	\$ (160.16)	\$ 10.97	\$ 76.69	\$ 3,625.29	\$ 3,780.79	4.3%	
150	30%	32,850	\$ 3,937.15	\$ 4,170.40	\$ 233.25	5.9%	\$ (102.96)	\$ 7.05	\$ 49.30	\$ 3,890.54	\$ 4,123.79	6.0%	
	50%	54,750	\$ 4,719.42	\$ 4,952.67	\$ 233.25	4.9%	\$ (171.60)	\$ 11.75	\$ 82.17	\$ 4,641.74	\$ 4,874.99	5.0%	
	70%	76,650	\$ 5,501.69	\$ 5,734.94	\$ 233.25	4.2%	\$ (240.24)	\$ 16.45	\$ 115.04	\$ 5,392.94	\$ 5,626.19	4.3%	
250	30%	54,750	\$ 6,501.92	\$ 6,890.67	\$ 388.75	6.0%	\$ (171.60)	\$ 11.75	\$ 82.17	\$ 6,424.24	\$ 6,812.99	6.1%	
	50%	91,250	\$ 7,805.70	\$ 8,194.45	\$ 388.75	5.0%	\$ (285.99)	\$ 19.59	\$ 136.95	\$ 7,676.25	\$ 8,065.00	5.1%	
	70%	127,750	\$ 9,109.48	\$ 9,498.23	\$ 388.75	4.3%	\$ (400.39)	\$ 27.42	\$ 191.73	\$ 8,928.24	\$ 9,316.99	4.4%	

Assumptions:

Average usage = 39,727 kWh per month
 Billing Factors calculated as a unit charge based on forecast period revenues and volumes
 Current and Proposed Bill calculation uses a blended rate of 5/12 of the summer rate plus 7/12 of the winter rate
 Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
PAGE 9 of 22
WITNESS: C. M. GARRETT

Power Service Primary (Rate PSP)

kW	Load Factor	kWh	A Base Rate Current Bill	B Base Rate Proposed Bill	C Increase (\$) [B - A]	D Increase (%) [C / A]	E			G ECR	H Total Current Bill (\$) [A+E+F+G]	I Total Proposed Bill (\$) [B+E+F+G]	J Increase (%) [(I - H)/H]
							FAC+OSS	F	DSM				
50	30%	10,950	\$ 1,491.59	\$ 1,593.85	\$ 102.27	6.9%	\$ (34.50)	\$ 1.47	\$ 17.93	\$ 1,476.49	\$ 1,578.75	6.9%	
	50%	18,250	\$ 1,743.15	\$ 1,847.31	\$ 104.17	6.0%	\$ (57.50)	\$ 2.46	\$ 29.88	\$ 1,717.99	\$ 1,822.15	6.1%	
	70%	25,550	\$ 1,994.70	\$ 2,100.77	\$ 106.06	5.3%	\$ (80.49)	\$ 3.44	\$ 41.83	\$ 1,959.48	\$ 2,065.55	5.4%	
100	30%	21,900	\$ 2,783.17	\$ 2,947.70	\$ 164.52	5.9%	\$ (68.99)	\$ 2.95	\$ 35.85	\$ 2,752.98	\$ 2,917.51	6.0%	
	50%	36,500	\$ 3,286.29	\$ 3,454.61	\$ 168.32	5.1%	\$ (114.99)	\$ 4.91	\$ 59.75	\$ 3,235.96	\$ 3,404.28	5.2%	
	70%	51,100	\$ 3,789.41	\$ 3,961.52	\$ 172.12	4.5%	\$ (160.99)	\$ 6.88	\$ 83.66	\$ 3,718.96	\$ 3,891.07	4.6%	
150	30%	32,850	\$ 4,074.76	\$ 4,301.55	\$ 226.79	5.6%	\$ (103.49)	\$ 4.42	\$ 53.78	\$ 4,029.47	\$ 4,256.26	5.6%	
	50%	54,750	\$ 4,829.44	\$ 5,061.92	\$ 232.49	4.8%	\$ (172.49)	\$ 7.37	\$ 89.63	\$ 4,753.95	\$ 4,986.43	4.9%	
	70%	76,650	\$ 5,584.11	\$ 5,822.29	\$ 238.18	4.3%	\$ (241.48)	\$ 10.32	\$ 125.48	\$ 5,478.43	\$ 5,716.61	4.4%	
250	30%	54,750	\$ 6,657.94	\$ 7,009.25	\$ 351.32	5.3%	\$ (172.49)	\$ 7.37	\$ 89.63	\$ 6,582.45	\$ 6,933.76	5.3%	
	50%	91,250	\$ 7,915.73	\$ 8,276.53	\$ 360.81	4.6%	\$ (287.48)	\$ 12.29	\$ 149.38	\$ 7,789.92	\$ 8,150.72	4.6%	
	70%	127,750	\$ 9,173.52	\$ 9,543.81	\$ 370.30	4.0%	\$ (402.47)	\$ 17.20	\$ 209.14	\$ 8,997.39	\$ 9,367.68	4.1%	
500	30%	109,500	\$ 13,115.87	\$ 13,778.51	\$ 662.64	5.1%	\$ (344.97)	\$ 14.74	\$ 179.26	\$ 12,964.90	\$ 13,627.54	5.1%	
	50%	182,500	\$ 15,631.45	\$ 16,313.07	\$ 681.62	4.4%	\$ (574.95)	\$ 24.57	\$ 298.77	\$ 15,379.84	\$ 16,061.46	4.4%	
	70%	255,500	\$ 18,147.03	\$ 18,847.63	\$ 700.60	3.9%	\$ (804.94)	\$ 34.40	\$ 418.28	\$ 17,794.77	\$ 18,495.37	3.9%	

Assumptions:

Average usage = 82,036 kWh per month

Billing Factors calculated as a unit charge based on forecast period revenues and volumes

Current and Proposed Bill calculation uses a blended rate of 5/12 of the summer rate plus 7/12 of the winter rate

Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
 PAGE 10 of 22
 WITNESS: C. M. GARRETT

Time-of-Day Secondary (Rate TODS)

