

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND)	
ELECTRIC COMPANY FOR AN ADJUSTMENT)	CASE NO.
OF ITS ELECTRIC AND GAS RATES AND FOR)	2016-00371
CERTIFICATES OF PUBLIC CONVENIENCE)	
AND NECESSITY)	

RESPONSE OF
LOUISVILLE GAS AND ELECTRIC COMPANY
TO
COMMISSION STAFF'S POST HEARING REQUEST FOR INFORMATION
DATED MAY 12, 2017

FILED: MAY 26, 2017

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

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



Lonnie E. Bellar

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 16th day of May 2017.

 (SEAL)

Notary Public

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

VERIFICATION

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

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


_____ **Robert M. Conroy**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 26th day of May 2017.


_____ (SEAL)
Notary Public

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

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **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 26th day of May 2017.

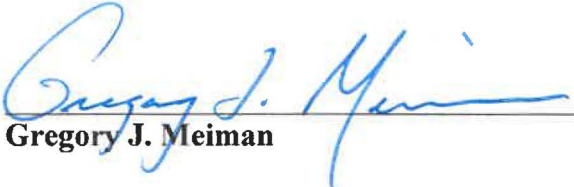
 (SEAL)
Notary Public

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

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

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


Gregory J. Meiman

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 24th day of May 2017.

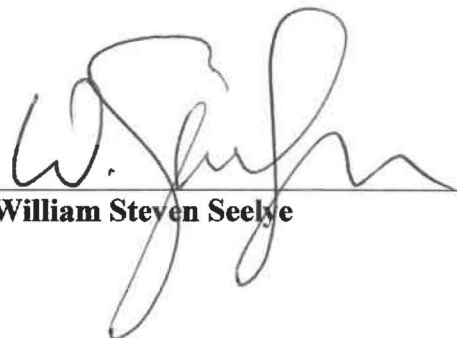
 (SEAL)
Notary Public

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

VERIFICATION

STATE OF NORTH CAROLINA)
 Henderson) SS:
COUNTY OF ~~BUNCOMBE~~)

The undersigned, **William Steven Seelye**, being duly sworn, deposes and states that he is a Principal of The Prime Group, LLC, 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.



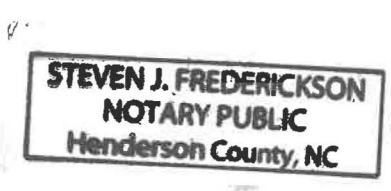
William Steven Seelye

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 16th day of May 2017.

 (SEAL)

Notary Public

My Commission Expires:
7-11-2021



VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **David S. Sinclair**, being duly sworn, deposes and says that he is Vice President, Energy Supply and Analysis for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.



David S. Sinclair

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 20th day of May 2017.



Notary Public (SEAL)

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

VERIFICATION

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF CUMBERLAND)

The undersigned, **John J. Spanos**, being duly sworn, deposes and says he is Senior Vice President, for Gannett Fleming Valuation and Rate Consultants, LLC, 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.

John J. Spanos

John J. Spanos

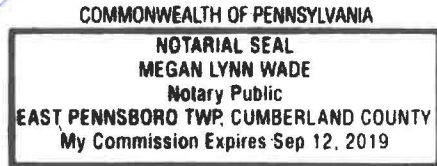
Subscribed and sworn to before me, a Notary Public in and before said County and Commonwealth, this 19th day of MAY 2017.

Megan Lynn Wade (SEAL)

Notary Public

My Commission Expires:

Sep. 12, 2019



LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 1

Responding Witness: William S. Seelye

- Q-1. Provide copies of Exhibits 4, 5, and 6 to the April 19, 2017 Stipulation and Recommendation in Excel spreadsheet format.

- A-1. See the attachments for Stipulation Exhibits 5 and 6 being provided in Excel format. Stipulation Exhibit 4 contains Kentucky Utilities Company ("KU") data and is provided in the response to Question No. 1 of the Commission Staff's Post Hearing Request for Information submitted in Case No. 2016-00370.

The attachments are
being provided in
separate files in Excel
format.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 2

Responding Witness: Christopher M. Garrett / John J. Spanos

- Q-2. Refer to the Stipulation Testimony of Kent W. Blake, page 9, regarding the "Revised depreciation rates" proposed in the Stipulation.
- a. Do the revised depreciation rates have a component for negative net salvage value for the steam generation assets?
 - b. If the answer to Item a. above is affirmative, state whether it is a single common percentage. If not, provide the percentage for each steam generation unit.
 - c. Explain why the depreciation rates for some assets increased when compared to the as-filed rates.
- A-2.
- a. All accounts within the original study and the "Revised depreciation rates" filed as an exhibit to the April 19, 2017 Stipulation have a component of negative net salvage. For production plant, and particularly the steam generation accounts, there is a component of terminal and interim net salvage within the rates.
 - b. The net salvage is not a simple common percentage. The calculation of the weighted net salvage is based on a combination of individual locations and account level analyses. The attached schedule sets forth the weighted net salvage which breaks down the depreciation rates into these components: capital recovery, cost of removal and gross salvage.
 - c. The Company applied a percentage increase to all currently approved steam depreciation rates (as opposed to a decrease to the filed rates) with the exception of certain classes where a rate of zero was applied. The Company evaluated the entire steam reserve prior to developing the subaccount rates where in a few instances, an increased weighting of interim net salvage was utilized to develop the higher rate. Additionally, the depreciation rates for Cane Run Units 4&5 plant account 314 have been adjusted to reflect a zero rate.

**LOUISVILLE GAS AND ELECTRIC COMPANY
ELECTRIC PLANT**

STIPULATED RATES BY COMPONENT

<u>ACCOUNT</u>	<u>STIPULATED RATE</u>	<u>STIPULATED LIFE RATE</u>	<u>STIPULATED COST OF REMOVAL RATE</u>	<u>STIPULATED GROSS SALVAGE RATE</u>
(1)	(2)	(3)	(4)	(5)
DEPRECIABLE PLANT				
STEAM PRODUCTION PLANT				
311.00	STRUCTURES AND IMPROVEMENTS			
	RIVERPORT DISTRIBUTION CENTER	1.84	1.47	0.37
	MILL CREEK UNIT 1	1.08	1.03	0.05
	MILL CREEK UNIT 2	1.10	1.05	0.05
	MILL CREEK-SO2 UNIT 2	0.00	0.00	0.00
	MILL CREEK UNIT 3	1.06	1.01	0.05
	MILL CREEK-SO2 UNIT 3	0.00	0.00	0.00
	MILL CREEK UNIT 4	1.84	1.75	0.09
	MILL CREEK-SO2 UNIT 4	0.56	0.53	0.03
	TRIMBLE COUNTY - UNIT 1	1.77	1.64	0.13
	TRIMBLE COUNTY - SO2 UNIT 1	1.13	1.05	0.08
	TRIMBLE COUNTY - UNIT 2	2.34	2.17	0.17
	TRIMBLE COUNTY - SO2 UNIT 2	2.34	2.17	0.17
311.10	STRUCTURES AND IMPROVEMENTS - ASH PONDS			
	MILL CREEK UNIT 1 ASH POND	0.00	0.00	0.00
	MILL CREEK UNIT 3 ASH POND	0.00	0.00	0.00
	TRIMBLE COUNTY - UNIT 1 ASH POND	0.00	0.00	0.00
312.00	BOILER PLANT EQUIPMENT			
	MILL CREEK UNIT 1	2.82	2.72	0.16
	MILL CREEK-SO2 UNIT 1	1.96	1.90	0.10
	MILL CREEK UNIT 2	3.16	3.06	0.16
	MILL CREEK-SO2 UNIT 2	1.56	1.45	0.18
	MILL CREEK UNIT 3	2.94	2.88	0.09
	MILL CREEK-SO2 UNIT 3	2.42	2.37	0.08
	MILL CREEK UNIT 4	2.83	2.77	0.10
	MILL CREEK-SO2 UNIT 4	1.74	1.67	0.12
	TRIMBLE COUNTY - UNIT 1	2.83	2.74	0.12
	TRIMBLE COUNTY - SO2 UNIT 1	1.39	1.35	0.05
	TRIMBLE COUNTY - UNIT 2	2.74	2.68	0.09
	TRIMBLE COUNTY - SO2 UNIT 2	2.75	2.68	0.09
312.10	BOILER PLANT EQUIPMENT - ASH PONDS			
	TRIMBLE COUNTY - UNIT 2 ASH POND	0.00	0.00	0.00
314.00	TURBOGENERATOR UNITS			
	MILL CREEK UNIT 1	1.15	1.14	0.08
	MILL CREEK UNIT 2	1.66	1.62	0.11
	MILL CREEK UNIT 3	2.13	2.03	0.14
	MILL CREEK UNIT 4	1.75	1.68	0.12
	TRIMBLE COUNTY - UNIT 1	2.43	2.24	0.23
	TRIMBLE COUNTY - UNIT 2	2.35	2.17	0.22

**LOUISVILLE GAS AND ELECTRIC COMPANY
ELECTRIC PLANT**

STIPULATED RATES BY COMPONENT

<u>ACCOUNT</u>	<u>STIPULATED RATE</u>	<u>STIPULATED LIFE RATE</u>	<u>STIPULATED COST OF REMOVAL RATE</u>	<u>STIPULATED GROSS SALVAGE RATE</u>
(1)	(2)	(3)	(4)	(5)
315.00	ACCESSORY ELECTRIC EQUIPMENT			
	MILL CREEK UNIT 1	3.06	2.91	0.20 (0.05)
	MILL CREEK-SO2 UNIT 1	0.00	0.00	0.00 (0.00)
	MILL CREEK UNIT 2	1.98	1.89	0.13 (0.04)
	MILL CREEK-SO2 UNIT 2	0.00	0.00	0.00 (0.00)
	MILL CREEK UNIT 3	1.02	0.96	0.07 (0.01)
	MILL CREEK-SO2 UNIT 3	0.00	0.00	0.00 (0.00)
	MILL CREEK UNIT 4	1.66	1.59	0.11 (0.04)
	MILL CREEK-SO2 UNIT 4	0.42	0.44	0.03 (0.05)
	TRIMBLE COUNTY - UNIT 1	2.23	2.05	0.21 (0.03)
	TRIMBLE COUNTY - SO2 UNIT 1	0.98	0.90	0.09 (0.01)
	TRIMBLE COUNTY - UNIT 2	2.55	2.35	0.24 (0.04)
316.00	MISCELLANEOUS PLANT EQUIPMENT			
	RIVERPORT DISTRIBUTION CENTER	3.02	2.87	0.17 (0.02)
	MILL CREEK UNIT 1	2.80	2.66	0.16 (0.02)
	MILL CREEK UNIT 2	1.96	1.87	0.11 (0.02)
	MILL CREEK UNIT 3	1.36	1.28	0.08 (0.00)
	MILL CREEK UNIT 4	3.02	2.88	0.17 (0.03)
	MILL CREEK-SO2 UNIT 4	2.28	2.17	0.13 (0.02)
	TRIMBLE COUNTY - UNIT 1	2.75	2.54	0.23 (0.02)
	TRIMBLE COUNTY - UNIT 2	2.83	2.61	0.24 (0.02)

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 3

Responding Witness: Robert M. Conroy

- Q-3. Refer to the Stipulation Testimony of Robert M. Conroy, Exhibit RMC-1. Provide revised copy of this exhibit in Excel spreadsheet format showing the effect of using a 9.75 percent return on equity in the capital structure.
- A-3. See the attachment being provided in Excel format.

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

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 4

Responding Witness: Robert M. Conroy / William S. Seelye

- Q-4. Refer to the April 19, 2017 Stipulation and Recommendation, Exhibit 4, page 21 of 21. Confirm whether the Present TODS Energy rate for the Rate P-12 Public School - Time of Day Secondary is \$0.03572, as provided on page 21, or \$0.03527, as provided on page 8 of this Exhibit. If a correction is needed, state whether the revision will change the amount of the stipulated decrease and whether page 21 of Exhibit 4 and possibly the rates for the proposed two KU pilot school tariffs should be revised and refiled.
- A-4. The question is not applicable to LG&E. See the response of Kentucky Utilities Company to Question No. 4 of the Commission Staff's Post Hearing Request for Information submitted in Case No. 2016-00370.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 5

Responding Witness: William S. Seelye

- Q-5. Refer to KU's response to Commission Staff's Second Request for Information, Items 7, 8, and 9, or LG&E's response to Commission Staff's Second Request for Information, Items 8, 9, and 10. These responses provide the supporting calculations for Tariffs EVSE, EVSE-R, and EVC. Provide revised spreadsheets, in both paper and electronically in Excel spreadsheet format, supporting the rates included in the tariffs filed with the April 19, 2017 Stipulation and Recommendation.
- A-5. See attachments being provided in PDF and Excel formats. The information requested is confidential and being provided under seal pursuant to petitions for confidential protection filed on January 25, 2017 and February 20, 2017 in this case.

