



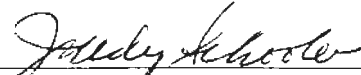
**VERIFICATION**

**COMMONWEALTH OF KENTUCKY** )  
 ) **SS:**  
**COUNTY OF JEFFERSON** )

The undersigned, **Christopher M. Garrett**, being duly sworn, deposes and says that he is Director – Rates for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

  
Christopher M. Garrett

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 3rd day of January 2017.

 (SEAL)  
Judy Schooler  
Notary Public

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

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**January 3, 2017 Supplemental Response to Commission Staff's First Request for  
Information  
Dated November 10, 2016**

**Case No. 2016-00371**

**Question No. 46**

**Responding Witness: Valerie L. Scott**

Q-46. As the historical data becomes available, provide detailed monthly income statements for each forecasted month of the base period including the month in which the Commission hears this case.

A-46. **Original Response:**

See attached income statements for September and October 2016. Income statements for subsequent months will be provided as they become available.

**January 3, 2017 Supplemental Response:**

See attached income statement for November 2016. Income statements for subsequent months will be provided as they become available.

**Louisville Gas and Electric Company**  
**Comparative Statement of Income**  
**November 30, 2016**

	Current Month			
	This Year	Last Year	Increase or Decrease	
	Amount	Amount	Amount	%
Electric Operating Revenues.....	\$ 80,890,414.78	\$ 79,188,918.84	\$ 1,701,495.94	2.15
Gas Operating Revenues.....	27,942,369.85	27,151,208.22	791,161.63	2.91
<b>Total Operating Revenues.....</b>	<b>108,832,784.63</b>	<b>106,340,127.06</b>	<b>2,492,657.57</b>	<b>2.34</b>
Fuel for Electric Generation.....	20,262,096.21	21,269,428.72	(1,007,332.51)	(4.74)
Power Purchased.....	4,196,418.56	4,053,476.34	142,942.22	3.53
Gas Supply Expenses.....	11,090,319.69	8,848,311.20	2,242,008.49	25.34
Other Operation Expenses.....	18,810,633.61	20,178,577.86	(1,367,944.25)	(6.78)
Maintenance.....	10,915,491.67	7,636,442.79	3,279,048.88	42.94
Depreciation.....	13,487,754.30	12,470,514.15	1,017,240.15	8.16
Amortization Expense.....	953,322.11	893,415.09	59,907.02	6.71
Regulatory Dedits.....	20,124.77	-	20,124.77	100.00
Regulatory Credits.....	-	-	-	-
Taxes				
Federal Income.....	6,580,071.69	7,238,492.59	(658,420.90)	(9.10)
State Income.....	1,200,013.08	1,320,089.84	(120,076.76)	(9.10)
Deferred Federal Income - Net.....	0.01	-	0.01	100.00
Deferred State Income - Net.....	-	-	-	-
Property and Other.....	3,342,623.19	3,068,525.41	274,097.78	8.93
Investment Tax Credit.....	-	-	-	-
Amortization of Investment Tax Credit.....	(102,436.00)	(111,553.00)	9,117.00	8.17
Loss (Gain) from Disposition of Allowances.....	-	-	-	-
Accretion Expense.....	-	-	-	-
<b>Total Operating Expenses.....</b>	<b>90,756,432.89</b>	<b>86,865,720.99</b>	<b>3,890,711.90</b>	<b>4.48</b>
Net Operating Income.....	18,076,351.74	19,474,406.07	(1,398,054.33)	(7.18)
Other Income Less Deductions.....	(168,500.70)	(257,898.09)	89,397.39	34.66
<b>Income Before Interest Charges.....</b>	<b>17,907,851.04</b>	<b>19,216,507.98</b>	<b>(1,308,656.94)</b>	<b>(6.81)</b>
Interest on Long-Term Debt.....	5,378,751.79	5,525,300.27	(146,548.48)	(2.65)
Amortization of Debt Expense - Net.....	249,803.43	283,453.61	(33,650.18)	(11.87)
Other Interest Expenses.....	124,660.43	110,626.39	14,034.04	12.69
<b>Total Interest Charges.....</b>	<b>5,753,215.65</b>	<b>5,919,380.27</b>	<b>(166,164.62)</b>	<b>(2.81)</b>
<b>Net Income.....</b>	<b>\$ 12,154,635.39</b>	<b>\$ 13,297,127.71</b>	<b>\$ (1,142,492.32)</b>	<b>(8.59)</b>

December 21, 2016

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**January 3, 2017 Supplemental Response to Commission Staff's First Request for  
Information  
Dated November 10, 2016**

**Case No. 2016-00370**

**Question No. 60**

**Responding Witness: Christopher M. Garrett**

Q-60. Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of expenses incurred to date for the following categories:

- (1) Accounting;
- (2) Engineering;
- (3) Legal;
- (4) Consultants; and
- (5) Other Expenses (Identify separately).