kVA	Load Factor	kWh	A	B	C	D	E			F	G	H	I	J
			Base Rate	Base Rate	Increase	Increase	Billing Factors			Total	Total	Increase		
			Current	Proposed			FAC+OSS	DSM	ECR				Current	Proposed
			Bill	Bill	(\$)	(%)					(\$)	(\$)	(%)	
					[B - A]	[C / A]					[A+E+F+G]	[B+E+F+G]	[(I - H)/H]	
250	30%	54,750	\$ 6,096.03	\$ 6,423.22	\$ 327.19	5.4%	\$ (172.55)	\$ 7.32	\$ 101.78	\$ 6,032.58	\$ 6,359.77	5.4%		
	50%	91,250	\$ 7,383.39	\$ 7,712.04	\$ 328.65	4.5%	\$ (287.58)	\$ 12.21	\$ 169.64	\$ 7,277.66	\$ 7,606.31	4.5%		
	70%	127,750	\$ 8,670.74	\$ 9,000.85	\$ 330.11	3.8%	\$ (402.61)	\$ 17.09	\$ 237.50	\$ 8,522.72	\$ 8,852.83	3.9%		
500	30%	109,500	\$ 11,992.07	\$ 12,646.45	\$ 654.38	5.5%	\$ (345.10)	\$ 14.65	\$ 203.57	\$ 11,865.19	\$ 12,519.57	5.5%		
	50%	182,500	\$ 14,566.78	\$ 15,224.08	\$ 657.30	4.5%	\$ (575.16)	\$ 24.42	\$ 339.28	\$ 14,355.32	\$ 15,012.62	4.6%		
	70%	255,500	\$ 17,141.49	\$ 17,801.71	\$ 660.22	3.9%	\$ (805.23)	\$ 34.18	\$ 474.99	\$ 16,845.43	\$ 17,505.65	3.9%		
1,000	30%	219,000	\$ 23,784.13	\$ 25,092.89	\$ 1,308.76	5.5%	\$ (690.20)	\$ 29.30	\$ 407.13	\$ 23,530.36	\$ 24,839.12	5.6%		
	50%	365,000	\$ 28,933.55	\$ 30,248.15	\$ 1,314.60	4.5%	\$ (1,150.33)	\$ 48.83	\$ 678.56	\$ 28,510.61	\$ 29,825.21	4.6%		
	70%	511,000	\$ 34,082.97	\$ 35,403.41	\$ 1,320.44	3.9%	\$ (1,610.46)	\$ 68.36	\$ 949.98	\$ 33,490.85	\$ 34,811.29	3.9%		
2,500	30%	547,500	\$ 59,160.33	\$ 62,432.23	\$ 3,271.90	5.5%	\$ (1,725.49)	\$ 73.25	\$ 1,017.84	\$ 58,525.93	\$ 61,797.83	5.6%		
	50%	912,500	\$ 72,033.88	\$ 75,320.38	\$ 3,286.50	4.6%	\$ (2,875.82)	\$ 122.08	\$ 1,696.39	\$ 70,976.53	\$ 74,263.03	4.6%		
	70%	1,277,500	\$ 84,907.43	\$ 88,208.53	\$ 3,301.10	3.9%	\$ (4,026.14)	\$ 170.91	\$ 2,374.95	\$ 83,427.15	\$ 86,728.25	4.0%		
5,000	30%	1,095,000	\$ 118,120.65	\$ 124,664.45	\$ 6,543.80	5.5%	\$ (3,450.98)	\$ 146.49	\$ 2,035.67	\$ 116,851.83	\$ 123,395.63	5.6%		
	50%	1,825,000	\$ 143,867.75	\$ 150,440.75	\$ 6,573.00	4.6%	\$ (5,751.63)	\$ 244.16	\$ 3,392.79	\$ 141,753.07	\$ 148,326.07	4.6%		
	70%	2,555,000	\$ 169,614.85	\$ 176,217.05	\$ 6,602.20	3.9%	\$ (8,052.29)	\$ 341.82	\$ 4,749.90	\$ 166,654.28	\$ 173,256.48	4.0%		

Assumptions:

- Average usage = 225,256 kWh per month
- Billing Factors calculated as a unit charge based on forecast period revenues and volumes
- Analysis assumes Peak Demand occurs in the Peak Period
- Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
PAGE 11 of 22
WITNESS: C. M. GARRETT

Time-of-Day Primary (Rate TODP)

KVA	Load Factor	kWh	A Base Rate Current Bill	B Base Rate Proposed Bill	C Increase (\$) [B - A]	D Increase (%) [C / A]	E			F			G ECR	H Total Current Bill (\$) [A+E+F+G]	I Total Proposed Bill (\$) [B+E+F+G]	J Increase (%) [(I - H)/H]
							Billing Factors			Billing Factors						
							FAC+OSS	DSM								
500	30%	109,500	\$ 10,868.04	\$ 11,634.14	\$ 766.09	7.1%	\$ (344.97)	\$ 5.79	\$ 218.26	\$ 10,747.12	\$ 11,513.22	7.1%				
	50%	182,500	\$ 13,373.40	\$ 14,140.23	\$ 766.82	5.7%	\$ (574.95)	\$ 9.65	\$ 363.76	\$ 13,171.86	\$ 13,938.69	5.8%				
	70%	255,500	\$ 15,878.76	\$ 16,646.32	\$ 767.55	4.8%	\$ (804.93)	\$ 13.51	\$ 509.26	\$ 15,596.60	\$ 16,364.16	4.9%				
5,000	30%	1,095,000	\$ 105,980.40	\$ 113,371.35	\$ 7,390.95	7.0%	\$ (3,449.72)	\$ 57.90	\$ 2,182.55	\$ 104,771.13	\$ 112,162.08	7.1%				
	50%	1,825,000	\$ 131,034.00	\$ 138,432.25	\$ 7,398.25	5.7%	\$ (5,749.54)	\$ 96.50	\$ 3,637.59	\$ 129,018.55	\$ 136,416.80	5.7%				
	70%	2,555,000	\$ 156,087.60	\$ 163,493.15	\$ 7,405.55	4.7%	\$ (8,049.35)	\$ 135.10	\$ 5,092.62	\$ 153,265.97	\$ 160,671.52	4.8%				
10,000	30%	2,190,000	\$ 211,660.80	\$ 226,412.70	\$ 14,751.90	7.0%	\$ (6,899.44)	\$ 115.80	\$ 4,365.11	\$ 209,242.27	\$ 223,994.17	7.1%				
	50%	3,650,000	\$ 261,768.00	\$ 276,534.50	\$ 14,766.50	5.6%	\$ (11,499.07)	\$ 192.99	\$ 7,275.18	\$ 257,737.10	\$ 272,503.60	5.7%				
	70%	5,110,000	\$ 311,875.20	\$ 326,656.30	\$ 14,781.10	4.7%	\$ (16,098.70)	\$ 270.19	\$ 10,185.25	\$ 306,231.94	\$ 321,013.04	4.8%				
25,000	30%	5,475,000	\$ 528,702.00	\$ 565,536.75	\$ 36,834.75	7.0%	\$ (17,248.61)	\$ 289.49	\$ 10,912.76	\$ 522,655.64	\$ 559,490.39	7.1%				
	50%	9,125,000	\$ 653,970.00	\$ 690,841.25	\$ 36,871.25	5.6%	\$ (28,747.68)	\$ 482.48	\$ 18,187.94	\$ 643,892.74	\$ 680,763.99	5.7%				
	70%	12,775,000	\$ 779,238.00	\$ 816,145.75	\$ 36,907.75	4.7%	\$ (40,246.75)	\$ 675.48	\$ 25,463.11	\$ 765,129.84	\$ 802,037.59	4.8%				
50,000	30%	10,950,000	\$ 1,057,104.00	\$ 1,130,743.50	\$ 73,639.50	7.0%	\$ (34,497.21)	\$ 578.98	\$ 21,825.53	\$ 1,045,011.30	\$ 1,118,650.80	7.1%				
	50%	18,250,000	\$ 1,307,640.00	\$ 1,381,352.50	\$ 73,712.50	5.6%	\$ (57,495.35)	\$ 964.97	\$ 36,375.88	\$ 1,287,485.50	\$ 1,361,198.00	5.7%				
	70%	25,550,000	\$ 1,558,176.00	\$ 1,631,961.50	\$ 73,785.50	4.7%	\$ (80,493.50)	\$ 1,350.95	\$ 50,926.23	\$ 1,529,959.68	\$ 1,603,745.18	4.8%				

Assumptions:

Average usage = 1,241,109 kWh per month
Billing Factors calculated as a unit charge based on forecast period revenues and volumes
Analysis assumes Peak Demand occurs in the Peak Period
Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
 PAGE 12 of 22
 WITNESS: C. M. GARRETT