Louisville Gas and Electric Company
 Support for EVSE, EVC and EVSE-R Rates
 Case No. 2016-00371

CONFIDENTIAL INFORMATION REDACTED

LOUISVILLE GAS AND ELECTRIC COMPANY
 DERIVATION OF RATES FOR EVSE
 NEW EVSE / EVC TARIFF

		LEVEL 2 Single Charger EVSE(R) & EVSE	LEVEL 2 Single Charger EVC	LEVEL 2 Dual Charger EVSE(R) & EVSE
Estimated Investment per Unit				
Fixed Charges @ *	22.01%			
O&M (scheduled/trouble)				
Energy Management Fee (5 years)				
Networking Service Plan (5 years)				
		\$1,586.05	\$4,474.98	\$2,464.58
EVSE Monthly Rate for Equipment Only	EVSE (R)	\$132.17		\$205.38
EVC Monthly Rate for Equipment Only		\$372.92		\$446.13
EVSE Rate per Hour for Equipment Only			\$2.45	
Distribution Energy per kWh per year (Calculated with GS Rate)	0.09967	\$583.27		\$1,166.54
Distribution Energy per kwh per month		\$48.61		\$97.21
Distribution Energy per kwh per hour			\$0.3995	
Basic Service Charge		\$0.00	\$0.00	\$0.00
Fuel Adjustment Clause		\$0.00	-\$0.00826	\$0.00
Environmental Surcharge (Level 2)		\$0.00	\$0.02	\$0.00
Franchise Fee		\$0.00	\$0.00	\$0.00
School Tax		\$0.00	\$0.00	\$0.00
State Sales Tax		\$0.00	\$0.00	\$0.00
EVSE Monthly Rate for Equipment, Energy & Factors	EVSE	\$180.78		\$302.59
EVC Fee per Hour for Equipment, Energy & Factors	EVC		\$2.87	

Louisville Gas and Electric Company
 Support for EVSE, EVC and EVSE-R Rates
 Case No. 2016-00371

LG&E

EVC Capital

MONTH	DAYS / MONTH	EVC Capital			
		Single Charger		Dual Charger	
		Daily Capital	Monthly Capital	Daily Capital	Monthly Capital
JAN	31	\$12.03	\$372.92	\$14.39	\$446.13
FEB	28	\$13.32	\$372.92	\$15.93	\$446.13
MAR	31	\$12.03	\$372.92	\$14.39	\$446.13
APR	30	\$12.43	\$372.92	\$14.87	\$446.13
MAY	31	\$12.03	\$372.92	\$14.39	\$446.13
JUN	30	\$12.43	\$372.92	\$14.87	\$446.13
JUL	31	\$12.03	\$372.92	\$14.39	\$446.13
AUG	31	\$12.03	\$372.92	\$14.39	\$446.13
SEP	30	\$12.43	\$372.92	\$14.87	\$446.13
OCT	31	\$12.03	\$372.92	\$14.39	\$446.13
NOV	30	\$12.43	\$372.92	\$14.87	\$446.13
DEC	31	\$12.03	\$372.92	\$14.39	\$446.13
	<u>365</u>	\$12.27	\$4,474.98	\$14.68	\$5,353.51
		Daily Average		Daily Average	

Capital:	\$	9.81	Daily Weighted Average
	\$	2.45	Rate per Hour

Energy Calculation:	
\$0.3995	kWh charge per hour = (kWh per year x energy rate) / 365 days per year / 4 hours per day

Louisville Gas and Electric Company
 Support for EVSE, EVC and EVSE-R Rates
 Case No. 2016-00371

LG&E Fuel Adjustment Clause	Fuel Base:	0.02725	
			kWh Per Hour
	2017		4.01
April		-0.00223	
March		-0.00023	
February		-0.002	
January		-0.00333	
December	'2016	-0.0027	
November		-0.00119	
October		-0.00167	
September		-0.00132	
August		-0.00172	
July		-0.00269	
June		-0.00309	
May		-0.00257	
	Average	-0.00206	-0.00826 FAC per hour

LG&E Environmental Surcharge			
	2017	Group 1	Group 2
April		6.63%	9.81%
March		5.44%	8.06%
February		6.06%	9.01%
January		7.21%	10.74%
December	'2016	6.83%	10.20%
November		3.79%	5.70%
October		3.96%	5.97%
September		4.01%	6.06%
August		4.94%	7.53%
July		5.08%	7.81%
June		4.43%	6.84%
May		4.39%	6.82%
	Average	5.23%	7.88%

Louisville Gas and Electric Company
 Support for EVSE, EVC and EVSE-R Rates
 Case No. 2016-00371

LG&E

Weighted Average Cost of Capital (WACC)

	Capitalization Ratio	Annual R.O.E.	Annual Cost
Common	53.27%	9.75%	
Total Equity	53.27%		
Short Term	3.82%		0.72%
Long Term	42.91%		4.12%
Total Debt	46.73%		
Total WACC	100.00%		

Carrying Charge Income Tax Calculation

Weighted Cost	
5.194%	Corporate Tax Rate: 38.90%
	Carrying Charge: (Weighted Cost of Equity / (1 - CORPORATE TAX RATE)) x CORPORATE TAX RATE
	(5.194% / (1 - 38.90%)) x 38.9000%
	<u>3.307%</u>
6.989%	Overall Cost of Capital

Calculation of Annual Carrying Charge

Overall Rate of Return	6.989%
Straight Line Depreciation	
10 year useful life	10%
Income Taxes	3.307%
Property Tax	1.715%
TOTAL LEVELIZED FIXED CHARGE	22.01%

Louisville Gas and Electric Company
 Support for EVSE, EVC and EVSE-R Rates
 Case No. 2016-00371

Charging Station Consumption

LG&E	MONTH	DAYS / MONTH	kWh / DAY (HRS/MO. X KW)	kWh / MONTH	
			16		
	JAN	31		496	
	FEB	28		448	
	MAR	31		496	
	APR	30		480	
	MAY	31		496	
	JUN	30		480	
	JUL	31		496	
	AUG	31		496	
	SEP	30		480	
	OCT	31		496	
	NOV	30		480	
	DEC	31		496	
		<u>365</u>	=HRS/YEAR	<u>5,852</u>	=kWh / YEAR *

* Includes additional 1 kWh / month for display & security lighting

Louisville Gas and Electric Company
 Support for EVSE, EVC and EVSE-R Rates
 Case No. 2016-00371

CONFIDENTIAL INFORMATION REDACTED

**LG&E
 CAPITAL INVESTMENT**

Installed Cost for	Level 2 Charger		Level 2 Charger	
	<i>Single</i>		<i>Dual</i>	
Electric Vehicle Charging Station	Material	Labor	Material	Labor
Charging Station (Bollard Charger)				
Sales Tax				
Shipping cost				
Install Cost (materials / labor) EVC Only	\$1,120.00	\$12,005.00	\$1,120.00	\$12,005.00
Subtotal:		\$12,005.00		\$12,005.00
Overheads	\$0.00	\$0.00	\$0.00	\$0.00
Total with OH		\$12,005.00		\$12,005.00
Total Cost (1 year)		\$17,702.48		\$19,638.04

The attachment is
Confidential and
provided under seal in
a separate file in Excel
format.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 6

Responding Witness: Robert M. Conroy / William S. Seelye

- Q-6. Provide the changes that would be made to both the Solar Energy Credit and the Solar Capacity Charge associated with the Solar Share Program using the agreed-to 9.75 percent return on equity and under each of the corrected cost-of-service studies. The information should be provided in both paper and electronic Excel spreadsheet format.
- A-6. See Attachment LGE-6-1 – Solar Energy Credit (BIP) and Attachment LGE-6-2 – Solar Energy Credit (LOLP) for the energy credits for Rates RS and GS, which are being provided in PDF and Excel formats. The energy credits for Rates PS Secondary, PS Primary, TODS and TODP correspond to the energy charges set forth in the respective rate schedules. See also Attachment LGE-6-3 – Solar Capacity Charge, which is being provided in PDF and Excel formats.

Louisville Gas & Electric Company

Energy-Related Unit Costs based on BIP Cost of Service Study

Component of Revenue Requirement	Louisville Gas & Electric Company	
	Residential	General Service
	RS, VFD, RTOD-E, RTOD-D	GS
(1) Rate Base	\$ 18,583,062	\$ 6,038,830
(2) Rate Base Adjustments	-	-
(3) Rate Base as Adjusted	\$ 18,583,062	\$ 6,038,830
(4) Rate of Return	6.99%	6.99%
(5) Return	\$ 1,298,770	\$ 422,054
(6) Interest Expenses	\$ 487,996	\$ 157,795
(7) Net Income	\$ 810,774	\$ 264,259
(8) Income Taxes	\$ 633,670	\$ 206,535
(9) Operation and Maintenance Expenses	\$ 168,422,502	\$ 54,731,284
(10) Expense Adjustments	\$ (4,798)	\$ (17,612)
(11) Expense Adjustments - Total	\$ (4,798)	\$ (17,612)
(12) Total Cost of Service	\$ 170,350,145	\$ 55,342,260
(13) Less: Misc Revenue - Energy	\$ (15,545,980)	\$ (5,051,887)
(14) Less: Misc Revenue - Other	(210,142)	(51,075)
(15) Less: Misc Revenue - Total	\$ (15,756,122)	\$ (5,102,962)
(16) Net Cost of Service	\$ 154,594,023	\$ 50,239,299
(17) Billing Units	4,180,088,831	1,358,379,221
(18) Unit Costs	\$ 0.03698	\$ 0.03698

Source: BIP cost of Service studies filed in Case No. 2016-00371, as corrected, adjusted for stipulated revenue requirement.

Louisville Gas & Electric Company

Energy-Related Unit Costs based on LOLP Cost of Service Study

Component of Revenue Requirement	Louisville Gas & Electric Company	
	Residential	General Service
	RS, VFD, RTOD-E, RTOD-D	GS
(1) Rate Base	\$ 18,583,062	\$ 6,038,830
(2) Rate Base Adjustments	-	-
(3) Rate Base as Adjusted	\$ 18,583,062	\$ 6,038,830
(4) Rate of Return	6.99%	6.99%
(5) Return	\$ 1,298,770	\$ 422,054
(6) Interest Expenses	\$ 488,561	\$ 157,461
(7) Net Income	\$ 810,209	\$ 264,592
(8) Income Taxes	\$ 633,229	\$ 206,795
(9) Operation and Maintenance Expenses	\$ 168,422,502	\$ 54,731,284
(10) Expense Adjustments	\$ 1,100	\$ (21,822)
(11) Expense Adjustments - Total	\$ 1,100	\$ (21,822)
(12) Total Cost of Service	\$ 170,355,602	\$ 55,338,311
(13) Less: Misc Revenue - Energy	\$ (15,545,980)	\$ (5,051,887)
(14) Less: Misc Revenue - Other	(204,667)	(52,132)
(15) Less: Misc Revenue - Total	\$ (15,750,647)	\$ (5,104,019)
(16) Net Cost of Service	\$ 154,604,955	\$ 50,234,291
(17) Billing Units	4,180,088,831	1,358,379,221
(18) Unit Costs	\$ 0.03699	\$ 0.03698

Source: LOLP cost of Service studies filed in Case No. 2016-00371, as corrected, adjusted for stipulated revenue requirement.

Kentucky Utilities Company and Louisville Gas & Electric Company

Monthly Fixed Charge

	<u>KU</u>	<u>LG&E</u>
1 Cost of Solar Facilities	\$ 987,292	
2 Land Cost	\$ 68,125	
3 Company Percentage	56%	44%
Rate Base		
4 Land Cost	\$ 38,150	\$ 29,975
5 Original Cost Investment in Solar	\$ 552,884	\$ 434,409
6 Accumulated Depreciation	22,115	17,376
7 Accumulated Deferred Income Taxes (See Page 2)	95,035	74,670
8 Unamortized Investment Tax Credit (KU Only)	127,163	
9 Net Cost Rate Base (Line 4+ 5 less Sum of Lines 6 thru 8)	<u>\$ 346,720</u>	<u>\$ 372,337</u>
Carrying Charges		
10 Weighted Average Cost of Capital (See Page 3)	7.03%	6.97%
11 Return (Line 9 x Line 10)	\$ 24,389	\$ 25,968
12 Income Taxes (See Page 3)	13,442	13,863
13 Amortization of ITC	-	(5,213)
14 Depreciation Expenses (Line 5 ÷ 25 Years)	22,115	17,376
15 Operation & Maintenance Expenses	20,516	16,119
16 Property Taxes (0.15% x [Line 4 + 5 - Line 6])	853	671
17 Total Revenue Requirements (Carrying Costs) (Sum of Lines 11 thru 16)	<u>\$ 81,316</u>	<u>\$ 68,783</u>
18 Total for LG&E and KU		\$ 150,099
19 Quarter-kW Shares (500 kW x 4 Qtr-kW/kW)		2,000
20 Monthly Fixed Charge		\$ 6.25

The attachments are
being provided in
separate files in Excel
format.