For each category, the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of contracts or other documentation that support charges incurred in the preparation of this case. Identify any costs incurred for this case that occurred during the base period.

- b. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting work papers and calculations.
- c. Provide monthly updates of the actual costs incurred in conjunction with this rate case, reported in the manner requested in (a) above. Updates will be due when the utility files its monthly financial statements with the Commission, through the month of the public hearing.

**A-60. Original Response:**

- a. See attached.
- b. See attached.
- c. The Company will provide monthly updates as requested.

**January 3, 2017 Supplemental Response for Question No. 60(c):**

Attached are the Schedule of Rate Case Expenses (Attachment 1) and the associated invoices (Attachment 2) recorded by Louisville Gas and Electric Company for November 2016.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

Schedule of Rate Case Preparation Costs

Response to Commission's Order

Dated December 22, 2016

Question No. 60 (c)

Responding Witness: Christopher M. Garrett

Date	Invoice #	Vendor Name	Hours (1)	Rate/Hr	Amount	Description	Account
2-Nov-16	262	LANGLEY & BROMBERG		390.00	1,955.54	Professional legal services	182335
SUBTOTAL LEGAL OUTSIDE COUNSEL LG&E ELECTRIC					1,955.54		
<b>TOTAL LEGAL OUTSIDE COUNSEL LG&amp;E ELECTRIC</b>					<b>1,955.54</b>		
19-Oct-16	060231*1970	GANNETT FLEMING - DEPRECIATION CONSULTING SERVICES			2,242.50	Consulting work related to the upcoming rate case	182335
1-Oct-16	THEPRI110116	THE PRIME GROUP LLC	38.80	199.60	7,744.56	Consulting work related to the upcoming rate case	182335
1-Nov-16	THEPRI100116	THE PRIME GROUP LLC	147.86	199.94	29,562.83	Consulting work related to the upcoming rate case	182335
31-Oct-16	FINANC093016	FINANCIAL CONCEPTS & APPLICATIONS INC	3.29	300.36	988.20	Consulting work related to the upcoming rate case	182335
30-Sep-16	FINANC103116	FINANCIAL CONCEPTS & APPLICATIONS INC	12.26	282.11	3,458.70	Consulting work related to the upcoming rate case	182335
SUBTOTAL CONSULTANTS LG&E ELECTRIC					43,996.79		
<b>TOTAL CONSULTANTS LG&amp;E ELECTRIC</b>					<b>43,996.79</b>		
SUBTOTAL SUPPLIES/SERVICES - OTHER LG&E ELECTRIC					-		
<b>TOTAL SUPPLIES/SERVICES - OTHER LG&amp;E ELECTRIC</b>					<b>-</b>		
<b>TOTAL LG&amp;E ELECTRIC</b>					<b>45,952.33</b>		

January 3, 2017

Supplemental Attachment 1 to Response to PSC-1 Question No. 60(c)

Page 1 of 2

Garrett

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

Schedule of Rate Case Preparation Costs

Response to Commission's Order

Dated December 22, 2016

Question No. 60 (c)