Retail Transmission Service (Rate RTS)

kVA	Load Factor	kWh	A Base Rate Current Bill	B Base Rate Proposed Bill	C Increase (\$) [B - A]	D Increase (%) [C / A]	E F G Billing Factors			H Total Current Bill (\$) [A+E+F+G]	I Total Proposed Bill (\$) [B+E+F+G]	J Increase (%) [(I - H)/H]
							FAC+OSS	DSM	ECR			
1,000	30%	219,000	\$ 20,811.83	\$ 22,864.97	\$ 2,053.14	9.9%	\$ (689.21)	\$ -	\$ 420.86	\$ 20,543.48	\$ 22,596.62	10.0%
	50%	365,000	\$ 25,713.05	\$ 27,774.95	\$ 2,061.90	8.0%	\$ (1,148.69)	\$ -	\$ 701.44	\$ 25,265.80	\$ 27,327.70	8.2%
	70%	511,000	\$ 30,614.27	\$ 32,684.93	\$ 2,070.66	6.8%	\$ (1,608.16)	\$ -	\$ 982.01	\$ 29,988.12	\$ 32,058.78	6.9%
10,000	30%	2,190,000	\$ 199,118.30	\$ 216,049.70	\$ 16,931.40	8.5%	\$ (6,892.12)	\$ -	\$ 4,208.62	\$ 196,434.80	\$ 213,366.20	8.6%
	50%	3,650,000	\$ 248,130.50	\$ 265,149.50	\$ 17,019.00	6.9%	\$ (11,486.87)	\$ -	\$ 7,014.36	\$ 243,657.99	\$ 260,676.99	7.0%
	70%	5,110,000	\$ 297,142.70	\$ 314,249.30	\$ 17,106.60	5.8%	\$ (16,081.61)	\$ -	\$ 9,820.11	\$ 290,881.20	\$ 307,987.80	5.9%
25,000	30%	5,475,000	\$ 496,295.75	\$ 538,024.25	\$ 41,728.50	8.4%	\$ (17,230.30)	\$ -	\$ 10,521.54	\$ 489,586.99	\$ 531,315.49	8.5%
	50%	9,125,000	\$ 618,826.25	\$ 660,773.75	\$ 41,947.50	6.8%	\$ (28,717.17)	\$ -	\$ 17,535.91	\$ 607,644.99	\$ 649,592.49	6.9%
	70%	12,775,000	\$ 741,356.75	\$ 783,523.25	\$ 42,166.50	5.7%	\$ (40,204.04)	\$ -	\$ 24,550.27	\$ 725,702.98	\$ 767,869.48	5.8%
50,000	30%	10,950,000	\$ 991,591.50	\$ 1,074,648.50	\$ 83,057.00	8.4%	\$ (34,460.60)	\$ -	\$ 21,043.09	\$ 978,173.99	\$ 1,061,230.99	8.5%
	50%	18,250,000	\$ 1,236,652.50	\$ 1,320,147.50	\$ 83,495.00	6.8%	\$ (57,434.34)	\$ -	\$ 35,071.81	\$ 1,214,289.97	\$ 1,297,784.97	6.9%
	70%	25,550,000	\$ 1,481,713.50	\$ 1,565,646.50	\$ 83,933.00	5.7%	\$ (80,408.07)	\$ -	\$ 49,100.53	\$ 1,450,405.96	\$ 1,534,338.96	5.8%
75,000	30%	16,425,000	\$ 1,486,887.25	\$ 1,611,272.75	\$ 124,385.50	8.4%	\$ (51,690.90)	\$ -	\$ 31,564.63	\$ 1,466,760.98	\$ 1,591,146.48	8.5%
	50%	27,375,000	\$ 1,854,478.75	\$ 1,979,521.25	\$ 125,042.50	6.7%	\$ (86,151.50)	\$ -	\$ 52,607.72	\$ 1,820,934.97	\$ 1,945,977.47	6.9%
	70%	38,325,000	\$ 2,222,070.25	\$ 2,347,769.75	\$ 125,699.50	5.7%	\$ (120,612.11)	\$ -	\$ 73,650.80	\$ 2,175,108.94	\$ 2,300,808.44	5.8%

Assumptions:

- Average usage = 4,160,317 kWh per month
- Billing Factors calculated as a unit charge based on forecast period revenues and volumes
- Analysis assumes Peak Demand occurs in the Peak Period
- DSM does not apply to Industrial Customers
- Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
PAGE 13 of 22
WITNESS: C. M. GARRETT

Fluctuating Load Service -Transmission (Rate FLS)

kVA	Load Factor	kWh	A Base Rate Current Bill	B Base Rate Proposed Bill	C Increase (\$) [B - A]	D Increase (%) [C / A]	E			F			G ECR	H Total Current Bill (\$) [A+E+F+G]	I Total Proposed Bill (\$) [B+E+F+G]	J Increase (%) [(I - H)/H]
							Billing Factors			Billing Factors						
							FAC+OSS	DSM								
50,000	30%	10,950,000	\$ 619,418.00	\$ 661,418.00	\$ 42,000.00	6.8%	\$ (34,499.34)	\$ -	\$ 20,799.15	\$ 605,717.81	\$ 647,717.81	6.9%				
	50%	18,250,000	\$ 863,530.00	\$ 905,530.00	\$ 42,000.00	4.9%	\$ (57,498.91)	\$ -	\$ 34,665.25	\$ 840,696.34	\$ 882,696.34	5.0%				
	70%	25,550,000	\$ 1,107,642.00	\$ 1,149,642.00	\$ 42,000.00	3.8%	\$ (80,498.47)	\$ -	\$ 48,531.35	\$ 1,075,674.88	\$ 1,117,674.88	3.9%				
75,000	30%	16,425,000	\$ 928,627.00	\$ 991,377.00	\$ 62,750.00	6.8%	\$ (51,749.02)	\$ -	\$ 31,198.72	\$ 908,076.70	\$ 970,826.70	6.9%				
	50%	27,375,000	\$ 1,294,795.00	\$ 1,357,545.00	\$ 62,750.00	4.9%	\$ (86,248.36)	\$ -	\$ 51,997.87	\$ 1,260,544.51	\$ 1,323,294.51	5.0%				
	70%	38,325,000	\$ 1,660,963.00	\$ 1,723,713.00	\$ 62,750.00	3.8%	\$ (120,747.70)	\$ -	\$ 72,797.02	\$ 1,613,012.32	\$ 1,675,762.32	3.9%				
100,000	30%	21,900,000	\$ 1,237,836.00	\$ 1,321,336.00	\$ 83,500.00	6.8%	\$ (68,998.69)	\$ -	\$ 41,598.30	\$ 1,210,435.61	\$ 1,293,935.61	6.9%				
	50%	36,500,000	\$ 1,726,060.00	\$ 1,809,560.00	\$ 83,500.00	4.8%	\$ (114,997.81)	\$ -	\$ 69,330.50	\$ 1,680,392.69	\$ 1,763,892.69	5.0%				
	70%	51,100,000	\$ 2,214,284.00	\$ 2,297,784.00	\$ 83,500.00	3.8%	\$ (160,996.94)	\$ -	\$ 97,062.70	\$ 2,150,349.76	\$ 2,233,849.76	3.9%				
150,000	30%	32,850,000	\$ 1,856,254.00	\$ 1,981,254.00	\$ 125,000.00	6.7%	\$ (103,498.03)	\$ -	\$ 62,397.45	\$ 1,815,153.42	\$ 1,940,153.42	6.9%				
	50%	54,750,000	\$ 2,588,590.00	\$ 2,713,590.00	\$ 125,000.00	4.8%	\$ (172,496.72)	\$ -	\$ 103,995.75	\$ 2,520,089.03	\$ 2,645,089.03	5.0%				
	70%	76,650,000	\$ 3,320,926.00	\$ 3,445,926.00	\$ 125,000.00	3.8%	\$ (241,495.41)	\$ -	\$ 145,594.04	\$ 3,225,024.63	\$ 3,350,024.63	3.9%				
200,000	30%	43,800,000	\$ 2,474,672.00	\$ 2,641,172.00	\$ 166,500.00	6.7%	\$ (137,997.37)	\$ -	\$ 83,196.60	\$ 2,419,871.23	\$ 2,586,371.23	6.9%				
	50%	73,000,000	\$ 3,451,120.00	\$ 3,617,620.00	\$ 166,500.00	4.8%	\$ (229,995.62)	\$ -	\$ 138,660.99	\$ 3,359,785.37	\$ 3,526,285.37	5.0%				
	70%	102,200,000	\$ 4,427,568.00	\$ 4,594,068.00	\$ 166,500.00	3.8%	\$ (321,993.87)	\$ -	\$ 194,125.39	\$ 4,299,699.52	\$ 4,466,199.52	3.9%				