Kentucky Utilities Company and Louisville Gas & Electric Company
Income Taxes

	KU	LG&E	
Assumptions			
1	Federal Income Tax Rate	35.0%	35.0%
2	State Income Tax Rate	6.0%	6.0%
3	199 Deduction (KY Only)	6.0%	6.0%
4	Composite	38.7%	38.7%
5	Investment	\$ 552,884	\$ 434,409
6	Investment Tax Credit (%)	30.00%	30.00%
7	Investment Tax Credit (\$)	\$ 165,865	\$ 130,323
8	Deferred Tax Basis Reduction (%)	50.00%	50.00%
9	Deferred Tax Basis Reduction (\$)	\$ 82,933	\$ 65,161
10	Deferred Tax Basis	\$ 469,951	\$ 369,247
Federal Deferred Income Taxes			
11	Bonus Depreciation	\$ 234,976	\$ 184,624
12	Basis for MACRS Depreciation	\$ 234,976	\$ 184,624
13	MACRS Depreciation Rate	20%	20%
14	MACRS Depreciation	\$ 46,995	\$ 36,925
15	Total Tax Depreciation	\$ 281,971	\$ 221,548
16	Book Depreciation	\$ 22,115	\$ 17,376
17	Federal Deferred Income Tax	\$ 89,440	\$ 70,274
State Deferred Income Taxes			
18	Basis for MACRS Depreciation	\$ 469,951	\$ 369,247
19	MACRS Depreciation Rate	20%	20%
20	Total Tax Depreciation	\$ 93,990	\$ 73,849
21	Book Depreciation	\$ 22,115	\$ 17,376
22	State Deferred Income Taxes	\$ 4,312	\$ 3,388
ITC Deferred Income Tax Effect			
23	Investment Tax Credit Basis	\$ 165,865	
24	Life of Investment	25	
25	Amortization of ITC	\$ 6,635	
26	ITC Effect of Basis Reduction		\$ 130,323
27	Depreciation		4.00%
28	Deferred Income Tax Effect	\$ 1,283	\$ 1,008
29	Total Accumulated Deferred Income Taxes	\$ 95,035	\$ 74,670
Rate Base Adjustment For ITC Amortization (KU Only)			
30	ITC Effect of Basis Reduction	\$ 32,067.5	\$ 25,195.9
31	Investment Tax Credit Net	\$ 133,797.6	\$ 105,126.7
32	Amortization of Net ITC	\$ 6,634.6	
33	Unamortized ITC (for KU)	\$ 127,163	
Income Taxes			
34	Return on Equity	\$ 18,005	\$ 19,382
35	ITC Deferred Income Tax Effect	\$ 1,283	\$ 1,008
36	Income Taxes	\$ 13,442	\$ 13,863

Kentucky Utilities Company and Louisville Gas & Electric Company
Weighted Cost of Capital

Kentucky Utilities Company			
Component of Capital	Percent	Rate	Weighted Cost of Capital
Debt	46.72%	3.94%	1.84%
Preferred Equity	0.00%	0.00%	0.00%
Common Equity	53.26%	9.75%	5.19%
			7.03%

Louisville Gas & Electric Company			
Component of Capital	Percent	Rate	Weighted Cost of Capital
Debt	46.61%	3.79%	1.77%
Preferred Equity	0.00%	0.00%	0.00%
Common Equity	53.39%	9.75%	5.21%
			6.97%

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

Response to Commission Staff's Post Hearing Request for Information

Dated May 12, 2017

Question No. 7

Responding Witness: Gregory J. Meiman

Q-7. Refer to KU/LG&E's response to Commission Staff's Sixth Request for Information ("Response to Staff's Sixth Request"), Item 1.b., Attachment 3. Provide the same schedule with the following changes:

- a. Formula: Calculate the total healthcare/medical insurance expense as follows:
Total Healthcare/Medical Cost for Each Level of Coverage = Company – Paid Portion of Premium + Employee Contribution to Premium. Continue to assume that the employee would pay 21 percent of the total cost for single coverage and 32 percent of the total cost for all other types of coverage, compared to the amount of healthcare/medical insurance expense incurred in 2016.
- b. Provide the data broken out by:
 1. KU jurisdictional operations;
 2. LG&E electric operations; and
 3. LG&E gas operations.

A-7.

- a. See Attachment 1 for the calculation as requested split between Companies, O&M and Capital, and then calculated for LG&E electric, LG&E gas and KU jurisdictional operations. However, for the reasons stated below, the Company does not agree that the methodology proposed in PSC 6-1(b) or in Question No. 7 or the assumptions in both requests (i.e., the employee would pay 21 percent of the total cost for single coverage and 32 percent of the total cost for all other types of coverage) are reasonable measures of the Company's health care benefits. Attachment 2 is additional benchmarking information prepared by Mercer, following the hearing in the case. As indicated in Attachment 2, data was reported for Utilities, Kentucky Companies and General Industry. The survey information reflects that the employee contribution toward premium for single coverage ranges from 10% to 16%, while the contribution toward family coverage is uniformly 20%. These percentages compare to the Company employees' overall contribution of 17% for single and 22% for all other coverage levels in 2016. As such, the Company employee premium contribution is above the Mercer benchmark.

This result is achieved despite a long-standing provision in LG&E's major labor contract which provides that adjustments to medical premiums are calculated under a 4/4/50 formula. Under the formula, if the projected cost increase from one year to the next is:

- less than 4%, there is no change in employee premiums
- between 4% and 8%, total employee premiums will increase by that percentage
- more than 8%, both the Company and the employee will share equally in the increase.

This structure, which was agreed upon when medical inflation was in excess of 8%, has proven to be effective in sharing costs with all employees. As the Companies' medical inflation has been held in check through wellness initiatives and plan design changes, the recent impact of the formula has been to alter the balance between employee/employer contributions. Nevertheless, the employees continue to contribute a reasonable amount for coverage on a premium only basis.

Although Attachment 1 reflects the calculation requested, it is an incomplete representation of employee cost of medical coverage. LG&E believes the appropriate measure of cost should include all aspects (premium, deductibles and coinsurance) of the employees' financial contribution towards the cost of medical coverage. See response to PSC 6-1 Attachment No. 2 which reflects a variance of \$899,699. Using the same methodology to convert total employer cost to jurisdictional base operating expense as shown in Attachment 1, the \$899,699 would be \$602,106.

As an employer with goals of cost management and employee well-being, we have designed our medical plan to achieve these objectives. This approach is prudent and will continue to pay dividends in the form of cost management. As illustrated in the Attachment 3, our medical plan cost increases lag the national average as reported in Mercer's national survey of employer sponsored health plans.

The basic proposition is that healthier employees are more productive, safer and require less medical attention over the long term. The medical plan promotes health by encouraging participation in preventive wellness initiatives and by shifting cost to users of medical services. Accordingly, plan design features such as lower premium rates for participation in biometric screenings, along with deductibles, copays and coinsurance for users of services, promotes health awareness and consumerism. This approach in turn fosters a healthier population and better cost management of the plan.

As a self-insured plan the Companies are distinguishable from a fully insured plan. Fully insured plans focus solely on premiums on an annual basis. As a self-insured plan, the Companies have the ability and the obligation to focus on the overall cost of providing medical coverage utilizing the additional levers we have to promote healthy behaviors. The natural progression of taking a view that premium is the sole measure of cost suggests adoption of an approach entailing higher premiums with less focus on cost containment. This is counter to evolution of the healthcare marketplace for large employers and promotion of a healthy employee population. Our holistic view provides current and future cost containment.

- b. See Attachment 1 to part a.

MEMO

TO: Louisville Gas and Electric Company
 Kentucky Utilities Company

DATE: May 24, 2017

FROM: LaCinda Glover

SUBJECT: Workforce Benefit Benchmarking

COPY: Kendrick Riggs, Lindsey Ingram (Stoll Keenon Ogden), Allyson Sturgeon (LG&E/KU)
 Julia O'Bryan, Kyle O'Donnell, Kelly Kinnett (Mercer)

Three comparator groups were used in comparing benefits to LG&E/KU employees:

- Utilities (excluding any small co-ops) (75 organizations)
- Companies based in Kentucky (14 organizations)
- General industry companies with revenue between \$1.6B - \$6.5B (135 organizations)

Information on benefits was obtained from Mercer's US Benefits Database, which contains detailed benefit plan data for over 1,000 US companies. This database is maintained independently from Mercer's client base, and contains a broad view of benefit practices across all companies. Furthermore, this database reflects plans provided to the broad employee population, and excludes plans that are carved out separately for hourly or union employees. If hourly or union employees participate in the same programs as salaried employees, those programs have been included in this analysis.

Prevalence information for benefits:

	Utilities	Kentucky Companies	General Industry
Medical Benefits			
• Median Employee Premium Share (Single vs. Family Coverage)	Single: 15% Family: 20%	Single: 10% Family: 20%	Single: 16% Family: 20%
Dental Benefits			
• Median Employee Premium Share (Single vs. Family Coverage)	Single: 24% Family: 25%	Single: 35% Family: 44%	Single: 35% Family: 35%

Long-term Disability (LTD)			
• Prevalence of employer-paid coverage	100%	100%	100%
• Percentage that requires some employee contribution	7%	0%	8%
Life Insurance			
• Percentage of employer-paid coverage	95%	100%	99%
• Percentage that requires employee contribution	0%	0%	0%
• Median coverage level	1.5X base salary	1X base salary	1.5X base salary
• Median maximum coverage level	\$500,000	\$750,000	\$525,000

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **LaCinda Glover**, being duly sworn, deposes and says she is Principal for Mercer, manager of Mercer’s Executive and Broadbased Employee Retirement Tool (“EBERT”), and that she has personal knowledge of the matters set forth in Mercer’s benefit and retirement benchmarking studies and the information contained therein is true and correct to the best of her information, knowledge and belief.

LaCinda Glover

LACINDA GLOVER

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 24th day of May 2017.