Responding Witness: Christopher M. Garrett

Date	Invoice #	Vendor Name	Hours (1)	Rate/Hr	Amount	Description	Account
2-Nov-16	262	LANGLEY & BROMBERG			555.67	Professional legal services	182336
SUBTOTAL LEGAL OUTSIDE COUNSEL LG&E GAS					555.67		
<b>TOTAL LEGAL OUTSIDE COUNSEL LG&amp;E GAS</b>					<b>555.67</b>		
19-Oct-16	060231*1970	GANNETT FLEMING - DEPRECIATION CONSULTING SERVICES			105.00	Consulting work related to the upcoming rate case	182336
1-Oct-16	THEPRI110116	THE PRIME GROUP LLC	11.02	199.70	2,200.64	Consulting work related to the upcoming rate case	182336
1-Nov-16	THEPRI100116	THE PRIME GROUP LLC	42.02	199.91	8,400.37	Consulting work related to the upcoming rate case	182336
31-Oct-16	FINANC093016	FINANCIAL CONCEPTS & APPLICATIONS INC	0.94	300.00	280.80	Consulting work related to the upcoming rate case	182336
30-Sep-16	FINANC103116	FINANCIAL CONCEPTS & APPLICATIONS INC	3.48	282.41	982.80	Consulting work related to the upcoming rate case	182336
SUBTOTAL CONSULTANTS LG&E GAS					11,969.61		
<b>TOTAL CONSULTANTS LG&amp;E GAS</b>					<b>11,969.61</b>		
SUBTOTAL SUPPLIES/SERVICES - OTHER LG&E GAS					-		
<b>TOTAL SUPPLIES/SERVICES - OTHER LG&amp;E GAS</b>					<b>-</b>		
<b>TOTAL LG&amp;E GAS</b>					<b>12,525.28</b>		
<b>TOTAL RATE CASE EXPENSES FOR NOVEMBER 2016</b>					<b>58,477.61</b>		

Note (1) - Hours are calculated based on information provided on the billing statement.



# INVOICE

## ***Invoice Information***

Firm/Vendor: Langley & Bromberg  
Office: Birmingham  
Invoice Number: 262  
Date of Invoice: 11/02/2016  
Billing Period: 10/01/2016 - 10/31/2016  
Date Posted: 11/02/2016  
Invoice Description/Comment:

## ***Amount Approved***

Approved Total **\$5,343.00**  
Invoice Currency: **USD**  
Date Approved: 11/15/2016  
Final Approver: Dot O'Brien  
Approved Fees \$5,343.00  
Approved Expenses \$0.00  
Comments to AP: LEGAL SERVICES

## ***Accounting Code Allocations***

<u>Project</u>	<u>Task</u>	<u>Type</u>	<u>Org</u>	<u>Amount</u>	<u>Percentage</u>	<u>Comment</u>
122482	LGE RC-EL LGL EX	0321	026900	\$1,955.54	36.6%	LGE EL
122483	LGE RC-GCLGL EX	0321	026900	\$555.67	10.4%	LGE GAS
122484	KU RC LEGAL EXP	0321	026900	\$2,831.79	53%	KU

## ***Vendor Address & Tax Information in Serengeti Tracker***

Langley & Bromberg  
2700 US Highway 280, Ste. 240E  
Birmingham, Alabama 35223

Tel: 205-783-5750  
Fax:

*Remittance Address*  
2700 U.S. Highway 280  
Suite 240E  
Birmingham, Alabama 35223

Vendor Tax   
VAT ID: --

GST ID: --  
HST ID: --  
PST ID: --  
Sales Tax ID: --  
QST ID: --  
Withholding Tax ID: --

---

**Amount Billed**

**Billed Total**      **\$5,343.00**  
Invoice Currency: USD  
Billed Fees        \$5,343.00  
Billed Expenses   \$0.00

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**Approval History**

<u>User</u>	<u>Action</u>	<u>Date</u>	<u>Amount</u>	<u>Comment</u>
Lisa Kennedy	Posted	11/02/2016	\$5,343.00	
Kathy Wilson	Approved	11/10/2016	\$5,343.00	
Jim Dimas	Approved	11/10/2016	\$5,343.00	
Dot O'Brien	Approved	11/11/2016	\$5,343.00	
Kathy Wilson AP	Reviewed	11/15/2016	\$5,343.00	
Kathy Wilson AP	Batch Run	11/15/2016	\$5,343.00	Batch ID: 001000369 (Sent to AP: 11/15/2016 6:43:21 AM)

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**Additional Financial Information**

Oracle Vendor Number:    74771  
Vendor Pay Site:            PY-ACH  
Name of Invoice File in .Zip: Langley & Bromberg - 262.html  
Comments to Firm:  
AP Route:                    Default AP Route

---

**Matter Information**

Matter Name (Short):    Rate Case Kentucky 2016-Joint Use Agreements  
Matter ID:                31497.01  
Lead Company Person:    Dimas, Jim  
Organizational Unit:     LKE > KU and LG&E > Corporate

Practice Group: LKE Legal > Regulatory > State  
 Law Firm Matter No.: 001  
 Country (in Matter): United States