Assumptions:

- Average usage = 46,076,466 kWh per month
- Billing Factors calculated as a unit charge based on forecast period revenues and volumes
- Analysis assumes Peak Demand at 50% of base demand
- DSM does not apply to Industrial Customers
- Calculations may vary from other schedules due to rounding
- Assumes peak demand at 50% of base based on actual FLS data

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

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WITNESS: C. M. GARRETT

Fluctuating Load Service - Primary (Rate FLS) - No KU Customers on this rate schedule

kVA	Load Factor	kWh	A Base Rate Current Bill	B Base Rate Proposed Bill	C Increase (\$) [B - A]	D Increase (%) [C / A]	Billing Factors			H Total Current Bill (\$) [A+E+F+G]	I Total Proposed Bill (\$) [B+E+F+G]	J Increase (%) [(I - H)/H]
							E FAC+OSS	F DSM	G ECR			
50,000	30%	10,950,000	\$ 689,658.50	\$ 900,993.50	\$ 211,335.00	30.6%	\$ (34,499.34)	\$ -	\$ 20,799.15	\$ 675,958.31	\$ 887,293.31	31.3%
	50%	18,250,000	\$ 955,597.50	\$ 1,151,602.50	\$ 196,005.00	20.5%	\$ (57,498.91)	\$ -	\$ 34,665.25	\$ 932,763.84	\$ 1,128,768.84	21.0%
	70%	25,550,000	\$ 1,221,536.50	\$ 1,402,211.50	\$ 180,675.00	14.8%	\$ (80,498.47)	\$ -	\$ 48,531.35	\$ 1,189,569.38	\$ 1,370,244.38	15.2%
75,000	30%	16,425,000	\$ 1,033,987.75	\$ 1,351,325.25	\$ 317,337.50	30.7%	\$ (51,749.02)	\$ -	\$ 31,198.72	\$ 1,013,437.45	\$ 1,330,774.95	31.3%
	50%	27,375,000	\$ 1,432,896.25	\$ 1,727,238.75	\$ 294,342.50	20.5%	\$ (86,248.36)	\$ -	\$ 51,997.87	\$ 1,398,645.76	\$ 1,692,988.26	21.0%
	70%	38,325,000	\$ 1,831,804.75	\$ 2,103,152.25	\$ 271,347.50	14.8%	\$ (120,747.70)	\$ -	\$ 72,797.02	\$ 1,783,854.07	\$ 2,055,201.57	15.2%
100,000	30%	21,900,000	\$ 1,378,317.00	\$ 1,801,657.00	\$ 423,340.00	30.7%	\$ (68,998.69)	\$ -	\$ 41,598.30	\$ 1,350,916.61	\$ 1,774,256.61	31.3%
	50%	36,500,000	\$ 1,910,195.00	\$ 2,302,875.00	\$ 392,680.00	20.6%	\$ (114,997.81)	\$ -	\$ 69,330.50	\$ 1,864,527.69	\$ 2,257,207.69	21.1%
	70%	51,100,000	\$ 2,442,073.00	\$ 2,804,093.00	\$ 362,020.00	14.8%	\$ (160,996.94)	\$ -	\$ 97,062.70	\$ 2,378,138.76	\$ 2,740,158.76	15.2%
150,000	30%	32,850,000	\$ 2,066,975.50	\$ 2,702,320.50	\$ 635,345.00	30.7%	\$ (103,498.03)	\$ -	\$ 62,397.45	\$ 2,025,874.92	\$ 2,661,219.92	31.4%
	50%	54,750,000	\$ 2,864,792.50	\$ 3,454,147.50	\$ 589,355.00	20.6%	\$ (172,496.72)	\$ -	\$ 103,995.75	\$ 2,796,291.53	\$ 3,385,646.53	21.1%
	70%	76,650,000	\$ 3,662,609.50	\$ 4,205,974.50	\$ 543,365.00	14.8%	\$ (241,495.41)	\$ -	\$ 145,594.04	\$ 3,566,708.13	\$ 4,110,073.13	15.2%
200,000	30%	43,800,000	\$ 2,755,634.00	\$ 3,602,984.00	\$ 847,350.00	30.8%	\$ (137,997.37)	\$ -	\$ 83,196.60	\$ 2,700,833.23	\$ 3,548,183.23	31.4%
	50%	73,000,000	\$ 3,819,390.00	\$ 4,605,420.00	\$ 786,030.00	20.6%	\$ (229,995.62)	\$ -	\$ 138,660.99	\$ 3,728,055.37	\$ 4,514,085.37	21.1%
	70%	102,200,000	\$ 4,883,146.00	\$ 5,607,856.00	\$ 724,710.00	14.8%	\$ (321,993.87)	\$ -	\$ 194,125.39	\$ 4,755,277.52	\$ 5,479,987.52	15.2%

Assumptions:

Average usage = 0 kWh per month ***No KU Customers on this rate schedule***
 Billing Factors calculated as a unit charge based on forecast period revenues and volumes
 Analysis assumes Peak Demand at 50% of base demand
 DSM does not apply to Industrial Customers
 Calculations may vary from other schedules due to rounding
 Assumes peak demand at 50% of base based on actual FLS data

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
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 WITNESS: C. M. GARRETT