(SEAL)

Deborah A. Webb

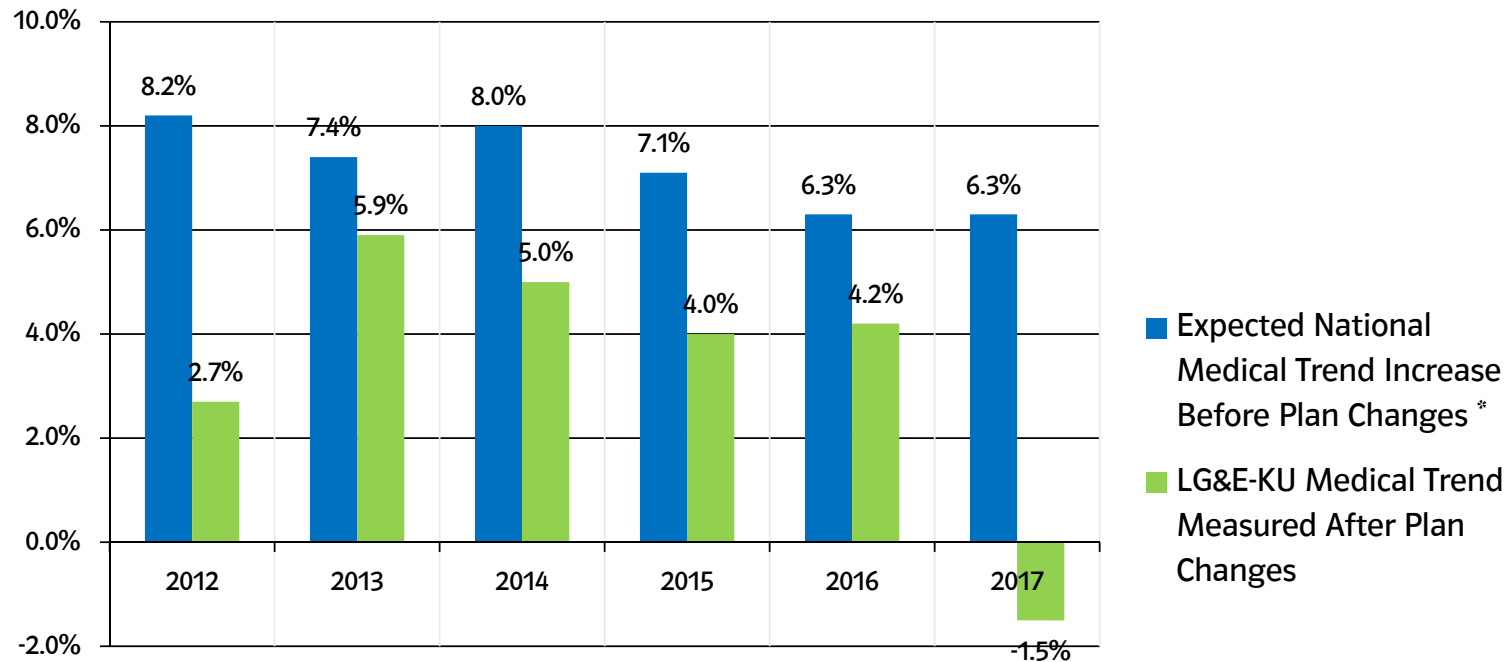
Notary Public

My Commission Expires:

DEBORAH A. WEBB

Notary Public, State at Large, KY
My commission expires July, 7 2018

Comparison of National to LG&E-KU Medical Cost Trend 2012 to 2017



* Source: Mercer's National Survey of Employer Sponsored Health Plans



LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 8

Responding Witness: Gregory J. Meiman

- Q-8. Refer to KU/LG&E's Response to Staff's Sixth Request, Item 1.d., Attachment 6. Provide the same schedule with the following changes:
- a. Assume that the employee would pay 60 percent of the total cost of coverage for dental insurance. Continue to calculate the amount as follows: Total Dental Cost for Each Level of Coverage = Company-Paid Portion of Premium + Employee Contribution to Premium.
 - b. Provide the data broken out by:
 - 1. KU jurisdictional operations;
 - 2. LG&E electric operations; and
 - 3. LG&E gas operations.
- A-8.
- a. See Attachment 1 for the calculation as requested split between Companies, O&M and Capital, and then calculated for LG&E electric, LG&E gas and KU jurisdictional operations. However, for the reasons stated in LG&E's response to Question No. 7, the Company does not agree that the methodology proposed in Question No. 8 or the assumption in the request (i.e., the employee would pay 60 percent of the total cost of coverage for dental insurance) is a reasonable measure of the Company's dental care benefits. See Attachment 2 provided in response to Question No. 7 for additional benchmarking information prepared by Mercer. It should be noted that the benchmarking reflects a range of employee contribution for single coverage between 24% and 35% and 25% and 44% for family coverage. The 2016 percentage of employee premiums were 21% and 28% for single and all other coverage levels, respectively, which is generally in-line with benchmark and well below the 60% employee contribution proposed in the request for information.
 - b. See Attachment 1 to part a.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 9

Responding Witness: Gregory J. Meiman

- Q-9. Refer to KU/LG&E's Response to Staff's Sixth Request, Item 1.e. Provide a schedule that identifies the costs for providing long-term disability insurance premiums by:
- a. KU jurisdictional operations;
 - b. LG&E electric operations; and
 - c. LG&E gas operations.
- A-9. See attached for the amounts provided in response to PSC 6-1(e), split between Companies, O&M and Capital, and then calculated for LG&E electric, LG&E gas and KU jurisdictional operations. However, for the reasons stated in response to Question No. 7, the Company does not agree that the assumption proposed in PSC 6-1(e) or in Question No. 9 is a reasonable measure of the Company's long-term disability insurance premiums. See Attachment 2 provided in response to Question No. 7 for additional benchmarking information prepared by Mercer. Benchmarking reflects all companies offer employer paid long term disability coverage, with only minimal number of employers, 7% to 8%, requiring employee contributions to that coverage. The Company's current practice is aligned with those in the benchmark data.

Long Term Disability

Annual Forecast Test Period Cost Per PSC 4-1

Attachment 1/PSC 6-1e

\$ 1,690,998

<u>Entity Split</u>	%	\$
LG&E	44.58%	\$ 753,783
KU	54.72%	\$ 925,356
Other	0.70%	\$ 11,858
Total		\$ 1,690,998

<u>LG&E Split</u>	%	\$
Electric	75.35%	\$ 567,966
Gas	24.65%	\$ 185,817

<u>LG&E Electric Operating Expense Split</u>	%	\$
Operating Expense	71.74%	\$ 407,451
Less: Mechanism	0.97%	\$ 3,959
LG&E Electric Jurisdictional Operating Expense		\$ 403,492

<u>LG&E Gas Operating Expense Split</u>	%	\$
Operating Expense	71.74%	\$ 133,303
Less: Mechanism	0.97%	\$ 1,295
LG&E Gas Jurisdictional Operating Expense		\$ 132,008

<u>KU Operating Expense Split</u>	%	\$
Operating Expense	71.15%	\$ 658,423
Less: Mechanism	0.72%	\$ 4,742
KU Operating Expense		\$ 653,681
KU Jurisdictional Operating Expense	90.371%	\$ 590,738

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 10

Responding Witness: Gregory J. Meiman

- Q-10. Refer to KU/LG&E's Response to Staff's Sixth Request, Item 1 .f. Provide a schedule that identifies the costs for providing group life insurance coverage in excess of \$50,000 by:
- a. KU jurisdictional operations;
 - b. LG&E electric operations; and
 - c. LG&E gas operations.
- A-10. See attached for the amounts provided in response to PSC 6-1(f) split between Companies, O&M and Capital, and then calculated for LG&E electric, LG&E gas and KU jurisdictional operations. However, for the reasons stated in response to Question No. 7, the Company does not agree that the assumption proposed in PSC 6-1(f) or in Question No. 9 is a reasonable measure of the Company's long-term group life insurance premiums. See Attachment 2 provided in response to Question No. 7 for additional benchmarking information prepared by Mercer. Benchmark data reflects that 95% to 100% of companies offer coverage at no cost to employees, which is consistent with the Companies' offering. While the benchmark data reflects a range of coverage of 1x base salary to 1.5 x base salary, the median maximum coverage ranges between \$500,000 and \$750,000. This is contrasted with the Company's 2 x time base salary capped at \$300,000 with median coverage of \$150,000.

Life Insurance

Amt over \$50,000/1000	\$	380,481
Monthly Cost for Amt over \$50,000 based on .255 per \$1,000 of insurance (to reflect the rate used for the forecast year)	\$	97,023
Annual Company Cost for Amt over \$50,000	\$	1,164,272

<u>Entity Split</u>	%	\$
LG&E	45.78%	\$ 533,023
KU	53.68%	\$ 624,938
Other	0.54%	\$ 6,310
Total		\$ 1,164,272

<u>LG&E Split</u>	%	\$
Electric	75.35%	\$ 401,626
Gas	24.65%	\$ 131,397

<u>LG&E Electric Operating Expense Split</u>	%	\$
Operating Expense	71.55%	\$ 287,358
Less: Mechanism	0.83%	\$ 2,389
LG&E Electric Jurisdictional Operating Expense		\$ 284,969

<u>LG&E Gas Operating Expense Split</u>	%	\$
Operating Expense	71.55%	\$ 94,013
Less: Mechanism	0.83%	\$ 781
LG&E Gas Jurisdictional Operating Expense		\$ 93,231

<u>KU Operating Expense Split</u>	%	\$
Operating Expense	71.13%	\$ 444,491
Less: Mechanism	0.69%	\$ 3,060
KU Operating Expense		\$ 441,430
KU Jurisdictional Operating Expense	90.371%	\$ 398,925

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 11

Responding Witness: Gregory J. Meiman

Q-11. Refer to KU/LG&E's Response to Staff's Sixth Request, Item 3.b. and 3.c. Provide a schedule that lists the number of employees who participate in both the Retirement Plan (eligible if hired prior to 1/1 /06) and the Savings Plan Company Match and the 401 (k) Company Match broken out by:

- a. KU jurisdictional operations;
- b. LG&E electric operations; and
- c. LG&E gas operations

A-11. The total number of employees who participate in both the Retirement Plan (eligible if hired prior to 1/1 /06) and the 401(k) Match as shown in the attachment to the response to PSC- 6-3 is 1,875. However, the Company does not agree with the implication from the questions at the hearing that because employees who participate in the Retirement Plan or the Retirement Income Account (eligible if hired on or after 1/1/06) can also participate in the 401(k) Company Match, then the result is an unreasonable employment management practice or an unreasonable total retirement benefit. Attachment 1 is additional benchmarking information prepared by Mercer, following the hearing in the case. As indicated in Attachment 1, data was reported for Utilities, Kentucky Companies and General Industry. The survey information reflects that 98%, 100% and 95% of Utilities, Kentucky Companies and General Industry companies, respectively, provide matching contributions to defined benefit plan participants. This is consistent with the Company's offering for employees hired prior to January 1, 2006.

The Saving Plan Company Match and the 401(k) Match are the same thing. See Attachment 2 for the split between Companies, O&M and Capital, and then calculated for LG&E electric, LG&E gas and KU jurisdictional operations.

MEMO

TO: Louisville Gas and Electric Company
Kentucky Utilities Company

DATE: May 24, 2017

FROM: LaCinda Glover

SUBJECT: Workforce Retirement Benchmarking

COPY: Kendrick Riggs, Lindsey Ingram (Stoll Keenon Ogden), Allyson Sturgeon (LG&E/KU)
Julia O'Bryan, Kyle O'Donnell, Kelly Kinnett (Mercer)

Three comparator groups were used in comparing retirement benefits to LG&E/KU Energy employees:

- Utilities (excluding any small co-ops) (72 organizations)
- Companies based in Kentucky (10 organizations)
- General industry companies with revenue between \$1.6B - \$6.5B (381 companies)

Retirement information was obtained from Mercer's Executive and Broad-based Employee Retirement Tool (EBERT), which contains detailed retirement plan information for over 1,000 US companies. This database is maintained independently from Mercer's client base, and contains a broad view of retirement practices across all companies. Furthermore, this database reflects plans provided to the broad employee population, and excludes plans that are carved out separately for hourly or union employees. If hourly or union employees participate in the same programs as salaried employees, those programs have been included in this analysis.

Overall Retirement Plan Prevalence¹:

	Utilities	Kentucky Companies	General Industry
Active DB Plan (open to new hires)	38%	10%	8%
Closed DB Plan (no new participants)	58%	20%	13%
Frozen DB Plan (no future accruals)	28%	40%	34%
No DB Plan	14%	40%	53%

¹Numbers do not add to 100% as companies may provide more than one DB plan or formula (e.g., a company that provides a closed final average pay DB plan for employees hired prior to 2010 and an active cash balance DB plan for new hires)

Companies that provide a matching contribution to employees that are accruing benefits in a closed or active DB plan:

	Utilities	Kentucky Companies	General Industry
% providing matching contributions to participants accruing benefits in a DB plan	98%	100%	95%

Prevalence of retirement program structure for employees that participate only in the retirement plans open to new hires (i.e., not eligible to participate in the company's closed DB plan):

	Utilities	Kentucky Companies	General Industry
Matching contribution only	10%	0%	18%
Non-matching contribution² only	0%	0%	0%
Both matching and non-matching² contributions	90%	100%	82%

²Non-matching contributions include employer contributions to a 401(k)/DC plan or employer contributions to a DB cash balance plan that is open to new hires

VERIFICATION


COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **LaCinda Glover**, being duly sworn, deposes and says she is Principal for Mercer, manager of Mercer’s Executive and Broadbased Employee Retirement Tool (“EBERT”), and that she has personal knowledge of the matters set forth in Mercer’s benefit and retirement benchmarking studies and the information contained therein is true and correct to the best of her information, knowledge and belief.


LACINDA GLOVER

Subscribed and sworn to before me, a Notary Public in and before said County and State,
this 24th day of May 2017.