**Invoice Line Items:**

<u>Date</u>	<u>Description Narrative</u>	<u>Timekeeper</u>	<u>Units</u>	<u>Rate</u>	<u>Adjust Taxes</u>	<u>TaxType%</u>	<u>Amount</u>
10/03/2016 -	Work on red-line comments to September 26, 2016 draft of tariff and correspondence with Mr. Jim Dimas, Mr. Brad Hayes and Mr. Rick Pollock regarding same.	Eric Langley	1.8	\$390.00			\$702.00
10/05/2016 -	Preliminary review of updated draft pole attachment tariff and correspondence with Mr. Jim Dimas regarding same.	Eric Langley	0.2	\$390.00			\$78.00
10/06/2016 -	Review of updated draft tariff and work on red-line revisions and comments to same; correspondence with Mr. Jim Dimas and Ms. Sara Veeneman.	Eric Langley	3.5	\$390.00			\$1,365.00
10/17/2016 -	Telephone conference with Mr. Jim Dimas regarding exclusion of PCS entities from tariff; work on options and analysis in connection with same.	Eric Langley	0.5	\$390.00			\$195.00
10/18/2016 -	Research and analysis in connection with developing language to exclude PCS attachments from tariff applicability; correspondence with Mr. Jim Dimas regarding same.	Eric Langley	1.7	\$390.00			\$663.00
10/26/2016 -	Telephone conference with Mr. Jim Dimas regarding revisions to draft tariff; correspondence with Ms. Sara Veeneman regarding "macro cell" language; research and analysis in connection with differences between state and federal definitions of "telecommunications service" and correspondence with Mr. Dimas regarding same.	Eric Langley	2.7	\$390.00			\$1,053.00
10/27/2016 -	Correspondence with Mr. Jim Dimas, Ms. Sara Veeneman and Ms. Allyson Sturgeon regarding revisions to draft pole attachment tariff language.	Eric Langley	0.4	\$390.00			\$156.00
10/31/2016 -	Analysis of draft definitions of "cable television system operator" and "telecommunications carrier" in tariff; correspondence with Ms. Sara Veeneman and Mr. Jim Dimas regarding analysis and recommendations in connection with same.	Eric Langley	2.9	\$390.00			\$1,131.00



Excellence Delivered As Promised

# INVOICE

**Gannett Fleming Valuation and Rate Consultants, LLC**

LG&E and KU Services Company  
Attn: Sara Wiseman, Manager of Property Accounting  
P.O. Box 32010  
Louisville, KY 40232-7100

**ACH/EFT Payment Information:**

ABA: XXXXXXXXXX  
Account No.: XXXXXXXXXX  
Account Name: Gannett Fleming Companies

**Check Payment Information:**

Gannett Fleming Companies  
PO Box 829160  
Philadelphia, PA 19182-9160

PO # 114033  
Debra Hilbert  
11/10/16

Project: 060231  
Invoice No: 060231\*1970  
Invoice Date: October 19, 2016

Federal EIN: 46-4413705  
Send Remit Info: AccountsReivable@gfnet.com

Invoice Period: September 3, 2016 through September 30, 2016

Project Manager : John J. Spanos jspanos@gfnet.com 717 763-7211  
LG&E/KU Rate Case - Depreciation Consulting Services

Summary of Current Charges

Phase 301	- KU - RATE CASE	\$ 1,665.00 ✓
Phase 302	- LG&E - RATE CASE - ELECTRIC	2,242.50 ✓
Phase 303	- LG&E - RATE CASE - GAS	105.00 ✓
Total Charges		\$ 4,012.50 ✓
<b>Total Due This Invoice .....</b>		<b>\$4,012.50</b>

Req # 129277  
11/7/16

Project:	Task:	Exp Type:	Exp Org:	Amount
122484	KURC	10 Exp 314	0260120	\$ 1,665.00
122482	LGERC-EL	10 Exp 314	0260120	\$ 2,242.50
122483	LGERC-GS	10 Exp 314	0260120	\$ 105.00

