

Exhibit CCW-17

CAPM Return

Witness: Christopher C. Walters

Louisville Gas and Electric Company

CAPM Return

<u>Line</u>	<u>Description</u>	High Market Risk <u>Premium</u> (1)	Low Market Risk <u>Premium</u> (2)
1	Risk-Free Rate ¹	3.70%	3.70%
2	Risk Premium ²	7.50%	6.00%
3	Beta ³	0.69	0.69
4	CAPM	8.84%	7.81%

Sources:

¹ *Blue Chip Financial Forecasts*; February 1, 2017, at 2.

² *Duff & Phelps, 2016 Valuation Handbook Guide to Cost of Capital*
at 2-4, 3-31, and 3-40.

³ Exhibit CCW-16.