(SEAL)


Notary Public

My Commission Expires:

DEBORAH A. WEBB
Notary Public, State at Large, KY
My commission expires July, 7 2018

Employees who participate in both the Retirement Plan - eligible if hired prior to 1/1/06 and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	Total
401k participant count - pension	431	662	259	137	313	73	1875
401k Company Match - pension	1,626,216.08	2,795,976.82	1,025,869.90	793,243.78	850,385.56	626,496.07	7,718,188.21

Entity Split	%	\$	\$	\$	\$	\$	\$	\$
LG&E	46.08%	749,427	1,288,501	472,763	365,559	391,892	288,715	3,556,857
KU	53.27%	866,359	1,489,543	546,527	422,597	453,039	333,763	4,111,828
Other	0.64%	10,430	17,933	6,580	5,088	5,454	4,018	49,503
Total		1,626,216	2,795,977	1,025,870	793,244	850,386	626,496	7,718,188

LG&E Split	%	\$	\$	\$	\$	\$	\$	\$
Electric	75.35%	564,683	970,868	356,221	275,444	295,286	217,543	2,680,046
Gas	24.65%	184,744	317,632	116,542	90,115	96,607	71,172	876,812

LG&E Electric Operating Expense Split	%	\$	\$	\$	\$	\$	\$	\$
Operating Expense	71.43%	403,331	693,453	254,435	196,739	210,911	155,382	1,914,252
Less: Mechanism	0.79%	3,206	5,512	2,022	1,564	1,676	1,235	15,215
LG&E Electric Jurisdictional Operating Expense		400,125	687,941	252,412	195,175	209,235	154,147	1,899,036

LG&E Gas Operating Expense Split	%	\$	\$	\$	\$	\$	\$	\$
Operating Expense	71.43%	131,955	226,872	83,242	64,366	69,002	50,835	626,272
Less: Mechanism	0.79%	1,049	1,803	662	512	548	404	4,978
LG&E Gas Jurisdictional Operating Expense		130,906	225,069	82,580	63,854	68,454	50,431	621,294

KU Operating Expense Split	%	\$	\$	\$	\$	\$	\$	\$
Operating Expense	71.09%	615,902	1,058,930	388,531	300,428	322,069	237,275	2,923,135
Less: Mechanism	0.67%	4,156	7,145	2,621	2,027	2,173	1,601	19,723
KU Operating Expense		611,747	1,051,785	385,910	298,401	319,896	235,674	2,903,413
KU Jurisdictional Operating Expense	90.273%	552,242	949,478	348,372	269,375	288,780	212,750	2,620,998

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 12

Responding Witness: Gregory J. Meiman

- Q-12. Refer to KU/LG&E's Response to Staff's Sixth Request, Item 3.e. and 3.f. Provide a schedule that lists the number of employees who participate in both the Retirement Income Account (eligible if hired or re-hired after 1/1/06) and the Savings Plan Company Match and the 401 (k) Company Match broken out by:
- a. KU jurisdictional operations;
 - b. LG&E electric operations; and
 - c. LG&E gas operations
- A-12. The total number of participants in both the Retirement Income Account (eligible if hired or re-hired after 1/1/06) and the 401(k) Match as shown in the attachment to the response to PSC 6-3 is 1,715. However, the Company does not agree with the implication from the questions at the hearing that because employees who participate in the Retirement Plan or the Retirement Income Account (eligible if hired on or after 1/1/06) can also participate in the 401(k) Company Match, then the result is an unreasonable employment management practice or an unreasonable total retirement benefit. See also Attachment 1 provided in response to Question No. 11 for additional benchmarking information prepared by Mercer. Benchmarking reflects that 90%, 100% and 82% of Utilities, Kentucky Companies and General industry companies, respectively, provide both matching and non-matching contributions to 401(k) plan participants. This is consistent with the Company's offering for employees hired on or after January 1, 2006.

The Saving Plan Company Match and the 401(k) Match are the same thing. See Attachment 2 for the split between Companies, O&M and Capital, and then calculated for LG&E electric, LG&E gas and KU jurisdictional operations.

Employees who participate in both the Retirement Income Account (RIA) - eligible if hired or rehired after 1/1/06 and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	Total
401k participant count - RIA	380	623	176	47	481	8	1715
401k Company Match - RIA	1,149,615	1,903,860	565,978	269,692	572,244	51,237	4,512,625

Entity Split	%	\$	\$	\$	\$	\$	\$	\$
LG&E	46.08%	529,790	877,377	260,826	124,285	263,713	23,612	2,079,603
KU	53.27%	612,452	1,014,272	301,522	143,677	304,860	27,296	2,404,080
Other	0.64%	7,373	12,211	3,630	1,730	3,670	329	28,943
Total		1,149,615	1,903,860	565,978	269,692	572,244	51,237	4,512,625

LG&E Split	%	\$	\$	\$	\$	\$	\$	\$
Electric	75.35%	399,190	661,092	196,529	93,647	198,705	17,791	1,566,954
Gas	24.65%	130,600	216,285	64,297	30,638	65,009	5,821	512,649

LG&E Electric Operating Expense Split	%	\$	\$	\$	\$	\$	\$	\$
Operating Expense	71.43%	285,126	472,192	140,373	66,889	141,927	12,708	1,119,214
Less: Mechanism	0.79%	2,266	3,753	1,116	532	1,128	101	8,896
LG&E Electric Jurisdictional Operating Expense		282,859	468,439	139,257	66,357	140,799	12,607	1,110,318

LG&E Gas Operating Expense Split	%	\$	\$	\$	\$	\$	\$	\$
Operating Expense	71.43%	93,283	154,484	45,925	21,883	46,433	4,157	366,165
Less: Mechanism	0.79%	741	1,228	365	174	369	33	2,910
LG&E Gas Jurisdictional Operating Expense		92,541	153,256	45,560	21,710	46,064	4,124	363,255

KU Operating Expense Split	%	\$	\$	\$	\$	\$	\$	\$
Operating Expense	71.09%	435,398	721,055	214,355	102,141	216,728	19,405	1,709,082
Less: Mechanism	0.67%	2,938	4,865	1,446	689	1,462	131	11,531
KU Operating Expense		432,460	716,190	212,908	101,452	215,265	19,274	1,697,550
KU Jurisdictional Operating Expense	90.273%	390,395	646,526	192,199	91,584	194,327	17,399	1,532,430

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 13

Responding Witness: Gregory J. Meiman

Q-13. Provide a schedule that breaks out by each retirement plan the percentage of employer and employee contributions for:

- a. KU jurisdictional operations;
- b. LG&E electric operations; and
- c. LG&E gas operations.

A-13. As illustrated below, based on calendar year 2016, the employee contributions to the 401(k) plan are more than double the employer contributions. This reflects the need for the employees to contribute significantly for their retirement.

- a. KU jurisdictional operations
 - DDB - Employer 100%, Employee 0%
 - RIA – Employer 100%, Employee 0%
 - 401(k) – Employer 29%, Employee 71%
- b. LG&E electric operations.
 - DDB - Employer 100%, Employee 0%
 - RIA – Employer 100%, Employee 0%
 - 401(k) – Employer 29%, Employee 71%
- c. LG&E gas operations
 - DDB - Employer 100%, Employee 0%
 - RIA – Employer 100%, Employee 0%
 - 401(k) – Employer 29%, Employee 71%

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 14

Responding Witness: Lonnie E. Bellar

- Q-14. With regard to the proposed \$27.6 million, 10- to 12-mile Bullitt County gas pipeline project, provide additional information, if any, not otherwise already in the record of this proceeding in compliance with KRS 278.020(1) and 807 KAR 5:001 Section 15(2).
- A-14. See the response to PSC 3-26. In reviewing the information for this response, the Company determined that page 4 of the attachment provided in response to PSC 2-64(a) should be updated and is attached. The updated attachment reflects changes made to minimize construction costs and impact to the number of properties. The requested information is confidential and being provided under seal pursuant to a petition for confidential protection filed on January 25, 2017 in this case.

The entire attachment is
Confidential and
provided separately
under seal.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 15

Responding Witness: David S. Sinclair

- Q-15. Explain whether KU has had a reserve margin of 24 percent or higher in the past 20 years. If so, provide the amount and date(s) when KU's reserve margin was 24 percent or higher and indicate the extent to which it was due to loss of load, the addition of generation, or a combination of both.
- A-15. Since their merger in 1998, LG&E and KU (collectively, the "Companies") have jointly planned and dispatched their generation resources in order to meet the combined load of the Companies on a least-cost basis. Whenever the Companies have added new capacity, the forecasted individual reserve margin of each utility was a factor (along with the energy benefit of the resource for certain generating units) in determining how much of the new resource was to be allocated to each utility.

There have been two instances in the past when the Companies had a forecasted reserve margin higher than 24 percent: 2004 (26.2%), when Trimble County units 7-10 first came on-line, and 2012 (24.7%), due to the planned acquisition of the Bluegrass Generating Station from LS Power. While the purchase of the Bluegrass Generating Station was approved by the Kentucky Public Service Commission, the conditions put on the transaction by the Federal Energy Regulatory Commission ultimately caused the Companies to terminate the purchase.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 16

Responding Witness: David S. Sinclair

Q-16. Explain whether LG&E has had a reserve margin of 24 percent or higher in the past 20 years. If so, provide the amount and date(s) when LG&E's reserve margin was 24 percent or higher and indicate the extent to which it was due to loss of load, the addition of generation, or a combination of both.

A-16. See the response to Question No. 15.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