OK to pay

J. L. Wiseman  
11/4/2016

**Gannett Fleming Valuation and Rate Consultants, LLC**
**Phase 301 -- KU - Rate Case**
**Labor Costs**

<u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Associate Analyst	2.00	\$ 150.00 ✓	\$ 300.00 ✓
John J. Spanos	3.00	245.00 ✓	735.00 ✓
Support Staff	6.00	105.00 ✓	630.00 ✓
<b>Total Labor Costs</b>			<b>\$ 1,665.00 ✓</b>
<b>Total Phase -- 301</b>			<b>\$ 1,665.00</b>

**Phase 302 -- LG&E - Rate Case - Electric**
**Labor Costs**

<u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Associate Analyst	2.00	150.00 ✓	300.00 ✓
John J. Spanos	6.00	245.00 ✓	1,470.00 ✓
Support Staff	4.50	105.00 ✓	472.50 ✓
<b>Total Labor Costs</b>			<b>\$ 2,242.50 ✓</b>
<b>Total Phase -- 302</b>			<b>\$ 2,242.50</b>

**Phase 303 -- LG&E - Rate Case - Gas**
**Labor Costs**

<u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Support Staff	1.00	105.00 ✓	105.00 ✓
<b>Total Labor Costs</b>			<b>\$ 105.00 ✓</b>
<b>Total Phase -- 303</b>			<b>\$ 105.00</b>

**Gannett Fleming, Inc. Expenditures  
by Project Number and Task**

	Phase 301 KU Electric	Phase 302 LGE Electric	Phase 303 LGE Gas
<b>Project Number</b>	122484	122482	122483
<b>Task</b>	KU RC 16 EXP	LGE RC-EL 16 EXP	LGE RC-GS 16 EXP
<b>Date</b>	Sep-16	Sep-16	Sep-16
<b>Amount</b>	1,665.00	2,242.50	105.00
<b>Date</b>	Jan-00	Jan-00	Jan-00
<b>Amount</b>	-	-	-
<b>Date</b>	Jan-00	Jan-00	Jan-00
<b>Amount</b>	-	-	-
<b>Date</b>	Jan-00	Jan-00	Jan-00
<b>Amount</b>	-	-	-
<b>Date</b>			
<b>Amount</b>			
<b>Total</b>	<u>1,665.00</u>	<u>2,242.50</u>	<u>105.00</u>
<b>Grand Total</b>	<u>1,665.00</u>	<u>2,242.50</u>	<u>105.00</u>

**4,012.50**

A

Req. 189054

P.O. 113750

Judith Scholes  
11/1/16

# The Prime Group

## Invoice for Services Rendered

Invoice Date: October 1, 2016

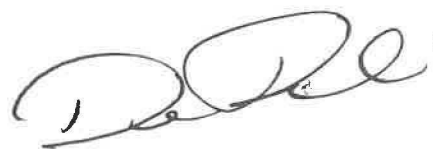
To: LG&E and KU Services Company  
220 West Main Street  
Louisville, KY 40202

Attn: Mr. Derek Rahn, Manager Revenue Requirement

Contract No. 105655

14.5 hours of consulting work by Steve Seelye @ \$230.00/hour performed during September for providing assistance with the Community Solar rate filing and data request supporting documentation.	\$ 3,335.00	RR
B 57.0 hours of consulting work by Steve Seelye @ \$230.00/hour performed during September for support on preparing for the Kentucky Rate Case for LG&E/KU	A \$ 13,110.00	DAR
B 35.0 hours of consulting work by Jeff Wernert @ \$150.00/hour performed during September for assisting Steve Seelye with Standby rate research and preparing the Cost of Service Studies for the upcoming Kentucky Rate Case for LG&E/KU	A \$ 5,250.00	DAR
B 14.0 hours of consulting work by Larry Feltner @ \$200.00/hour performed during September for assisting Steve Seelye preparing the Cost of Service Studies for the upcoming Kentucky Rate Case for LG&E/KU	A \$ 2,800.00	DAR
<b>Total due for work performed in September</b>	<b>\$ 24,495.00</b>	

Please remit payment to: **The Prime Group, LLC**  
P.O. Box 837  
Crestwood, KY 40014-0837

 10/5/16

Please note that a Late Payment Charge of 3% will be applied to the net amount owed if payment is not received within 45 days of the billing date specified above.

