

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF)
THE FUEL ADJUSTMENT CLAUSE OF) CASE NO.
KENTUCKY UTILITIES COMPANY FROM) 2017-00003
NOVEMBER 1, 2014 THROUGH OCTOBER 31, 2016)

RESPONSE OF
KENTUCKY UTILITIES COMPANY
TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION IN
APPENDIX B OF COMMISSION'S ORDER
DATED FEBRUARY 6, 2017

FILED: February 20, 2017

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Delbert Billiter**, being duly sworn, deposes and says that he is Manager — Fuels Risk Management for 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.


Delbert Billiter

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 17th day of February 2017.

 (SEAL)

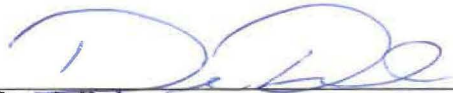
Notary Public

My Commission Expires:
JUDY SCHOULER
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, **Derek Rahn**, being duly sworn, deposes and says that he is Manager - Revenue Requirement for 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.


Derek Rahn

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

 (SEAL)

Notary Public

My Commission Expires:
JUDY SCHOULER
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, **Eileen L. Saunders**, being duly sworn, deposes and says that she is Director, Generation Services for LG&E and KU Services Company, and that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness, and the answers contained therein are true and correct to the best of her information, knowledge and belief.


Eileen L. Saunders

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 17th day of February 2017.


Judy Schooler (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, **Charles R. Schram**, being duly sworn, deposes and says that he is Director — Power Supply, for 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.



Charles R. Schram

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 17th day of February 2017.

 (SEAL)


Notary Public

My Commission Expires:
JUDY SCHULER
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, **Stuart A. Wilson**, being duly sworn, deposes and says that he is Director — Energy Planning, Analysis and Forecast for 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.



Stuart A. Wilson

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 17th day of February 2017.

 (SEAL)

Notary Public

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

KENTUCKY UTILITIES COMPANY

Response to Commission Staff's First Request for Information in Appendix B of Commission's Order Dated February 6, 2017

Case No. 2017-00003

Question No. 1

Witness: Derek Rahn

- Q-1. If a change in the base fuel cost is proposed, state the month to be used as the base period (b). If the base period results in a fuel cost other than one representative of current costs as prescribed by 807 KAR 5:056, Section 1(2), explain why this base period was selected. If no change is proposed, include an explanation of the reason(s) KU believes the current base period fuel cost should remain unchanged.
- A-1. After reviewing actual FAC costs for the base period November 2014 through October 2016, Kentucky Utilities ("KU") recommends that the per unit fuel cost for August 2015 be used as the base period. The attached table shows that the per unit fuel cost for August 2015 was \$0.02609/kWh. KU estimates that the average per unit fuel cost for the calendar year 2017 will be \$0.02607/kWh and the average per unit fuel cost for the calendar year 2018 will be \$0.02577/kWh. The per unit fuel cost for August 2015 of \$0.02609/kWh approximates the weighted average of the projected fuel estimates for the two-year period of \$0.02592/kWh. Since no actual per unit fuel cost during the two-year period under review equals the projected per unit fuel cost, KU recommends the use of the actual per unit fuel cost for August 2015 because this is the actual cost from the two-year expense period ending October 2016 closest to the weighted average projected cost for the next two-year period. This methodology is consistent with what has been used and accepted in previous two year cases, and therefore KU believes August 2015 is the appropriate month to use as the base FAC for the next two-year period.

KU determined the projected $F(m) / S(m)$ results using:

- projected coal, oil, and natural gas expenses,
- projected purchased power expenses, off-system sales revenues and
- all associated generated, purchased and sold kilowatt-hours for the period.