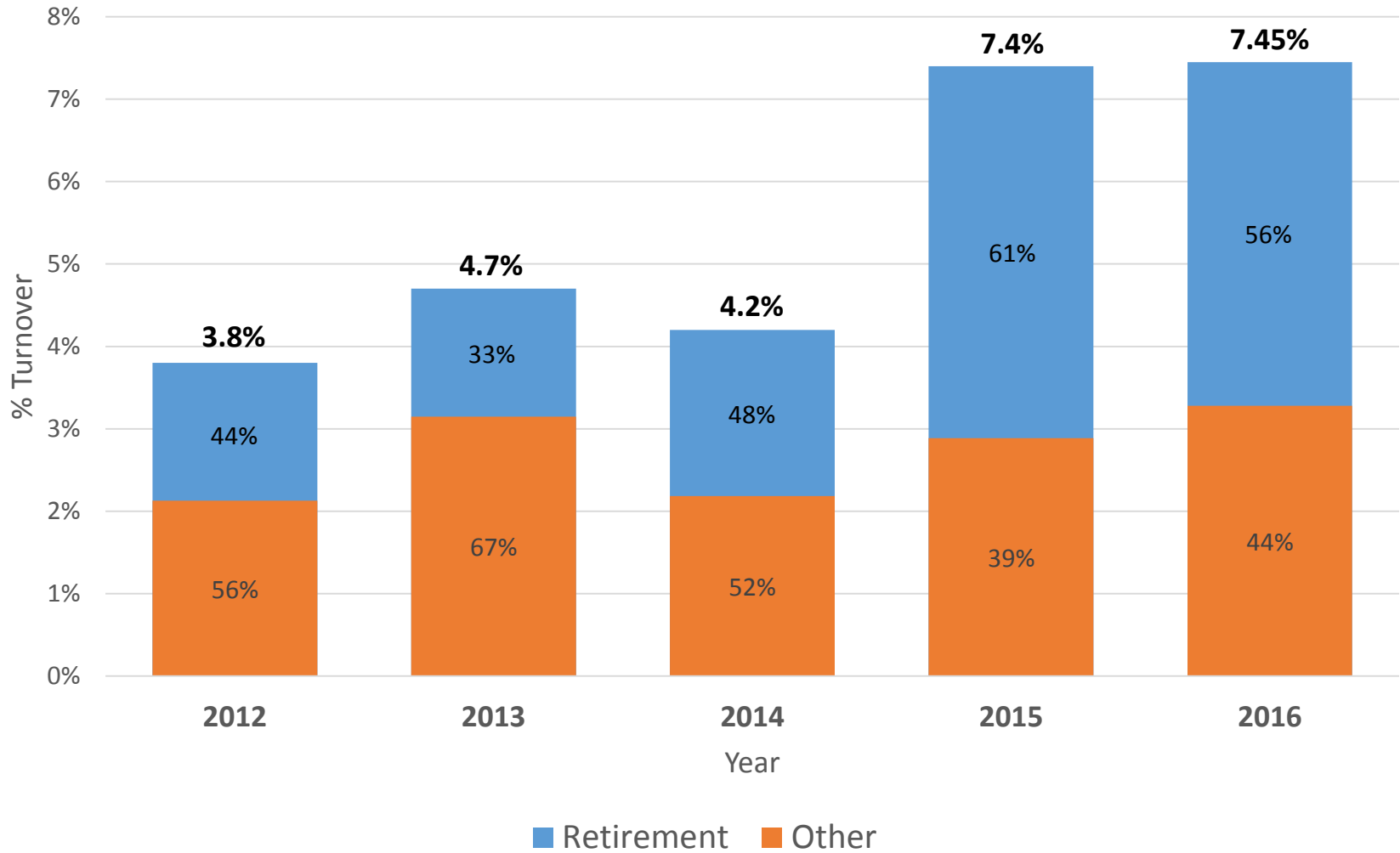
Question No. 17

Responding Witness: Gregory J. Meiman

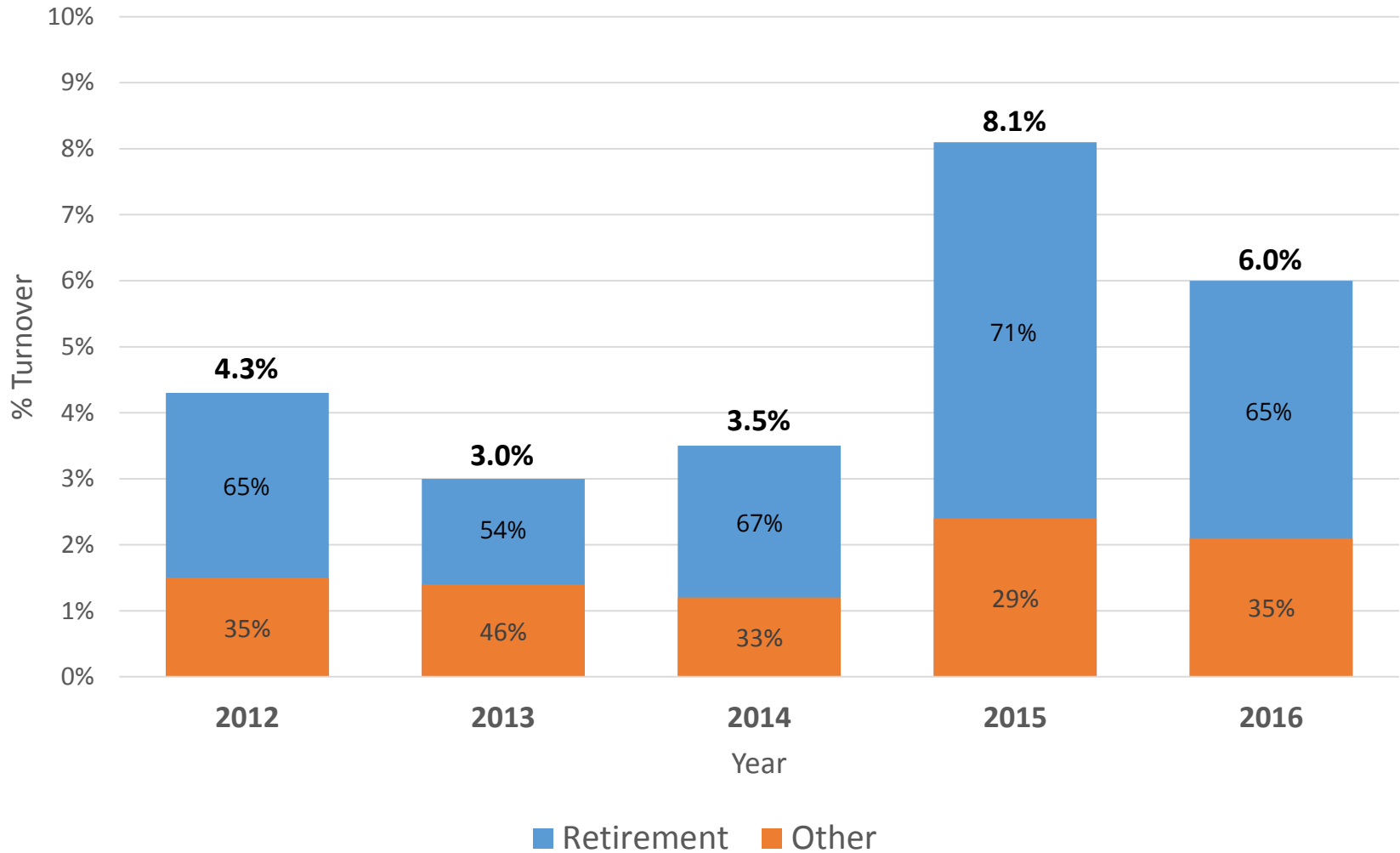
- Q-17. Provide the annual turnover percentage of LG&E and KU employees, segregated by company, for the years 2012, 2013, 2014, 2015, and 2016. Segregate the components for each company's total turnover percentage into turnover percentage due to retirement and turnover percentage due to all other reasons. If the turnover percentage due to all other reasons was materially impacted by a non-routine event, segregate that as a separate item in the applicable period.
- A-17. The Company strives to keep its turnover rates low to ensure retention of a talented and high quality workforce that in turn allows LG&E to provide safe and reliable service to customers at an exceptional level of quality and the lowest possible cost.

See attached. Provided is the aggregated turnover percentage for the combined Company as referenced to the overall annual turnover percentage for all Companies as well as the annual turnover percentage separated by each company (Kentucky Utilities, Louisville Gas & Electric Company and LG&E and KU Services Co.) for years 2012-2016. Each Company, including the combined Company chart, separates turnover percentage due to retirement and turnover percentage due to all other reasons.

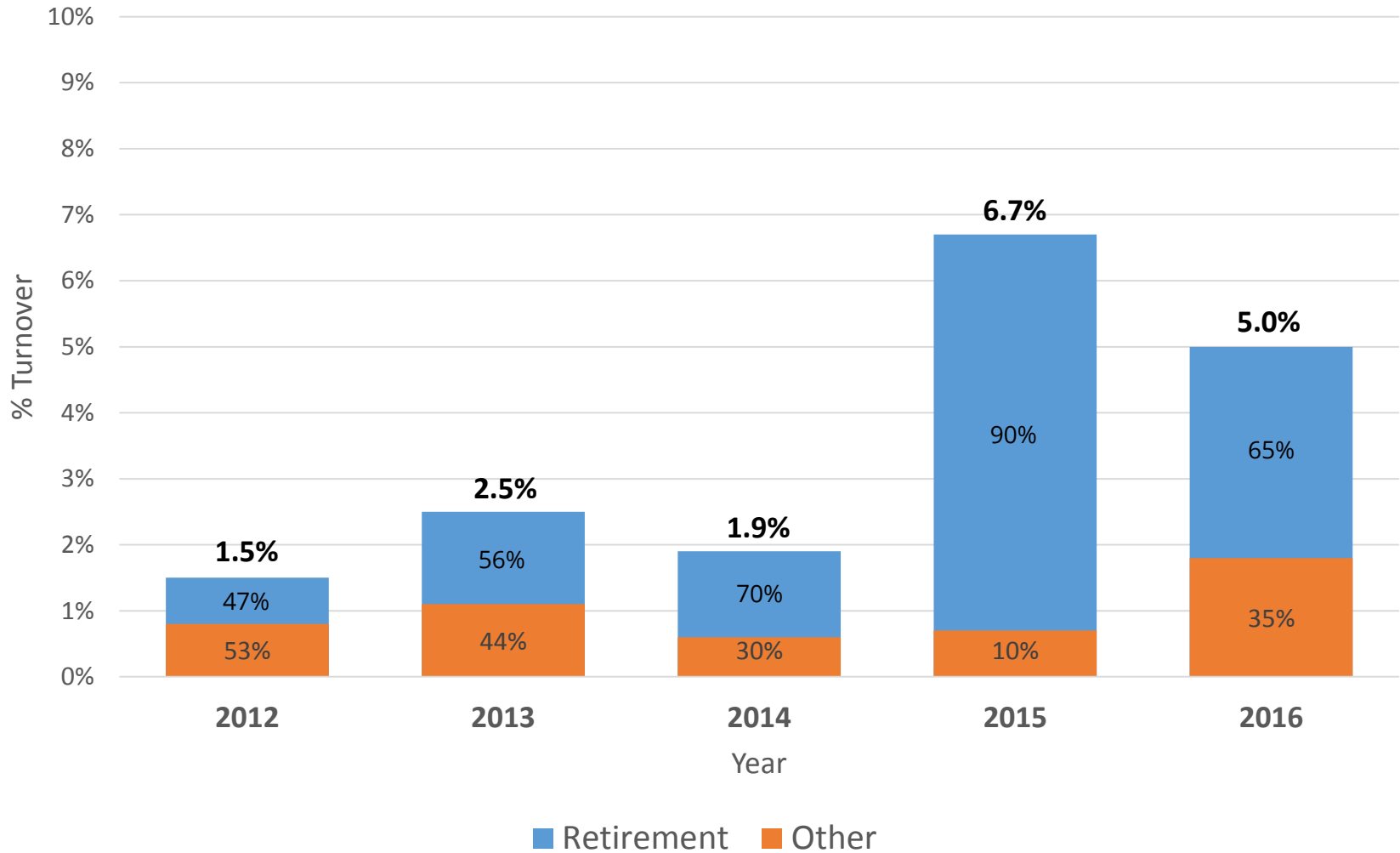
Combined Companies Turnover 2012-2016



Kentucky Utilities Turnover 2012-2016



Louisville Gas & Electric Company Turnover 2012-2016

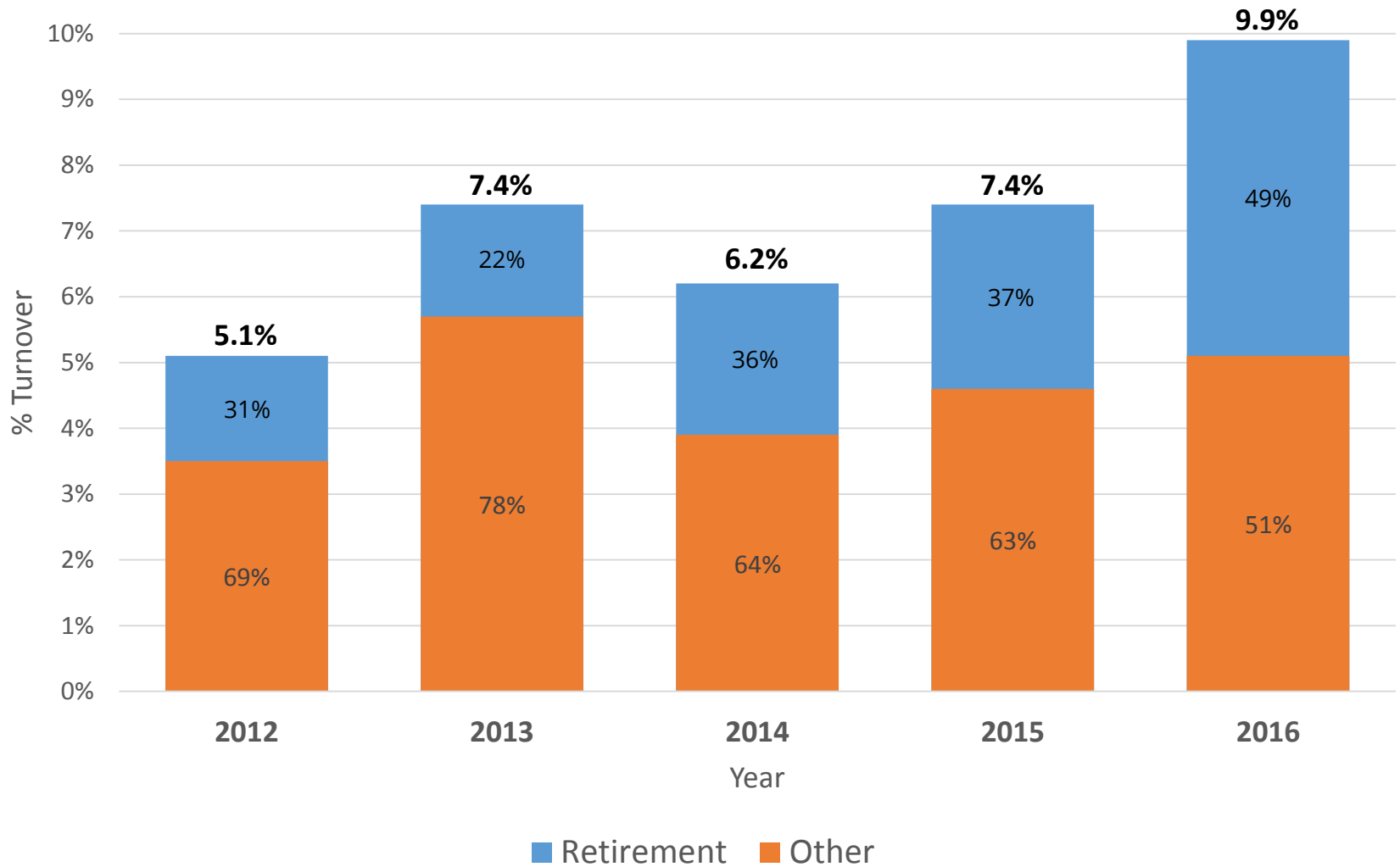


Attachment to Response to PSC Post-Hearing Question No. 17

Page 3 of 4

Meiman

LG&E and KU Services Company Turnover 2012-2016



Attachment to Response to PSC Post-Hearing Question No. 17

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Meiman

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 18

Responding Witness: Gregory J. Meiman

- Q-18. Refer to tables 3.b. & c. and 3.d. & e. in response to Commission Staff's Sixth Request for Information. In the same format and category detail displayed in those tables, for both LG&E and KU, segregated by company, and for the years 2012, 2013, 2014, 2015 and 2016:
- a. Provide the number of employees participating only in the Defined Dollar Benefit plan identified as "Retirement Plan - eligible if hired prior to 1/1/06" ("DDB");
 - b. Provide the number of employees participating in both the DDB plan and the Defined Contribution retirement savings plan identified as the "401(k) Savings Plan Company Match" ("401k");
 - c. Provide the number of employees participating only in the Defined Contribution Benefit plan identified as "Savings Plan Retirement Income Account (RIA) - eligible if hired on or after 1/1/06";
 - d. Provide the number of employees participating in both the RIA and the 401k plans
- A-18.
- a. See attached. The participants and associated contributions are broken out between the three employers (LG&E, KU and LKS). Headcount is not allocated to or from LG&E and KU; only the costs are allocated.
 - b. See the response to part a.
 - c. See the response to part a.
 - d. See the response to part a.