LG&E - electric =  
- Gas =  
KU =

E'A = 21,160  
E'B = 166

The Prime Group, LLC  
P. O. Box 837 • Crestwood, KY • 40014-0837  
Phone 502-409-4059

(A/B) =

Supplemental Attachment 2 to Response PSC-1 Question No. 60 (c)

January 3, 2017

Page 7 of 10

Garrett

# The Prime Group

Ref. 124348  
P.O. 114097  
J. Schooler  
A/P  
11/11/16

## Invoice for Services Rendered

Invoice Date: November 1, 2016

To: LG&E and KU Services Company  
220 West Main Street  
Louisville, KY 40202

Attn: Mr. Derek Rahn, Manager Revenue Requirement

Contract No. 105655

- A 166.0 hours of consulting work by Steve Seelye @ \$230.00/hour performed during October for support on preparing for the Kentucky Rate Case for LG&E/KU. \$ 38,180.00
- A 125.0 hours of consulting work by Jeff Wernert @ \$150.00/hour performed during October for assisting Steve Seelye preparing the Electric Cost of Service Studies and associated rate designs for the upcoming Kentucky Rate Case for LG&E/KU. \$ 18,750.00
- A 113.0 hours of consulting work by Larry Feltner @ \$200.00/hour performed during October for assisting Steve Seelye preparing the Gas Cost of Service Study and associated rate designs for the upcoming Kentucky Rate Case for LG&E/KU. \$ 22,600.00

Expenses related to Rate Case Preparation:

- Parking for Steve Seelye (17 days @ various rates) \$ 201.00
- Parking for Larry Feltner (7 days @ \$10/day) \$ 70.00
- Parking for Jeff Wernert (11 days @ various rates) \$ 112.00
- Meals for Steve, Larry, and Jeff \$ 859.77

**Total due for work performed in October** **B \$ 80,772.77**

**Please remit payment to: The Prime Group, LLC**  
**P.O. Box 837**  
**Crestwood, KY 40014-0837**

*[Signature]* 11/4/16  
*[Signature]* 11/4/16

Please note that a Late Payment Charge of 3% will be applied to the net amount owed if payment is not received within 45 days of the billing date specified above.

Σ A = 404  
LG&E - gas  
LG&E - electric  
KU -

The Prime Group, LLC  
P. O. Box 837 • Crestwood, KY • 40014-0837  
Phone 502-409-4059

Supplemental Attachment 2 to Response PSC-1 Question No. 60 (c)

January 3, 2017



Ref. 129152  
P.O. 113852  
A/P 11/3/16

FINANCIAL CONCEPTS AND APPLICATIONS, INC.  
3907 RED RIVER  
AUSTIN, TEXAS 78751

fincap2@texas.net  
Fax (512) 458-4768

(512) 458-4644

September 30, 2016

Mr. Chris Garrett  
Director -- Rates  
LG&E and KU Service Company  
Post Office Box 32010  
Louisville, Kentucky 40232

**DUE ON RECEIPT**

Reference No.: 01856  
Taxpayer ID No.: 74-2058652

Consulting Services:

Research, Analysis, and Testimony Preparation  
of Testimony Re: Fair Rate of Return on Equity  
for Louisville Gas & Electric and Kentucky  
Utilities. **Contract No. 62685**

For the Period:  
July 1 through September 30, 2016

Professional Time:

Adrien M. McKenzie  
9 hours @ \$ 300 \$ 2,700

**Total**

**\$ 2,700**

Bruce H. Fairchild

11/1/16

FINANCIAL CONCEPTS AND APPLICATIONS, INC.  
3907 RED RIVER  
AUSTIN, TEXAS 78751

Reg. 129541  
P.O. 114352  
J. Schulte  
11/16/16

(512) 458-4644

fincap2@texas.net  
Fax (512) 458-4768

October 31, 2016

Mr. Christopher Garrett  
Director -- Rates  
LG&E and KU Service Company  
Post Office Box 32010  
Louisville, Kentucky 40232

**DUE ON RECEIPT**

Reference No.: 01856  
Taxpayer ID No.: 74-2058652

Consulting Services:

Research, Analysis, and Testimony Preparation  
of Testimony Re: Fair Rate of Return on Equity  
for Louisville Gas & Electric and Kentucky  
Utilities. **Contract No. 62685**

For the Period:  
October 1 through October 31, 2016

Professional Time:

Adrien M. McKenzie			
21.5 hours @ \$ 300	\$		6,450
Brent Heidebrecht			
12 hours @ \$ 250			3,000

**Total**

**\$ 9,450**

Bruce H. Fairchild

Chris Garrett 11/10/16