Lighting Service - Rate LS

	A	B	C	D	E	F	G	H	I	J
	Monthly	Base Rate	Base Rate	Increase	Increase	Billing Factors		Total	Total	Increase
	kW	Current	Proposed	(\$)	(%)	FAC+OSS	ECR	Current	Proposed	(%)
		Bill	Bill	[C - B]	[D / B]			Bill	Bill	[(I - H)/H]
								(\$)	(\$)	
								[B+F+G]	[C+F+G]	
OVERHEAD SERVICE										
High Pressure Sodium										
462 Cobra Head – 5,800 Lumen – Fixture Only	0.083	\$ 9.86	\$ 9.86	\$ -	0.0%	\$ (0.09)	\$ 0.68	\$ 10.44	\$ 10.44	0.0%
472 Cobra Head – 5,800 Lumen – Ornamental	0.083	\$ 13.04	\$ 15.65	\$ 2.61	20.0%	\$ (0.09)	\$ 0.68	\$ 13.62	\$ 16.23	19.2%
463 Cobra Head – 9,500 Lumen – Fixture Only	0.117	\$ 10.28	\$ 10.79	\$ 0.51	5.0%	\$ (0.13)	\$ 0.96	\$ 11.10	\$ 11.61	4.6%
473 Cobra Head – 9,500 Lumen – Ornamental	0.117	\$ 13.70	\$ 16.44	\$ 2.74	20.0%	\$ (0.13)	\$ 0.96	\$ 14.52	\$ 17.26	18.9%
464 Cobra Head – 22,000 Lumen – Fixture Only	0.242	\$ 16.08	\$ 16.08	\$ -	0.0%	\$ (0.28)	\$ 1.98	\$ 17.78	\$ 17.78	0.0%
474 Cobra Head – 22,000 Lumen – Ornamental	0.242	\$ 19.50	\$ 23.40	\$ 3.90	20.0%	\$ (0.28)	\$ 1.98	\$ 21.20	\$ 25.10	18.4%
465 Cobra Head – 50,000 Lumen – Fixture Only	0.471	\$ 25.61	\$ 25.61	\$ -	0.0%	\$ (0.54)	\$ 3.85	\$ 28.93	\$ 28.93	0.0%
475 Cobra Head – 50,000 Lumen – Ornamental	0.471	\$ 27.37	\$ 32.84	\$ 5.47	20.0%	\$ (0.54)	\$ 3.85	\$ 30.69	\$ 36.16	17.8%
487 Directional – 9,500 Lumen – Fixture Only	0.117	\$ 10.13	\$ 10.44	\$ 0.31	3.1%	\$ (0.13)	\$ 0.96	\$ 10.95	\$ 11.26	2.8%
488 Directional – 22,000 Lumen – Fixture Only	0.242	\$ 15.42	\$ 15.42	\$ -	0.0%	\$ (0.28)	\$ 1.98	\$ 17.12	\$ 17.12	0.0%
489 Directional – 50,000 Lumen – Fixture Only	0.471	\$ 21.95	\$ 21.95	\$ -	0.0%	\$ (0.54)	\$ 3.85	\$ 25.27	\$ 25.27	0.0%
428 Open Bottom – 9,500 Lumen – Fixture Only	0.117	\$ 8.87	\$ 8.87	\$ -	0.0%	\$ (0.13)	\$ 0.96	\$ 9.69	\$ 9.69	0.0%
Metal Halide										
451 Directional – 32,000 Lumen – Fixture Only	0.35	\$ 22.80	\$ 22.80	\$ -	0.0%	\$ (0.40)	\$ 2.86	\$ 25.27	\$ 25.27	0.0%
Light Emitting Diode (LED) (new rate schedule)										
390 Cobra Head – 8,179 Lumen	0.08	\$ -	\$ 15.21	\$ 15.21	N/A	\$ (0.09)	\$ 0.65	\$ -	\$ 15.77	N/A
391 Cobra Head – 14,166 Lumen	0.134	\$ -	\$ 18.42	\$ 18.42	N/A	\$ (0.15)	\$ 1.10	\$ -	\$ 19.36	N/A
392 Cobra Head – 23,214 Lumen	0.228	\$ -	\$ 28.09	\$ 28.09	N/A	\$ (0.26)	\$ 1.87	\$ -	\$ 29.70	N/A
393 Cobra Head – 5,007 Lumen	0.05	\$ -	\$ 10.13	\$ 10.13	N/A	\$ (0.06)	\$ 0.41	\$ -	\$ 10.48	N/A

Assumptions:

Billing Factors calculated as a unit charge based on forecast period revenues and volumes and assuming October hours of usage
 Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
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 WITNESS: **C. M. GARRETT**

Lighting Service - Rate LS

	A	B	C	D	E	F	G	H	I	J
	Monthly	Base Rate	Base Rate	Increase	Increase	Billing Factors		Total	Total	Increase
	kW	Current	Proposed	(\$)	(%)	FAC+OSS	ECR	Current	Proposed	(%)
		Bill	Bill	[C - B]	[D / B]			Bill	Bill	[(I - H)/H]
								(\$)	(\$)	
								[B+F+G]	[C+F+G]	
UNDERGROUND SERVICE										
High Pressure Sodium										
467 Colonial – 5,800 Lumen – Decorative	0.083	\$ 12.14	\$ 14.57	\$ 2.43	20.0%	\$ (0.09)	\$ 0.68	\$ 12.72	\$ 15.15	19.1%
468 Colonial – 9,500 Lumen – Decorative	0.117	\$ 12.46	\$ 14.95	\$ 2.49	20.0%	\$ (0.13)	\$ 0.96	\$ 13.28	\$ 15.77	18.7%
401 Acorn – 5,800 Lumen – Smooth Pole	0.083	\$ 16.57	\$ 19.88	\$ 3.31	20.0%	\$ (0.09)	\$ 0.68	\$ 17.15	\$ 20.46	19.3%
411 Acorn – 5,800 Lumen – Fluted Pole	0.083	\$ 23.63	\$ 28.36	\$ 4.73	20.0%	\$ (0.09)	\$ 0.68	\$ 24.21	\$ 28.94	19.5%
420 Acorn – 9,500 Lumen – Smooth Pole	0.117	\$ 17.01	\$ 20.41	\$ 3.40	20.0%	\$ (0.13)	\$ 0.96	\$ 17.83	\$ 21.23	19.1%
430 Acorn – 9,500 Lumen – Fluted Pole	0.117	\$ 24.20	\$ 29.04	\$ 4.84	20.0%	\$ (0.13)	\$ 0.96	\$ 25.02	\$ 29.86	19.3%
414 Victorian 5,800 Lumen – Fluted Pole	0.083	\$ 33.87	\$ 36.70	\$ 2.83	8.4%	\$ (0.09)	\$ 0.68	\$ 34.45	\$ 37.28	8.2%
415 Victorian 9,500 Lumen – Fluted Pole	0.117	\$ 34.19	\$ 37.46	\$ 3.27	9.6%	\$ (0.13)	\$ 0.96	\$ 35.01	\$ 38.28	9.3%
476 Contemporary – 5,800 Lumen – Fixture/Pole	0.083	\$ 18.66	\$ 22.39	\$ 3.73	20.0%	\$ (0.09)	\$ 0.68	\$ 19.24	\$ 22.97	19.4%
492 Contemporary – 5,800 Lumen – 2nd Fixture	0.083	\$ 17.12	\$ 17.12	\$ -	0.0%	\$ (0.09)	\$ 0.68	\$ 17.70	\$ 17.70	0.0%
477 Contemporary – 9,500 Lumen – Fixture/Pole	0.117	\$ 23.09	\$ 27.71	\$ 4.62	20.0%	\$ (0.13)	\$ 0.96	\$ 23.91	\$ 28.53	19.3%
497 Contemporary – 9,500 Lumen – 2nd Fixture	0.117	\$ 17.00	\$ 17.00	\$ -	0.0%	\$ (0.13)	\$ 0.96	\$ 17.82	\$ 17.82	0.0%
478 Contemporary– 22,000 Lumen – Fixture/Pole	0.242	\$ 29.73	\$ 35.68	\$ 5.95	20.0%	\$ (0.28)	\$ 1.98	\$ 31.43	\$ 37.38	18.9%
498 Contemporary– 22,000 Lumen – 2nd Fixture	0.242	\$ 19.84	\$ 19.84	\$ -	0.0%	\$ (0.28)	\$ 1.98	\$ 21.54	\$ 21.54	0.0%
479 Contemporary– 50,000 Lumen – Fixture/Pole	0.471	\$ 36.74	\$ 42.55	\$ 5.81	15.8%	\$ (0.54)	\$ 3.85	\$ 40.06	\$ 45.87	14.5%
499 Contemporary– 50,000 Lumen – 2nd Fixture	0.471	\$ 24.15	\$ 24.15	\$ -	0.0%	\$ (0.54)	\$ 3.85	\$ 27.47	\$ 27.47	0.0%
300 Dark Sky – 4,000 Lumen	0.06	\$ 24.72	\$ 26.46	\$ 1.74	7.0%	\$ (0.07)	\$ 0.49	\$ 25.14	\$ 26.88	6.9%
301 Dark Sky – 9,500 Lumen	0.117	\$ 25.83	\$ 28.18	\$ 2.35	9.1%	\$ (0.13)	\$ 0.96	\$ 26.65	\$ 29.00	8.8%