Kentucky Utilities Company

Retail Fuel Adjustment Clause

Fuel Cost per kWh

For the Expense Months Ending October 31, 2016

(1) Expense Month	(2) Expense Month \$/kWh	(3) FAC Base \$/kWh	(4) Billing Month	(5) Billing Month FAC Factor Col. 2 - 3
Nov-14	\$ 0.02916	\$ 0.02892	Jan-15	\$ 0.00024
Dec-14	\$ 0.03011	\$ 0.02892	Feb-15	\$ 0.00119
Jan-15	\$ 0.02872	\$ 0.02892	Mar-15	\$ (0.00020)
Feb-15	\$ 0.02899	\$ 0.02892	Apr-15	\$ 0.00007
Mar-15	\$ 0.02813	\$ 0.02892	May-15	\$ (0.00079)
Apr-15	\$ 0.02879	\$ 0.02892	Jun-15	\$ (0.00013)
May-15	\$ 0.02828	\$ 0.02892	Jul-15	\$ (0.00064)
Jun-15	\$ 0.02659	\$ 0.02892	Aug-15	\$ (0.00233)
Jul-15	\$ 0.02618	\$ 0.02892	Sep-15	\$ (0.00274)
Aug-15	\$ 0.02609	\$ 0.02892	Oct-15	\$ (0.00283)
Sep-15	\$ 0.02527	\$ 0.02892	Nov-15	\$ (0.00365)
Oct-15	\$ 0.02224	\$ 0.02892	Dec-15	\$ (0.00668)
Nov-15	\$ 0.02310	\$ 0.02892	Jan-16	\$ (0.00582)
Dec-15	\$ 0.02276	\$ 0.02892	Feb-16	\$ (0.00616)
Jan-16	\$ 0.02705	\$ 0.02892	Mar-16	\$ (0.00187)
Feb-16	\$ 0.02474	\$ 0.02892	Apr-16	\$ (0.00418)
Mar-16	\$ 0.02212	\$ 0.02892	May-16	\$ (0.00680)
Apr-16	\$ 0.02289	\$ 0.02892	Jun-16	\$ (0.00603)
May-16	\$ 0.02249	\$ 0.02892	Jul-16	\$ (0.00643)
Jun-16	\$ 0.02545	\$ 0.02892	Aug-16	\$ (0.00347)
Jul-16	\$ 0.02640	\$ 0.02892	Sep-16	\$ (0.00252)
Aug-16	\$ 0.02469	\$ 0.02892	Oct-16	\$ (0.00423)
Sep-16	\$ 0.02428	\$ 0.02892	Nov-16	\$ (0.00464)
Oct-16	\$ 0.02282	\$ 0.02892	Dec-16	\$ (0.00610)

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 2

Witness: Derek Rahn

- Q-2. Provide a calculation of the fossil fuel costs F(b) that KU proposes to use to calculate the base period fuel cost. This calculation shall show each component of F(b) as defined by 807 KAR 5:056. Explain why the fuel cost in the selected base period is representative of the level of fuel cost currently being experienced by KU.
- A-2. Attached is a copy of the Fuel Cost Schedule (Form A, Page 2) for the base period of August 2015, which shows the component of the proposed F(b) as defined by 807 KAR 5:056.

As explained in the response to Question No. 1, KU reviewed the per-unit fuel cost for each month during the November 2014 through October 2016 base period and compared those values to the projected average per unit fuel cost for the next two-year period. As a result, F(b) and S(b) were considered together in determining the appropriate month to use as a new base fuel component.

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : August 2015

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$39,710,614	(1)
Oil Burned	(+)	388,318	(1)
Gas Burned	(+)	9,400,953	
Fuel (assigned cost during Forced Outage)	(+)	3,595,550	
Fuel (substitute cost for Forced Outage)	(-)	3,697,563	
SUB-TOTAL		<u>\$ 49,397,872</u>	
<u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 698,225	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	3,534	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	564,655	
Internal Replacement	(+)	118,612	
SUB-TOTAL		<u>\$ 1,377,958</u>	
<u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 640,202	
Internal Economy	(+)	2,787,034	
Internal Replacement	(+)	67,434	
Dollars Assigned to Inter-System Sales Losses	(+)	3,201	
SUB-TOTAL		<u>\$ 3,497,871</u>	
<u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		<u>\$ 38,689</u>	
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 47,239,270</u></u>	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned = \$11,201
Oil burned = \$61

