

Exhibit CCW-18

Standard & Poor's Credit Metrics

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Louisville Gas and Electric Company

Standard & Poor's Credit Metrics

<u>Line</u>	<u>Description</u>	Retail	<u>S&P Benchmark (Medial Volatility)^{1/2}</u>			<u>Reference</u> (5)
		<u>Cost of Service</u> <u>Amount</u> (1)	<u>Intermediate</u> (2)	<u>Significant</u> (3)	<u>Aggressive</u> (4)	
1	Rate Base (EL & Gas)	\$ 3,111,478,783				Schedule A.
2	Weighted Common Return	4.98%				Page 2, Line 2, Col. 4.
3	Pre-Tax Rate of Return	9.97%				Page 2, Line 3, Col. 5.
4	Income to Common	\$ 154,962,794				Line 1 x Line 2.
5	EBIT	\$ 310,103,866				Line 1 x Line 3.
6	Depreciation & Amortization	\$ 177,552,988				Schedule A.
7	Imputed Amortization	\$ -				Not Provided.
8	Deferred Income Taxes & ITC	\$ 104,624,702				Schedule E-1.
9	Funds from Operations (FFO)	\$ 437,140,484				Sum of Line 4 and Lines 6 through 8.
10	Imputed Interest Expense	\$ -				Not Provided.
11	EBITDA	\$ 487,656,854				Sum of Lines 5 through 7 and Line 10.
12	Total Debt Ratio	48.0%				Page 3, Line 1, Col. 2.
13	Debt to EBITDA	3.1x	2.5x - 3.5x	3.5x - 4.5x	4.5x - 5.5x	(Line 1 x Line 12) / Line 11.
14	FFO to Total Debt	29%	23% - 35%	13% - 23%	9% - 13%	Line 9 / (Line 1 x Line 12).

Sources:

¹ Standard & Poor's RatingsDirect: "Criteria: Corporate Methodology," November 19, 2013.

² Standard & Poor's RatingsDirect: "Louisville Gas & Electric Co." October 24, 2016.

Note:

Based on the October 2016 S&P report, LG&E has an "Excellent" business risk profile and a "Significant" financial risk profile, and falls under the "Medial Volatility" matrix.

Louisville Gas and Electric Company

Standard & Poor's Credit Metrics (Pre-Tax Rate of Return)

<u>Line</u>	<u>Description</u>	<u>Balance</u> (1)	<u>Weight</u> (2)	<u>Cost</u> (3)	<u>Weighted Cost</u> (4)	<u>Pre-Tax Weighted Cost</u> (5)
1	Short-Term Debt	\$ 159,467,796	3.82%	0.72%	0.03%	0.03%
2	Long-Term Debt	\$ 1,790,485,621	42.91%	4.12%	1.77%	1.77%
3	Common Equity	<u>2,222,485,866</u>	<u>53.27%</u>	9.35%	<u>4.98%</u>	<u>8.17%</u>
4	Total	\$ 4,172,439,283	100.00%		6.77%	9.97%
5	Tax Conversion Factor*					1.6409

Sources:
Schedule J-1.1/J-1.2.
* Schedule A.

Louisville Gas and Electric Company

Standard & Poor's Credit Metrics (Financial Capital Structure)

<u>Line</u>	<u>Description</u>	<u>Balance</u> (1)	<u>Weight</u> (2)
1	Short-Term Debt	\$ 159,467,796	3.73%
2	Long-Term Debt	\$ 1,790,485,621	41.85%
3	Off-Balance Sheet Debt *	<u>105,649,000</u>	<u>2.47%</u>
4	Total Debt	\$ 2,055,602,417	48.05%
5	Common Equity	<u>\$ 2,222,485,866</u>	<u>51.95%</u>
6	Total	\$ 4,278,088,283	100.00%

Source:

* Response to US DOD-1 Question No. 26.

Louisville Gas and Electric Company

S&P Adjusted Debt Ratio (Operating Subsidiaries)

11 Quarter Average							Distribution of Quarterly Average		
<u>Line</u>	<u>Rating</u>	<u>Count</u>	<u>Average</u>	<u>Median</u>	<u>High</u>	<u>Low</u>	<u>< 50</u>	<u>50 to 55</u>	<u>> 55</u>
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	AA-	1	42.63	42.63	42.63	42.63	1	-	-
2	A	9	52.47	51.52	57.18	50.34	-	7	2
3	A-	31	50.80	51.65	63.93	38.36	12	11	8
4	BBB+	28	53.25	54.34	59.37	43.71	5	10	13
5	BBB	8	52.60	52.91	57.04	47.31	2	3	3
6	BBB-	9	56.51	56.74	61.41	51.11	-	3	6
7	BB	1	43.18	43.18	43.18	43.18	1	-	-
8	Total	87					21	34	32
9	Average		50.20	50.42	54.96	45.23			

Quarter Results - 2013Q4 through 2016Q2							Distribution of Quarterly Results		
<u>Line</u>	<u>Rating</u>	<u>Count</u>	<u>Average</u>	<u>Median</u>	<u>High</u>	<u>Low</u>	<u>< 50</u>	<u>50 to 55</u>	<u>> 55</u>
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
10	AA-	11	42.63	42.79	44.98	40.78	11	-	-
11	A	91	52.50	51.50	60.02	47.70	16	56	19
12	A-	323	50.70	51.43	64.53	31.05	137	118	68
13	BBB+	296	53.33	53.81	63.58	42.12	57	122	117
14	BBB	88	52.60	52.61	60.01	44.64	27	36	25
15	BBB-	98	56.52	56.30	67.82	45.83	4	37	57
16	BB	10	43.18	43.36	45.70	40.02	10	-	-
17	Total	917					262	369	286
18	Average		50.21	50.26	58.09	41.73			

Source:

Standard and Poors Global Credit Portal, downloaded November 18, 2016.