Assumptions:

Billing Factors calculated as a unit charge based on forecast period revenues and volumes and assuming October hours of usage
 Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
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WITNESS: C. M. GARRETT

Lighting Service - Rate LS

	A	B	C	D	E	F		G	H	I	J
	Monthly	Base Rate	Base Rate	Increase	Increase	Billing Factors			Total	Total	Increase
	kW	Current	Proposed	(\$)	(%)	FAC+OSS	ECR		Current	Proposed	(%)
		Bill	Bill	[C - B]	[D / B]				Bill	Bill	[(I - H)/H]
									(\$)	(\$)	
									[B+F+G]	[C+F+G]	
<i>Metal Halide</i>											
491 Contemporary – 32,000 Lumen– Fixture Only	0.35	\$ 24.68	\$ 24.68	\$ -	0.0%	\$ (0.40)	\$ 2.86		\$ 27.15	\$ 27.15	0.0%
495 Contemporary – 32,000 Lumen–Smooth Pole	0.35	\$ 38.64	\$ 41.06	\$ 2.42	6.3%	\$ (0.40)	\$ 2.86		\$ 41.11	\$ 43.53	5.9%
<i>Light Emitting Diode (LED) (new rate schedule)</i>											
396 Cobra Head – 8,179 Lumen	0.08	\$ -	\$ 36.27	\$ 36.27	N/A	\$ (0.09)	\$ 0.65		\$ 0.56	\$ 36.83	N/A
397 Cobra Head – 14,166 Lumen	0.134	\$ -	\$ 39.47	\$ 39.47	N/A	\$ (0.15)	\$ 1.10		\$ 0.94	\$ 40.41	N/A
398 Cobra Head – 23,214 Lumen	0.228	\$ -	\$ 49.15	\$ 49.15	N/A	\$ (0.26)	\$ 1.87		\$ 1.61	\$ 50.76	N/A
399 Cobra Head – 5,655 Lumen	0.068	\$ -	\$ 38.32	\$ 38.32	N/A	\$ (0.08)	\$ 0.56		\$ 0.48	\$ 38.80	N/A

Assumptions:

Billing Factors calculated as a unit charge based on forecast period revenues and volumes and assuming October hours of usage
Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
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WITNESS: C. M. GARRETT

Restricted Lighting Service - Rate RLS

	A	B	C	D	E	F	G	H	I	J
	Monthly	Base Rate	Base Rate			Billing Factors		Total	Total	
	kW	Current	Proposed	Increase	Increase	FAC+OSS	ECR	Current	Proposed	Increase
		Bill	Bill	(\$)	(%)			Bill	Bill	(%)
				[C - B]	[D / B]			[B+F+G]	[C+F+G]	[(I - H)/H]
OVERHEAD SERVICE										
<i>High Pressure Sodium</i>										
461 Cobra Head – 4,000 Lumen – Fixture Only	0.06	\$ 8.53	\$ 10.07	\$ 1.54	18.1%	\$ (0.07)	\$ 0.49	\$ 8.95	\$ 10.49	17.2%
471 Cobra Head – 4,000 Lumen – Fixture & Pole	0.06	\$ 11.73	\$ 14.08	\$ 2.35	20.0%	\$ (0.07)	\$ 0.49	\$ 12.15	\$ 14.50	19.3%
409 Cobra Head – 50,000 Lumen – Fixture Only	0.471	\$ 13.56	\$ 16.27	\$ 2.71	20.0%	\$ (0.54)	\$ 3.85	\$ 16.88	\$ 19.59	16.1%
426 Open Bottom – 5,800 Lumen – Fixture Only	0.083	\$ 8.54	\$ 8.54	\$ -	0.0%	\$ (0.09)	\$ 0.68	\$ 9.12	\$ 9.12	0.0%
<i>Metal Halide</i>										
450 Direct – 12,000 Lumen – Fixture Only *	0.15	\$ 16.13	\$ 16.13	\$ -	0.0%	\$ (0.17)	\$ 1.23	\$ 17.19	\$ 17.19	0.0%
454 Direct – 12,000 Lumen–Flood Fixture & Pole	0.15	\$ 20.89	\$ 20.89	\$ -	0.0%	\$ (0.17)	\$ 1.23	\$ 21.95	\$ 21.95	0.0%
455 Direct – 32,000 Lumen–Flood Fixture & Pole	0.35	\$ 27.56	\$ 27.56	\$ -	0.0%	\$ (0.40)	\$ 2.86	\$ 30.03	\$ 30.03	0.0%
452 Direct – 107,800 Lumen – Fixture Only *	1.08	\$ 47.70	\$ 47.70	\$ -	0.0%	\$ (1.23)	\$ 8.84	\$ 55.31	\$ 55.31	0.0%
459 Direct – 107,800 Lumen–Flood Fixture & Pole	1.08	\$ 52.45	\$ 52.45	\$ -	0.0%	\$ (1.23)	\$ 8.84	\$ 60.06	\$ 60.06	0.0%
<i>Mercury Vapor</i>										
446 Cobra Head – 7,000 Lumen – Fixture Only	0.207	\$ 10.77	\$ 11.09	\$ 0.32	3.0%	\$ (0.24)	\$ 1.69	\$ 12.23	\$ 12.55	2.6%
456 Cobra Head – 7,000 Lumen – Fixture & Pole	0.207	\$ 13.27	\$ 14.01	\$ 0.74	5.6%	\$ (0.24)	\$ 1.69	\$ 14.73	\$ 15.47	5.0%
447 Cobra Head – 10,000 Lumen – Fixture Only	0.294	\$ 12.77	\$ 13.49	\$ 0.72	5.6%	\$ (0.33)	\$ 2.41	\$ 14.84	\$ 15.56	4.9%
457 Cobra Head – 10,000 Lumen – Fixture & Pole	0.294	\$ 14.98	\$ 15.82	\$ 0.84	5.6%	\$ (0.33)	\$ 2.41	\$ 17.05	\$ 17.89	4.9%
448 Cobra Head – 20,000 Lumen – Fixture Only	0.453	\$ 14.45	\$ 14.88	\$ 0.43	3.0%	\$ (0.52)	\$ 3.71	\$ 17.64	\$ 18.07	2.4%
458 Cobra Head – 20,000 Lumen – Fixture & Pole	0.453	\$ 16.91	\$ 17.86	\$ 0.95	5.6%	\$ (0.52)	\$ 3.71	\$ 20.10	\$ 21.05	4.7%
404 Open Bottom – 7,000 Lumen – Fixture Only	0.207	\$ 11.87	\$ 11.87	\$ -	0.0%	\$ (0.24)	\$ 1.69	\$ 13.33	\$ 13.33	0.0%