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 3

Witness: Derek Rahn

- Q-3. Provide a schedule showing each component of sales as defined by 807 KAR 5:056 in the selected base period (b). Explain why KU believes that the sales in the selected base period (b) are representative of the level of kWh sales that KU will derive from the level of fuel cost incurred during the selected base period (b).
- A-3. Attached is a copy of the Sales Schedule (Form A, Page 3) for the base period of August 2015, which shows the component of the proposed S(b) as defined by 807 KAR 5:056.

As explained in the response to Question No. 1, KU reviewed the per-unit fuel cost for each month during the November 2014 through October 2016 base period and compared those values to the projected average per unit fuel cost for the next two-year period. As a result, F(b) and S(b) were considered together in determining the appropriate month to use as a new base fuel component.

Form A
Page 3 of 6

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : August 2015

(A) Generation (Net)	(+)	1,975,077,000
Purchases including interchange-in	(+)	67,493,000
Internal Economy	(+)	20,879,000
Internal Replacement	(+)	4,663,000
SUB-TOTAL		<u>2,068,112,000</u>
(B) Inter-system Sales including interchange-out	(+)	21,930,000
Internal Economy	(+)	112,826,000
Internal Replacement	(+)	2,290,000
(*) System Losses	(+)	120,624,473
SUB-TOTAL		<u>257,670,473</u>
TOTAL SALES (A-B)		<u><u>1,810,441,527</u></u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 4

Witness: Derek Rahn

Q-4. Provide a schedule showing the calculation of KU's proposed increase or decrease in its base fuel cost per kWh to be incorporated into its base rate.

A-4.

Current Base	\$0.02892/kWh
Proposed Base	<u>\$0.02609/kWh</u>
Decrease in Base Rates	\$0.00283/kWh

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 5

Witness: Delbert Billiter / Charles R. Schram

Q-5. Provide KU's most recent projected fuel requirements for the years 2017 and 2018 in tons for coal, MMBtu for natural gas, and dollars.

A-5. Coal purchases in 2017 Business Plan

	<u>Tons</u>	<u>Dollars</u>
2017 Projected Coal Purchases	7,364,758	\$357,970,250
2018 Projected Coal Purchases	7,658,077	\$356,417,194

Natural Gas purchases in 2017 Business Plan

	<u>MMBtu</u>	<u>Dollars</u>
2017 Projected Gas Purchases	36,818,772	\$117,329,487
2018 Projected Gas Purchases	39,158,035	\$125,593,448

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 6

Witness: Derek Rahn

Q-6. Provide KU's most recent sales projections for the years 2017 and 2018 in kWh and dollars.

A-6. KU's most recent sales projections for 2017 and 2018 are:

	Sales (kWh)	Dollars
2017 Ultimate Consumers	18,313,873,263	\$1,628,666,948
2018 Ultimate Consumers	18,332,940,828	\$1,700,485,072

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 7

Witness: Derek Rahn

- Q-7. Provide separately the amounts of power purchases used in the calculation of sales provided in response to Item 3.
- A-7. Below is the data from the Purchased Power Transaction Schedule for August 2015, which is used in the calculation of Sales as defined by 807 KAR 5:056 and shown in the response to Question No. 3.

COMPANY	kWh
Illinois Municipal Electric Agency	154,000
Indiana Municipal Power Agency	96,000
Energy Imbalance	327,000
PJM Interconnection Association	213,000
Tennessee Valley Authority	111,000
SQF Tariff Purchase Power	14,422
LQF Tariff Purchase Power	1,200
Louisville Gas and Electric Company	25,542,000
Ohio Valley Electric Corporation	22,927,000
TOTAL PURCHASES	49,385,622

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 8

Witness: Derek Rahn

- Q-8. Provide separately the amounts of intersystem power sales used in the calculation of sales provided in response to Item 3.
- A-8. Below is the data from the Sales Power Transaction Schedule for August 2015, which is used in the calculation of Sales as defined by 807 KAR 5:056 and shown in the response to Question No. 3.