2012

LG&E Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan								
19a (3)	60	25	0	0	2	0	17		104
19a(1&2)	401(k) Employee Contribution								
	401(k) Company Match								
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan								
19b (3)	463	164	0	17	32	4			680
19b (1&2)	401(k) Employee Contribution	3,553,549.34	1,407,093.32	-	205,057.47	167,826.58	80,445.53	-	5,413,972.24
	401(k) Company Match	1,638,229.93	617,772.90	-	93,251.23	77,348.06	35,276.50	46,587.02	2,508,465.64

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan								
19c (3)	18	5	0	0	2	0	0		25
19c (2)	401(k) Employee Contribution								
19c (1&2)	401(k) Company Match								
	Retirement Income Acct (RIA)							46,544.32	46,544.32
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan								
19d (3)	170	34	0	1	13	0			218
19d(2)	401(k) Employee Contribution	858,990.97	172,519.74	-	6,767.52	22,558.36	-	-	1,060,836.59
19d(2)	401(k) Company Match	458,062.68	86,265.09	-	4,737.24	15,790.85	-	11,204.95	576,060.81
19d(2)	Retirement Income Acct (RIA)							396,068.93	396,068.93
19d(1)	Total Company Contribution	458,062.68	86,265.09	-	4,737.24	15,790.85	-	407,273.88	972,129.74

KU Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan								
19a (3)	11	9	33	1	16	0	52		122
19a(1&2)	401(k) Employee Contribution								
	401(k) Company Match								
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan								
19b (3)	105	100	327	12	149	3			696
19b (1&2)	401(k) Employee Contribution	784,939.35	929,320.24	2,670,842.39	148,320.34	856,990.51	49,047.96	-	5,439,460.79
	401(k) Company Match	333,478.47	360,130.45	1,191,629.66	66,855.33	417,802.76	23,407.86	46,939.51	2,440,244.04

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan								
19c (3)	3	5	20	0	5	0	1		34
19c (2)	401(k) Employee Contribution								
19c (1&2)	401(k) Company Match								
	Retirement Income Acct (RIA)							53,126.11	53,126.11
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan								
19d (3)	31	17	82	0	47	0			177
19d(2)	401(k) Employee Contribution	144,234.82	86,727.56	388,785.41	-	89,681.44	-	-	709,429.23
19d(2)	401(k) Company Match	77,394.68	43,765.13	218,626.44	-	52,536.17	-	7,480.99	399,803.41
19d(2)	Retirement Income Acct (RIA)							296,322.14	296,322.14
19d(1)	Total Company Contribution	77,394.68	43,765.13	218,626.44	-	52,536.17	-	303,803.13	696,125.55

LKS Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan								
19a (3)	0	36	0	3	37	1	11		88
19a(1&2)	401(k) Employee Contribution								
	401(k) Company Match								
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan								
19b (3)	0	481	0	110	170	60			821
19b (1&2)	401(k) Employee Contribution	-	4,541,994.60	-	1,513,850.17	597,444.45	1,139,188.30	-	7,792,477.52
	401(k) Company Match	-	179,227.99	0	55,849.05	298,614.24	504,196.26	156,804.24	3,310,389.78

2012

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan	0	24	0	2	32	0		58
19c (3)	401(k) Employee Contribution								-
19c (2)	401(k) Company Match								-
19c (1&2)	Retirement Income Acct (RIA)							44,507.68	44,507.68
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan	0	270	0	18	187	3		478
19d (3)	401(k) Employee Contribution	-	1,331,373.12	-	146,683.81	220,082.44	50,613.28	-	1,748,752.65
19d(2)	401(k) Company Match	-	625,424.91	-	73,815.25	146,245.19	20,691.68	-	893,930.13
19d(2)	Retirement Income Acct (RIA)							624,225.71	624,225.71
19d(1)	Total Company Contribution	-	625,424.91	-	73,815.25	146,245.19	20,691.68	651,978.81	1,518,155.84

2013

LG&E Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan								
19a (3)	50	25	0	0	1	0	15		91
19a(1&2)	401(k) Employee Contribution								
	401(k) Company Match								
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan								
19b (3)	455	160	0	18	21	5			659
19b (1&2)	401(k) Employee Contribution								
	3,577,176.77	1,414,707.87	-	223,415.31	74,779.33	96,380.31	-		5,386,459.59
	401(k) Company Match								
	1,619,831.34	617,865.74	-	101,778.22	38,433.39	39,731.48	-	42,139.87	2,459,780.04

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan								
19c (3)	11	12	0	0	1	0	0		24
19c (2)	401(k) Employee Contribution								
19c (1&2)	401(k) Company Match								
	Retirement Income Acct (RIA)								
								45,330.21	45,330.21
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan								
19d (3)	204	42	0	2	18	0			266
19d(2)	401(k) Employee Contribution								
	1,060,373.69	236,624.99	-	13,382.85	25,325.05	-	-		1,335,706.58
19d(1)	401(k) Company Match								
	554,480.99	118,897.70	-	6,205.95	17,527.47	-	-	16,857.64	713,969.75
19d(2)	Retirement Income Acct (RIA)								
								520,064.22	520,064.22
19d(1)	Total Company Contribution								
	554,480.99	118,897.70	-	6,205.95	17,527.47	-	-	536,921.86	1,234,033.97

KU Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan								
19a (3)	9	9	28	1	13	0	54		114
19a(1&2)	401(k) Employee Contribution								
	401(k) Company Match								
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan								
19b (3)	98	96	314	13	134	3			658
19b (1&2)	401(k) Employee Contribution								
	764,897.23	930,693.99	2,531,975.40	174,305.23	850,575.12	48,533.09	-		5,300,980.06
	401(k) Company Match								
	323,440.98	360,322.98	1,130,247.83	73,037.48	398,846.17	22,613.43	-	53,768.32	2,362,277.19

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan								
19c (3)	4	4	20	0	9	0	1		38
19c (2)	401(k) Employee Contribution								
19c (1&2)	401(k) Company Match								
	Retirement Income Acct (RIA)								
								50,318.31	50,318.31
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan								
19d (3)	38	25	107	0	51	0			221
19d(2)	401(k) Employee Contribution								
	162,991.99	127,745.92	442,092.66	-	103,750.48	-	-		836,581.05
19d(1)	401(k) Company Match								
	92,055.34	61,223.74	256,213.70	-	62,416.27	-	-	11,045.38	482,954.43
19d(2)	Retirement Income Acct (RIA)								
								374,991.52	374,991.52
19d(1)	Total Company Contribution								
	92,055.34	61,223.74	256,213.70	-	62,416.27	-	-	386,036.90	857,945.95

LKS Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan								
19a (3)	0	27	0	5	35	1	11		79
19a(1&2)	401(k) Employee Contribution								
	401(k) Company Match								
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan								
19b (3)	0	469	0	113	184	60			826
19b (1&2)	401(k) Employee Contribution								
	-	4,675,754.00	-	1,616,703.62	713,356.95	1,085,696.90	-		8,091,511.47
	401(k) Company Match								
	-	1,826,597.47	-	581,691.76	347,748.31	497,947.51	-	159,398.57	3,413,383.62

2013

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan	0	33	0	3	67	0	1	104
19c (3)	401(k) Employee Contribution								-
19c (2)	401(k) Company Match								-
19c (1&2)	Retirement Income Acct (RIA)							41,454.09	41,454.09
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan	0	313	0	24	219	4		560
19d (3)	401(k) Employee Contribution	-	1,641,167.59	-	233,902.60	291,436.74	58,480.43	-	2,224,987.36
19d(2)	401(k) Company Match	-	796,563.19	-	111,945.05	195,714.89	28,402.04	31,999.72	1,164,624.89
19d(2)	Retirement Income Acct (RIA)							911,827.05	911,827.05
19d(1)	Total Company Contribution	-	796,563.19	-	111,945.05	195,714.89	28,402.04	943,826.77	2,076,451.94

LG&E Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan								
19a (3)	44	24	0	1	0	0	17		86
19a(1&2)	401(k) Employee Contribution								
	401(k) Company Match								
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan								
19b (3)	426	167	0	14	22	5			634
19b (1&2)	401(k) Employee Contribution								
	3,725,791.09	1,503,060.86	-	207,280.41	101,499.50	104,000.00	-		5,641,631.86
	401(k) Company Match								
	1,653,366.95	655,914.26	-	83,498.82	51,055.22	44,245.40	-	58,013.38	2,546,094.03

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan								
19c (3)	13	3	0	0	2	0	0		18
19c (2)	401(k) Employee Contribution								
19c (1&2)	401(k) Company Match								
	Retirement Income Acct (RIA)								
								44,240.08	44,240.08
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan								
19d (3)	238	64	0	1	23	0			326
19d(2)	401(k) Employee Contribution								
	1,371,637.01	363,418.32	-	10,078.17	33,270.13	-	-		1,778,403.63
19d(2)	401(k) Company Match								
	702,247.90	176,872.59	-	4,232.79	22,643.96	-	-	22,846.95	928,844.19
19d(2)	Retirement Income Acct (RIA)								
								675,570.61	675,570.61
19d(1)	Total Company Contribution								
	702,247.90	176,872.59	-	4,232.79	22,643.96	-	-	698,417.56	1,604,414.80

KU Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan								
19a (3)	8	9	26	1	10	0	51		105
19a(1&2)	401(k) Employee Contribution								
	401(k) Company Match								
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan								
19b (3)	94	93	295	12	138	3			635
19b (1&2)	401(k) Employee Contribution								
	778,216.24	942,465.96	2,573,449.87	180,815.16	890,497.59	51,799.09	-		5,417,243.91
	401(k) Company Match								
	317,940.47	355,148.92	1,126,178.77	64,689.38	435,324.75	23,920.75	-	68,250.00	2,391,453.04

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan								
19c (3)	4	3	16	0	9	0	1		33
19c (2)	401(k) Employee Contribution								
19c (1&2)	401(k) Company Match								
	Retirement Income Acct (RIA)								
								62,762.84	62,762.84
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan								
19d (3)	43	28	131	0	62	0			264
19d(2)	401(k) Employee Contribution								
	224,181.86	159,932.40	651,419.50	-	134,745.64	-	-		1,170,279.40
19d(2)	401(k) Company Match								
	121,602.94	72,482.82	364,055.79	-	82,146.61	-	-	17,115.15	657,403.31
19d(2)	Retirement Income Acct (RIA)								
								489,095.36	489,095.36
19d(1)	Total Company Contribution								
	121,602.94	72,482.82	364,055.79	-	82,146.61	-	-	506,210.51	1,146,498.67

LKS Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan								
19a (3)	0	24	0	5	31	3	12		75
19a(1&2)	401(k) Employee Contribution								
	401(k) Company Match								
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan								
19b (3)	0	458	0	116	174	57			805
19b (1&2)	401(k) Employee Contribution								
	-	4,813,734.42	-	1,729,251.37	810,861.54	1,113,852.59	-		8,467,699.92
	401(k) Company Match								
	-	1,866,983.23	-	618,524.42	386,008.34	512,118.85	-	190,302.00	3,573,936.84