Assumptions:

Billing Factors calculated as a unit charge based on forecast period revenues and volumes and assuming October hours of usage

Calculations may vary from other schedules due to rounding

* Transferred from Lighting Service - Rate LS

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

SCHEDULE N
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WITNESS: C. M. GARRETT

DATA: ___BASE PERIOD__X__FORECASTED PERIOD
 TYPE OF FILING: __X__ ORIGINAL ___ UPDATED ___ REVISED
 WORKPAPER REFERENCE NO(S): _____

<u>Restricted Lighting Service - Rate RLS</u>	A	B	C	D	E	F		G	H	I	J
	Monthly kW	Base Rate Current Bill	Base Rate Proposed Bill	Increase (\$) [C - B]	Increase (%) [D / B]	FAC+OSS	ECR	Total Current Bill (\$) [B+F+G]	Total Proposed Bill (\$) [C+F+G]	Increase (%) [(I - H)/H]	
<i>Incandescent</i>											
421 Tear Drop – 1,000 Lumen – Fixture Only	0.102	\$ 3.81	\$ 3.81	\$ -	0.0%	\$ (0.12)	\$ 0.83	\$ 4.53	\$ 4.53	0.0%	
422 Tear Drop – 2,500 Lumen – Fixture Only	0.201	\$ 5.11	\$ 5.11	\$ -	0.0%	\$ (0.23)	\$ 1.65	\$ 6.53	\$ 6.53	0.0%	
424 Tear Drop – 4,000 Lumen – Fixture Only	0.327	\$ 7.63	\$ 7.63	\$ -	0.0%	\$ (0.37)	\$ 2.68	\$ 9.93	\$ 9.93	0.0%	
425 Tear Drop – 6,000 Lumen – Fixture Only	0.447	\$ 10.19	\$ 10.19	\$ -	0.0%	\$ (0.51)	\$ 3.66	\$ 13.34	\$ 13.34	0.0%	
UNDERGROUND SERVICE											
<i>Metal Halide</i>											
460 Direct – 12,000 Lumen – Flood Fixture & Pole	0.15	\$ 30.10	\$ 35.23	\$ 5.13	17.0%	\$ (0.17)	\$ 1.23	\$ 31.16	\$ 36.29	16.5%	
469 Direct – 32,000 Lumen – Flood Fixture & Pole	0.35	\$ 36.77	\$ 39.76	\$ 2.99	8.1%	\$ (0.40)	\$ 2.86	\$ 39.24	\$ 42.23	7.6%	
470 Direct – 107,800 Lumen – Flood Fixture & Pole	1.08	\$ 61.66	\$ 61.66	\$ -	0.0%	\$ (1.23)	\$ 8.84	\$ 69.27	\$ 69.27	0.0%	
490 Contemporary – 12,000 Lumen– Fixture Only *	0.15	\$ 17.45	\$ 17.45	\$ -	0.0%	\$ (0.17)	\$ 1.23	\$ 18.51	\$ 18.51	0.0%	
494 Contemporary – 12,000 Lumen– Smooth Pole *	0.15	\$ 31.42	\$ 31.42	\$ -	0.0%	\$ (0.17)	\$ 1.23	\$ 32.48	\$ 32.48	0.0%	
493 Contemporary – 107,800 Lumen– Fixture Only *	1.08	\$ 51.32	\$ 51.32	\$ -	0.0%	\$ (1.23)	\$ 8.84	\$ 58.93	\$ 58.93	0.0%	
496 Contemporary – 107,800 Lumen–Smooth Pole *	1.08	\$ 65.28	\$ 65.28	\$ -	0.0%	\$ (1.23)	\$ 8.84	\$ 72.89	\$ 72.89	0.0%	
<i>High Pressure Sodium</i>											
440 Acorn – 4,000 Lumen – Flood Fixture & Pole	0.06	\$ 15.11	\$ 18.13	\$ 3.02	20.0%	\$ (0.07)	\$ 0.49	\$ 15.53	\$ 18.55	19.4%	
410 Acorn – 4,000 Lumen – Fluted Pole	0.06	\$ 22.31	\$ 26.77	\$ 4.46	20.0%	\$ (0.07)	\$ 0.49	\$ 22.73	\$ 27.19	19.6%	
466 Colonial – 4,000 Lumen – Smooth Pole	0.06	\$ 10.79	\$ 12.95	\$ 2.16	20.0%	\$ (0.07)	\$ 0.49	\$ 11.21	\$ 13.37	19.3%	
412 Coach – 5,800 Lumen – Smooth Pole	0.083	\$ 33.87	\$ 36.70	\$ 2.83	8.4%	\$ (0.09)	\$ 0.68	\$ 34.45	\$ 37.28	8.2%	
413 Coach – 9,500 Lumen – Smooth Pole	0.117	\$ 34.19	\$ 37.46	\$ 3.27	9.6%	\$ (0.13)	\$ 0.96	\$ 35.01	\$ 38.28	9.3%	
<i>Granville Pole and Fixture, 16,000 Lumen</i>											
360 Granville Pole and Fixture, 16000L	0.181	\$ 62.30	\$ 62.30	\$ -	0.0%	\$ (0.21)	\$ 1.48	\$ 63.58	\$ 63.58	0.0%	

Assumptions:

Billing Factors calculated as a unit charge based on forecast period revenues and volumes and assuming October hours of usage

Calculations may vary from other schedules due to rounding

* Transferred from Lighting Service - Rate LS

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

SCHEDULE N
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 WITNESS: C. M. GARRETT

Lighting Energy Service - Rate LE

kWh	A	B	C	D	E		F	G	H	I
	Base Rate	Base Rate	Increase	Increase	Billing Factors		Total	Total	Increase	
	Current	Proposed			FAC+OSS	ECR				Current
	Bill	Bill	(\$)	(%)			Bill	Bill	(%)	
			[B - A]	[C / A]			[A+F+G]	[B+F+G]	[(H - G)/G]	
500	\$36.64	\$36.64	\$ -	0.0%	\$ (1.58)	\$ 4.63	\$ 39.69	\$ 39.69	0.0%	
1,000	\$73.28	\$73.28	\$ -	0.0%	\$ (3.16)	\$ 9.27	\$ 79.39	\$ 79.39	0.0%	
2,500	\$183.20	\$183.20	\$ -	0.0%	\$ (7.89)	\$ 23.17	\$ 198.48	\$ 198.48	0.0%	
5,000	\$366.40	\$366.40	\$ -	0.0%	\$ (15.78)	\$ 46.35	\$ 396.97	\$ 396.97	0.0%	
10,000	\$732.80	\$732.80	\$ -	0.0%	\$ (31.56)	\$ 92.70	\$ 793.94	\$ 793.94	0.0%	
12,500	\$916.00	\$916.00	\$ -	0.0%	\$ (39.45)	\$ 115.87	\$ 992.42	\$ 992.42	0.0%	
15,000	\$1,099.20	\$1,099.20	\$ -	0.0%	\$ (47.34)	\$ 139.05	\$ 1,190.91	\$ 1,190.91	0.0%	
17,500	\$1,282.40	\$1,282.40	\$ -	0.0%	\$ (55.24)	\$ 162.22	\$ 1,389.38	\$ 1,389.38	0.0%	