COMPANY	kWh
American Electric Power Service Corp.	915,000
Cargill-Alliant, LLC	3,346,000
ETC Endure	205,000
Exelon Generation Company, LLC	1,177,000
Illinois Municipal Electric Agency	236,000
Indiana Municipal Power Agency	693,000
Energy Imbalance	556,000
Midwest Independent Transmission System Operator, Inc.	3,124,000
Owensboro Municipal Power Agency	841,000
PJM Interconnection Association	5,897,000
The Energy Authority	351,000
Tenaska Power Services Co.	88,000
Tennessee Valley Authority	3,502,000
Westar Energy, Inc.	999,000
Louisville Gas and Electric Company	115,116,000
TOTAL SALES	137,046,000

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 9

Witness: Stuart A. Wilson

- Q-9. Provide the planned maintenance schedule for each of KU's generating units for the years 2017 and 2018.
- A-9. The information requested is being provided pursuant to a Petition for Confidential Treatment. A redacted version of the requested information is attached to this response.

CONFIDENTIAL INFORMATION REDACTED

2017
 KU Weekly Maintenance Detail

MAINT WEEK	Br1	Br2	Br3	Gh1	Gh2	Gh3	Gh4	TC2	CR7	Br5	Br6	Br7	Br8	Br9	Br10	Br11	PR13	TC5	TC6	TC7	TC8	TC9	TC10	
	107	167	411	475	484	482	476	560	691	120	157	157	118	118	118	118	161	169	169	169	169	169	169	169
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Notes: * Jointly owned units between LG&E/KU

CONFIDENTIAL INFORMATION REDACTED

2018
 KU Weekly Maintenance Detail

MAINT WEEK	Br1 107	Br2 167	Br3 411	Gh1 475	Gh2 484	Gh3 482	Gh4 476	TC2 560	CR7 691	Br5 120	Br6 157	Br7 157	Br8 118	Br9 118	Br10 118	Br11 118	PR13 161	TC5 169	TC6 169	TC7 169	TC8 169	TC9 169	TC10 169
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Notes: * Jointly owned units between LG&E/KU

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 10

Witness: Stuart A. Wilson

Q-10. For the years ending October 31, 2015 and October 31, 2016, provide:

- a. Maximum annual system demand; and
- b. Average annual demand.

A-10. a. Maximum annual net system demand:

<u>Year Ending</u>	<u>Peak Demand (MW)</u>
October 31, 2015	5,112
October 31, 2016	4,415

b. Average annual system demand:

<u>Year Ending</u>	<u>Peak Demand (MW)</u>
October 31, 2015	2,611
October 31, 2016	2,500

*Average annual demand is calculated as the year ending energy divided by the hours per year.

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 11

Witness: Stuart A. Wilson

Q-11. List all firm power commitments for KU from May 1, 2016 through October 31, 2016, and for the years 2017 and 2018 for (a) purchases and (b) sales. This list shall identify the other party (buyer or seller), the amount of commitment in MW, and the purpose of the commitment (e.g., peaking, emergency).

A-11. a. Firm Purchases

The firm purchases from Ohio Valley Electric Corporation (OVEC) for the review period are shown in the table below. KU purchased its participation ratio (2.5%) of the OVEC released capacity for the months in question:

Utility	Companies' Amt (MW)	KU Portion (MW)	Purpose
OVEC (May 2016)	~ 98	~ 30	Baseload
OVEC (Jun 2016)	~ 154	~ 47	Baseload
OVEC (Jul 2016)	~ 152	~ 47	Baseload
OVEC (Aug 2016)	~ 152	~ 47	Baseload
OVEC (Sep 2016)	~ 153	~ 47	Baseload
OVEC (Oct 2016)	~ 123	~ 38	Baseload
OVEC (Jan 2017)	~ 158	~ 49	Baseload
OVEC (Feb 2017)	~ 158	~ 49	Baseload
OVEC (Mar 2017)	~ 107	~ 33	Baseload
OVEC (Apr 2017)	~ 88	~ 27	Baseload
OVEC (May 2017)	~ 124	~ 38	Baseload
OVEC (Jun 2017)	~ 154	~ 47	Baseload
OVEC (Jul 2017)	~ 152	~ 47	Baseload
OVEC (Aug 2017)	~ 152	~ 47	Baseload
OVEC (Sep 2017)	~ 150	~ 46	Baseload
OVEC (Oct 2017)	~ 121	~ 37	Baseload
OVEC (Nov 2017)	~ 142	~ 44	Baseload
OVEC (Dec 2017)	~ 158	~ 49	Baseload
OVEC (Jan 2018)	~ 158	~ 49	Baseload
OVEC (Feb 2018)	~ 154	~ 47	Baseload
OVEC (Mar 2018)	~ 136	~ 42	Baseload
OVEC (Apr 2018)	~ 95	~ 29	Baseload
OVEC (May 2018)	~ 127	~ 39	Baseload
OVEC (Jun 2018)	~ 154	~ 47	Baseload
OVEC (Jul 2018)	~ 152	~ 47	Baseload
OVEC (Aug 2018)	~ 152	~ 47	Baseload
OVEC (Sep 2018)	~ 143	~ 44	Baseload
OVEC (Oct 2018)	~ 84	~ 26	Baseload
OVEC (Nov 2018)	~ 142	~ 44	Baseload
OVEC (Dec 2018)	~ 158	~ 49	Baseload

b. Firm Sales - None.

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 12

Witness: Derek Rahn

Q-12. Provide a monthly billing summary for all sales to all electric utilities for the period May 1, 2016 through October 31, 2016.

A-12. See attached.



Month Ended: May-31-2016

Kentucky Utilities Company

Power Transaction Schedule

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Sales						
CARGILL- ALLIANT, LLC	CARG	Economy	649,000	\$ 17,662.96	\$ 6,880.73	\$ 24,543.69
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	Economy	107,000	\$ 5,689.54	\$ 2,216.41	\$ 7,905.95
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy	361,000	\$ 14,532.13	\$ 5,965.48	\$ 20,497.61
ENERGY IMBALANCE	IMBL	Economy	561,000	\$ 14,100.68	\$ 5,493.02	\$ 19,593.70
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR.	MISO	Economy	647,000	\$ 11,174.20	\$ 4,370.74	\$ 15,544.94
PJM INTERCONNECTION ASSOCIATION	PJM	Economy	1,855,000	\$ 43,341.06	\$ 16,883.82	\$ 60,224.88
TENNESSEE VALLEY AUTHORITY	TVA	Economy	2,249,000	\$ 60,781.39	\$ 23,677.79	\$ 84,459.18
WESTAR ENERGY, INC.	WSTR	Economy	61,000	\$ 1,453.15	\$ 566.09	\$ 2,019.24
LOUISVILLE GAS & ELECTRIC	LGE	Economy	63,477,000	\$ 1,487,783.40	\$ 396.88	\$ 1,488,180.28
Total Sales			69,967,000	\$ -	\$ 66,450.96	\$ 1,722,969.47