2014

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan	0	28	0	1	30	0	1	60
19c (3)	401(k) Employee Contribution								-
19c (2)	401(k) Company Match								-
19c (1&2)	Retirement Income Acct (RIA)							43,743.53	43,743.53
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan	0	388	0	33	263	4		688
19d (3)	401(k) Employee Contribution	-	2,062,566.75	-	367,466.24	395,736.84	61,812.70	-	2,887,582.53
19d(2)	401(k) Company Match	-	1,023,377.86	-	160,787.02	262,678.31	31,106.07	47,862.43	1,525,811.69
19d(2)	Retirement Income Acct (RIA)							1,168,196.99	1,168,196.99
19d(1)	Total Company Contribution	-	1,023,377.86	-	160,787.02	262,678.31	31,106.07	1,216,059.42	2,694,008.68

2015

LG&E Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan								
	38	22	0	1	0	0	20		81
19a (3)	401(k) Employee Contribution								
19a(1&2)	401(k) Company Match								
	-	-	-	-	-	-	-	-	-
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan								
	412	166	0	14	23	5			620
19b (3)	401(k) Employee Contribution								
	3,730,347.16	1,577,878.17	-	207,124.71	119,223.18	105,902.56	-		5,740,475.78
19b (1&2)	401(k) Company Match								
	1,573,340.17	673,015.87	-	84,478.94	57,779.24	42,215.05	-	59,992.76	2,490,822.03

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan								
	19	5	0	0	1	0	0		25
19c (3)	401(k) Employee Contribution								
19c (2)	401(k) Company Match								
19c (1&2)	Retirement Income Acct (RIA)								
	-	-	-	-	-	-	-	57,060.90	57,060.90
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan								
	261	72	0	2	28	0			363
19d (3)	401(k) Employee Contribution								
	1,673,775.37	455,452.07	-	22,293.63	46,768.30	-	-		2,198,289.37
19d(2)	401(k) Company Match								
	813,891.91	228,135.30	-	10,759.79	30,740.63	-	-	29,085.36	1,112,612.99
19d(2)	Retirement Income Acct (RIA)								
	-	-	-	-	-	-	-	878,844.89	878,844.89
19d(1)	Total Company Contribution								
	813,891.91	228,135.30	-	10,759.79	30,740.63	-	-	907,930.25	1,991,457.88

KU Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan								
	7	9	24	1	9	0	47		97
19a (3)	401(k) Employee Contribution								
19a(1&2)	401(k) Company Match								
	-	-	-	-	-	-	-	-	-
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan								
	85	89	284	14	134	3			609
19b (3)	401(k) Employee Contribution								
	754,017.63	1,037,619.82	2,602,176.97	136,500.45	991,731.66	53,335.82	-		5,575,382.35
19b (1&2)	401(k) Company Match								
	294,006.23	369,337.96	1,128,498.40	64,859.56	451,326.11	24,949.73	-	70,008.61	2,402,986.60

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan								
	4	5	25	0	9	0	1		44
19c (3)	401(k) Employee Contribution								
19c (2)	401(k) Company Match								
19c (1&2)	Retirement Income Acct (RIA)								
	-	-	-	-	-	-	-	73,191.14	73,191.14
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan								
	49	30	143	0	74	0			296
19d (3)	401(k) Employee Contribution								
	315,780.62	193,742.31	833,687.55	-	158,042.00	-	-		1,501,252.48
19d(2)	401(k) Company Match								
	158,421.41	88,662.54	458,326.85	-	99,229.31	-	-	17,060.62	821,700.73
19d(2)	Retirement Income Acct (RIA)								
	-	-	-	-	-	-	-	648,770.42	648,770.42
19d(1)	Total Company Contribution								
	158,421.41	88,662.54	458,326.85	-	99,229.31	-	-	665,831.04	1,470,471.15

LKS Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan								
	0	18	0	4	22	2	13		59
19a (3)	401(k) Employee Contribution								
19a(1&2)	401(k) Company Match								
	-	-	-	-	-	-	-	-	-
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan								
	0	444	0	115	170	61			790
19b (3)	401(k) Employee Contribution								
	-	4,833,017.76	-	1,774,118.32	825,704.09	1,215,191.82	-		8,648,031.99
19b (1&2)	401(k) Company Match								
	-	1,826,201.38	-	617,075.55	375,181.94	542,538.37	-	189,046.57	3,550,043.81

2015

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan	0	29	0	0	46	0	2	77
19c (3)	401(k) Employee Contribution								-
19c (2)	401(k) Company Match								-
19c (1&2)	Retirement Income Acct (RIA)							53,456.22	53,456.22
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan	0	427	0	41	278	5		751
19d (3)	401(k) Employee Contribution	-	2,499,696.56	-	469,575.09	506,708.68	84,017.09	-	3,559,997.42
19d(2)	401(k) Company Match	-	1,209,432.24	-	198,676.46	323,197.79	37,877.35	50,858.48	1,820,042.32
19d(2)	Retirement Income Acct (RIA)							1,475,045.69	1,475,045.69
19d(1)	Total Company Contribution	-	1,209,432.24	-	198,676.46	323,197.79	37,877.35	1,525,904.17	3,295,088.01

2016

LG&E Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan	25	20	0	0	0	17		62
19a (3)	401(k) Employee Contribution								-
19a(1&2)	401(k) Company Match								-
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan	363	159	0	15	20	5		562
19b (3)	401(k) Employee Contribution	3,364,054.59	1,530,638.86	-	230,590.44	128,826.33	108,000.00	-	5,362,110.22
19b (1&2)	401(k) Company Match	1,399,484.60	660,260.76	-	91,865.03	57,626.40	38,929.07	-	2,248,165.86

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan	17	4	0	0	1	0		22
19c (3)	401(k) Employee Contribution								-
19c (2)	401(k) Company Match								-
19c (1&2)	Retirement Income Acct (RIA)							40,303.17	40,303.17
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan	320	90	0	2	30	0		442
19d (3)	401(k) Employee Contribution	1,969,425.04	603,493.49	-	25,472.83	58,819.36	-	-	2,657,210.72
19d(2)	401(k) Company Match	954,645.09	296,218.61	-	11,699.66	38,181.36	-	-	1,300,744.72
19d(2)	Retirement Income Acct (RIA)							1,053,234.78	1,053,234.78
19d(1)	Total Company Contribution	954,645.09	296,218.61	-	11,699.66	38,181.36	-	1,053,234.78	2,353,979.50

KU Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan	2	6	19	1	11	0	40	79
19a (3)	401(k) Employee Contribution								-
19a(1&2)	401(k) Company Match								-
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan	68	78	259	12	134	3		554
19b (3)	401(k) Employee Contribution	600,832.41	964,740.35	2,449,270.90	130,793.65	971,943.99	46,066.26	-	5,163,647.56
19b (1&2)	401(k) Company Match	226,731.48	336,346.33	1,025,869.90	65,217.27	438,163.38	26,080.24	-	2,118,408.60

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan	1	3	11	0	7	1		23
19c (3)	401(k) Employee Contribution								-
19c (2)	401(k) Company Match								-
19c (1&2)	Retirement Income Acct (RIA)							69,906.46	69,906.46
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan	60	35	176	1	92	0		364
19d (3)	401(k) Employee Contribution	389,230.30	258,442.22	1,111,000.21	7,820.52	208,529.57	-	-	1,975,022.82
19d(2)	401(k) Company Match	194,970.18	111,838.13	565,977.53	5,474.41	124,526.12	-	-	1,002,786.37
19d(2)	Retirement Income Acct (RIA)							770,874.81	770,874.81
19d(1)	Total Company Contribution	194,970.18	111,838.13	565,977.53	5,474.41	124,526.12	-	770,874.81	1,773,661.18

LKS Company Employees

Eligible if hired prior to 1/1/06: Employees eligible to participate in both the Retirement Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18a	Employees who are part of the DDB plan who did not contribute to the 401(k) plan	0	17	0	3	21	1	12	54
19a (3)	401(k) Employee Contribution								-
19a(1&2)	401(k) Company Match								-
18b	Employees who are part of the DDB plan and contribute to the 401(k) plan	0	425	0	110	159	65		759
19b (3)	401(k) Employee Contribution	-	4,850,238.78	-	1,737,967.20	821,244.32	1,301,714.13	-	8,711,164.43
19b (1&2)	401(k) Company Match	-	1,799,369.73	-	636,161.48	354,595.78	561,486.76	-	3,351,613.75

2016

Eligible if hired or rehired on or after 1/1/06: Employees eligible to participate in the Retirement Income Account (RIA) in the Savings Plan and the 401(k) Company Match

	Bargaining Unit	Exempt	Hourly	Manager	Non-exempt	Officer & Director	99 (LTD)	All Salary Admin Plans	TOTAL
18c	Employees who are part of the RIA plan who did not contribute to the 401(k) plan								
19c (3)	0	12	0	1	17	0	3		33
19c (2)	401(k) Employee Contribution								
19c (1&2)	401(k) Company Match								
	Retirement Income Acct (RIA)								
								61,038.96	61,038.96
18d	Employees who are part of the RIA plan and contribute to the 401(k) plan								
19d (3)	0	498	0	44	359	8			909
19d(2)	-	3,183,920.62	-	533,344.73	649,759.10	120,367.38	-		4,487,391.83
19d(1)	-	1,495,803.47	-	252,517.94	409,536.21	51,236.78	-		2,209,094.40
19d(2)	Retirement Income Acct (RIA)								
19d(1)								1,704,649.61	1,704,649.61
	Total Company Contribution								
	-	1,495,803.47	-	252,517.94	409,536.21	51,236.78		1,704,649.61	3,913,744.01

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

Response to Commission Staff's Post Hearing Request for Information

Dated May 12, 2017

Question No. 19

Responding Witness: Gregory J. Meiman

Q-19. Refer to tables 3.b. & c. and 3.d. & e. in response to Staff's Sixth Request for Information. In the same format and category detail displayed in those tables, for both LG&E and KU, segregated by company, and for the years 2012, 2013, 2014, 2015, and 2016:

- a. Provide each company's; 1) total company dollar contribution, 2) company dollar contribution by each employee category, and 3) employee dollar contribution, for employees participating only in the DDB;
- b. Provide each company's 1) total company dollar contribution, 2) company dollar contribution by each employee category, and 3) employee dollar contribution and total dollar contribution, for employees participating in both the DDB and the 401 k plans.
- c. Provide each company's: 1) total company dollar contribution, 2) company dollar contribution by each employee category, and 3) employee dollar contribution, for employees participating only in the RIA;
- d. Provide each company's: 1) total company dollar contribution, 2) company dollar contribution by each employee category, and 3) employee dollar contribution and total dollar contribution, for employees participating in both the RIA and the 401 k plans.

A-19.

- a. See the Attachment to the response to Question No. 18a for the 401(k) and RIA contributions. The participants and associated contributions are broken out between the three employers (LG&E, KU and LKS) for the 401(k) only. Contributions to the RIA plan are not available by employee group but have been provided in total to show the total savings plan contributions. Headcount is not allocated to or from LG&E and KU; only the labor costs are allocated.

Contributions to the DDB plan are based on a set of actuarial assumptions and plan funding levels and have not been included in the attachment given the

nature of the funding. For employees participating only in the DDB, there are no Company contributions to the 401(k) Plan for the employee.

- b. See the response to part a.
- c. See the response to part a. For employees participating only in the RIA, there are no Company contributions to the 401(k) Plan for the employee.
- d. See the response to part a.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

**Response to Commission Staff's Post Hearing Request for Information
Dated May 12, 2017**

Question No. 20

Responding Witness: Robert M. Conroy

Q-20. Refer to the April 19, 2017 Stipulation and Recommendation, Section 4.11, Optional Pilot Rates for Schools Subject to KRS 160.325.

- a. State whether KU and LG&E would agree to include schools, grades K-12, that are not subject to KRS 160.325 in the Optional Pilot Rates for Schools.
- b. If the Optional Pilot Rates for Schools were to be established by tariff as a permanent rate class, state KU's and LG&E's positions on including schools, grades K-12, that are not subject to KRS 160.325 in that rate class.

A-20.

- a. Yes, subject to the Commission's approval of the stipulations without further modifications or conditions as the complete resolution of the Companies' rate cases.
- b. If the Optional Pilot Rates for Schools were to be established by tariff as a permanent rate class, then the Company would include schools, grades K-12, that are not subject to KRS 160.325 in the rate class.