Assumptions:

- Average usage = 9,307 kWh per month
- Calculations may vary from other schedules due to rounding
- Billing Factors calculated as a unit charge based on forecast period revenues and volumes
- DSM does not apply to this rate schedule

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

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

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WITNESS: C. M. GARRETT

Traffic Energy Service - Rate TE

kWh	A	B	C	D	E		F	G	H	I
	Base Rate	Base Rate	Increase	Increase	Billing Factors		Total	Total	Increase	
	Current	Proposed			FAC+OSS	ECR				Current
	Bill	Bill	(\$)	(%)			Bill	Bill	(%)	
			[B - A]	[C / A]			[A+F+G]	[B+F+G]	[(H - G)/G]	
50	\$8.37	\$8.64	\$ 0.27	3.3%	\$ (0.16)	\$ 0.36	\$ 8.57	\$ 8.84	3.2%	
100	\$12.74	\$13.29	\$ 0.55	4.3%	\$ (0.31)	\$ 0.72	\$ 13.15	\$ 13.70	4.2%	
200	\$21.48	\$22.58	\$ 1.10	5.1%	\$ (0.62)	\$ 1.44	\$ 22.30	\$ 23.40	4.9%	
300	\$30.22	\$31.87	\$ 1.65	5.5%	\$ (0.93)	\$ 2.15	\$ 31.44	\$ 33.09	5.2%	
400	\$38.96	\$41.16	\$ 2.20	5.6%	\$ (1.25)	\$ 2.87	\$ 40.58	\$ 42.78	5.4%	
500	\$47.70	\$50.45	\$ 2.75	5.8%	\$ (1.56)	\$ 3.59	\$ 49.73	\$ 52.48	5.5%	
750	\$69.55	\$73.67	\$ 4.12	5.9%	\$ (2.33)	\$ 5.39	\$ 72.61	\$ 76.73	5.7%	
1,000	\$91.40	\$96.89	\$ 5.49	6.0%	\$ (3.11)	\$ 7.18	\$ 95.47	\$ 100.96	5.8%	

Assumptions:

- Average usage = 160 kWh per month
- Billing Factors calculated as a unit charge based on forecast period revenues and volumes
- DSM does not apply to this rate schedule
- Calculations may vary from other schedules due to rounding

KENTUCKY UTILITIES COMPANY
CASE NO. 2016-00370
Typical Bill Comparison under Present & Proposed Rates
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
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Pole and Structure Attachment Charges – Rate PSA (new rate schedule)

Pole Attachments	A Current Bill	B Proposed Bill	C Increase (\$) [B - A]	D Increase (%) [C / A]
1,000	\$ 7,250.00	\$ 7,250.00	\$ -	0.0%
5,000	\$ 36,250.00	\$ 36,250.00	\$ -	0.0%
10,000	\$ 72,500.00	\$ 72,500.00	\$ -	0.0%
20,000	\$ 145,000.00	\$ 145,000.00	\$ -	0.0%
30,000	\$ 217,500.00	\$ 217,500.00	\$ -	0.0%
40,000	\$ 290,000.00	\$ 290,000.00	\$ -	0.0%
50,000	\$ 362,500.00	\$ 362,500.00	\$ -	0.0%
100,000	\$ 725,000.00	\$ 725,000.00	\$ -	0.0%

Rate PSA to replace Cable Television Attachment Charges - Rate CTAC
Other Attachment Charges: \$ 0.81 per year for each linear foot of duct.
\$84.00 per year for each Wireless Facility.

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 17
Sponsoring Witness: Robert M. Conroy
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Description of Filing Requirement:

Section 17. Notice of General Rate Adjustment. Upon filing an application for a general rate adjustment, a utility shall provide notice as established in this section.

(1) Public postings.

(a) A utility shall post at its place of business a copy of the notice no later than the date the application is submitted to the commission.

(b) A utility that maintains a Web site shall, within five (5) business days of the date the application is submitted to the commission, post on its Web sites:

1. A copy of the public notice; and

2. A hyperlink to the location on the commission's Web site where the case documents are available.

(c) The information required in paragraphs (a) and (b) of this subsection shall not be removed until the commission issues a final decision on the application.

(2) Customer Notice.

(a) If a utility has twenty (20) or fewer customers, the utility shall mail a written notice to each customer no later than the date on which the application is submitted to the commission.

(b) If a utility has more than twenty (20) customers, it shall provide notice by:

1. Including notice with customer bills mailed no later than the date the application is submitted to the commission;

2. Mailing a written notice to each customer no later than the date the application is submitted to the commission;

3. Publishing notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made no later than the date the application is submitted to the commission; or

4. Publishing notice in a trade publication or newsletter delivered to all customers no later than the date the application is submitted to the commission.

(c) A utility that provides service in more than one (1) county may use a combination of the notice methods listed in paragraph (b) of this subsection.

(3) Proof of Notice. A utility shall file with the commission no later than forty-five (45) days from the date the application was initially submitted to the commission:

(a) If notice is mailed to its customers, an affidavit from an authorized representative of the utility verifying the contents of the notice, that notice was mailed to all customers, and the date of the mailing;

(b) If notice is published in a newspaper of general circulation in the utility's service area, an affidavit from the publisher verifying the contents of the notice, that the notice was published, and the dates of the notice's publication; or

(c) If notice is published in a trade publication or newsletter delivered to all customers, an affidavit from an authorized representative of the utility verifying the contents of the

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
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notice, the mailing of the trade publication or newsletter, that notice was included in the publication or newsletter, and the date of mailing.

(4) Notice Content. Each notice issued in accordance with this section shall contain:

(a) The proposed effective date and the date the proposed rates are expected to be filed with the commission;

(b) The present rates and proposed rates for each customer classification to which the proposed rates will apply;

(c) The amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rates will apply;

(d) The amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply, except for local exchange companies, which shall include the effect upon the average bill for each customer classification for the proposed rate change in basic local service;

(e) A statement that a person may examine this application at the offices of (utility name) located at (utility address);

(f) A statement that a person may examine this application at the commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the commission's Web site at <http://psc.ky.gov>;

(g) A statement that comments regarding the application may be submitted to the Public Service Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602;

(h) A statement that the rates contained in this notice are the rates proposed by (utility name) but that the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice;

(i) A statement that a person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party; and

(j) A statement that if the commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the commission may take final action on the application.

(5) Abbreviated form of notice. Upon written request, the commission may grant a utility permission to use an abbreviated form of published notice of the proposed rates, provided the notice includes a coupon that may be used to obtain all of the required information.

Kentucky Utilities Company
Case No. 2016-00370
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 17
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Response:

Section 17(1)

A copy of the notice and Application will be posted at One Quality Street, Lexington, KY. KU will also make available on the Company website a copy of the public notice and a hyperlink to the Kentucky Public Service Commission's website where the case documents will be available.

Section 17(2)

KU will publish notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made no later than the date the Application is submitted to the commission. See KU's Response to Filing Requirement 807 KAR 5:001 Section 16(1)(b)(5)[Tab 6].

Section 17(3)

KU will comply with 807 KAR 5:001, Section 17(3)(b) by providing the affidavits within forty-five (45) days of the date on which KU filed its Application.

Section 17(4)

See KU's Application and a copy of the Certificate of Notice attached to KU's Response to Filing Requirement 807 KAR 5:001 Section 16(1)(b)(5)[Tab 6].

Section 17(5)

Not applicable to KU's Application.