Month Ended: June-30-2016

Kentucky Utilities Company

Power Transaction Schedule

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Sales						
CARGILL- ALLIANT, LLC	CARG	Economy	802,000	\$ 24,326.21	\$ 8,094.08	\$ 32,420.29
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	Economy	60,000	\$ 1,869.33	\$ 621.98	\$ 2,491.31
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy	133,000	\$ 5,042.91	\$ 1,677.94	\$ 6,720.85
ENERGY IMBALANCE	IMBL	Economy	316,000	\$ 5,712.64	\$ 1,900.77	\$ 7,613.41
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR.	MISO	Economy	1,696,000	\$ 43,872.51	\$ 14,597.31	\$ 58,469.82
PJM INTERCONNECTION ASSOCIATION	PJM	Economy	3,810,000	\$ 118,900.22	\$ 39,561.80	\$ 158,462.02
THE ENERGY AUTHORITY	TEA	Economy	16,000	\$ 481.17	\$ 160.10	\$ 641.27
TENASKA POWER SERVICES CO.	TPS	Economy	62,000	\$ 1,924.65	\$ 640.39	\$ 2,565.04
TENNESSEE VALLEY AUTHORITY	TVA	Economy	877,000	\$ 30,060.26	\$ 10,001.99	\$ 40,062.25
WESTAR ENERGY, INC.	WSTR	Economy	519,000	\$ 15,510.38	\$ 5,160.79	\$ 20,671.17
LOUISVILLE GAS & ELECTRIC	LGE	Economy	48,822,000	\$ 1,293,753.79	\$ 4,126.01	\$ 1,297,879.80
Total Sales			57,113,000	\$ -	\$ 86,543.16	\$ 1,627,997.23



Month Ended: July-31-2016

Kentucky Utilities Company

Power Transaction Schedule

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Sales						
CARGILL- ALLIANT, LLC	CARG	Economy	1,363,000	\$ 39,032.05	\$ 17,819.86	\$ 56,851.91
ETC ENDURE	ETC	Economy	73,000	\$ 2,022.36	\$ 923.30	\$ 2,945.66
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	Economy	121,000	\$ 8,463.39	\$ 3,863.92	\$ 12,327.31
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy	168,000	\$ 11,586.90	\$ 5,289.93	\$ 16,876.83
ENERGY IMBALANCE	IMBL	Economy	298,000	\$ 8,356.13	\$ 3,814.95	\$ 12,171.08
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR	MISO	Economy	4,584,000	\$ 131,096.88	\$ 59,782.07	\$ 190,878.95
PJM INTERCONNECTION ASSOCIATION	PJM	Economy	5,817,000	\$ 170,535.87	\$ 77,857.19	\$ 248,393.06
THE ENERGY AUTHORITY	TEA	Economy	461,000	\$ 13,399.53	\$ 6,117.48	\$ 19,517.01
TENNESSEE VALLEY AUTHORITY	TVA	Economy	666,000	\$ 19,214.34	\$ 8,772.20	\$ 27,986.54
WESTAR ENERGY, INC.	WSTR	Economy	705,000	\$ 20,838.33	\$ 9,513.61	\$ 30,351.94
LOUISVILLE GAS & ELECTRIC	LGE	Economy	46,629,000	\$ 1,170,884.96	\$ 7,662.02	\$ 1,178,546.98
Total Sales			60,885,000	\$ -	\$ 1,595,430.74	\$ 201,416.53
						\$ 1,796,847.27

Energy Imbalance is used to supply energy for mismatch between scheduled delivery and actual loads that have occurred over an hour.



Month Ended: August-31-2016

Kentucky Utilities Company

Power Transaction Schedule

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)	
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)		
Sales							
CARGILL- ALLIANT, LLC	CARG	Economy	481,000	\$ 14,986.63	\$ 7,073.15	\$ 22,059.78	
EXELON GENERATION COMPANY, LLC	EXEL	Economy	66,000	\$ 2,906.73	\$ 1,371.87	\$ 4,278.60	
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	Economy	217,000	\$ 1,665.44	\$ 1,210.43	\$ 2,875.87	
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy	321,000	\$ 4,207.04	\$ 2,814.40	\$ 7,021.44	
ENERGY IMBALANCE	IMBL	Economy	525,000	\$ 13,706.67	\$ 6,469.05	\$ 20,175.72	
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR	MISO	Economy	4,052,000	\$ 110,357.98	\$ 52,183.91	\$ 162,541.89	
PJM INTERCONNECTION ASSOCIATION	PJM	Economy	9,142,000	\$ 258,543.64	\$ 120,672.53	\$ 379,216.17	
THE ENERGY AUTHORITY	TEA	Economy	361,000	\$ 9,774.28	\$ 4,613.09	\$ 14,387.37	
TENNESSEE VALLEY AUTHORITY	TVA	Economy	1,711,000	\$ 49,549.50	\$ 23,385.58	\$ 72,935.08	
WESTAR ENERGY, INC.	WSTR	Economy	221,000	\$ 5,775.79	\$ 2,725.97	\$ 8,501.76	
LOUISVILLE GAS & ELECTRIC	LGE	Economy	62,718,000	\$ 1,536,796.31	\$ 1,713.13	\$ 1,538,509.44	
Miscellaneous Adjustment				\$ 2,124.03	\$ 236.00	\$ 2,360.03	
Total Sales			79,815,000	\$ -	\$ 2,010,394.04	\$ 224,469.11	\$ 2,234,863.15



Month Ended: September-30-2016

Kentucky Utilities Company

Power Transaction Schedule

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Sales						
CARGILL- ALLIANT, LLC	CARG	Economy	776,000	\$ 19,453.93	\$ 12,865.52	\$ 32,319.45
EXELON GENERATION COMPANY, LLC	EXEL	Economy	279,000	\$ 8,932.14	\$ 5,907.11	\$ 14,839.25
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	Economy	171,000	\$ 6,058.33	\$ 4,006.57	\$ 10,064.90
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy	1,175,000	\$ 29,073.19	\$ 19,227.04	\$ 48,300.23
ENERGY IMBALANCE	IMBL	Economy	114,000	\$ 2,572.48	\$ 1,701.27	\$ 4,273.75
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR	MISO	Economy	2,867,000	\$ 63,997.50	\$ 42,323.86	\$ 106,321.36
PJM INTERCONNECTION ASSOCIATION	PJM	Economy	6,217,000	\$ 199,032.80	\$ 131,626.88	\$ 330,659.68
TENASKA POWER SERVICES CO.	TPS	Economy	193,000	\$ 5,894.55	\$ 3,898.25	\$ 9,792.80
TENNESSEE VALLEY AUTHORITY	TVA	Economy	5,846,000	\$ 151,047.56	\$ 99,892.65	\$ 250,940.21
WESTAR ENERGY, INC.	WSTR	Economy	1,515,000	\$ 43,039.29	\$ 28,463.27	\$ 71,502.56
LOUISVILLE GAS & ELECTRIC	LGE	Economy	59,726,000	\$ 1,437,911.43	\$ 1,606.24	\$ 1,439,517.67
Total Sales			78,879,000	\$ -	\$ 351,518.66	\$ 2,318,531.86



Month Ended: October-31-2016

Kentucky Utilities Company

Power Transaction Schedule

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Sales						
CARGILL- ALLIANT, LLC	CARG	Economy	2,925,000	\$ 61,770.73	\$ 51,460.43	\$ 113,231.16
ETC ENDURE	ETC	Economy	559,000	\$ 12,417.04	\$ 10,344.49	\$ 22,761.53
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	Economy	70,000	\$ 2,673.02	\$ 2,226.86	\$ 4,899.88
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy	214,000	\$ 7,292.59	\$ 6,075.36	\$ 13,367.95
ENERGY IMBALANCE	IMBL	Economy	446,000	\$ 8,632.84	\$ 7,191.91	\$ 15,824.75
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR	MISO	Economy	4,367,000	\$ 79,600.88	\$ 66,314.08	\$ 145,914.96
PJM INTERCONNECTION ASSOCIATION	PJM	Economy	16,381,000	\$ 406,543.05	\$ 338,685.98	\$ 745,229.03
TENNESSEE VALLEY AUTHORITY	TVA	Economy	923,000	\$ 17,406.27	\$ 14,500.94	\$ 31,907.21
WESTAR ENERGY, INC.	WSTR	Economy	1,156,000	\$ 27,088.58	\$ 22,567.16	\$ 49,655.74
LOUISVILLE GAS & ELECTRIC	LGE	Economy	122,935,000	\$ 2,785,218.82	\$ 1,967.86	\$ 2,787,186.68
Total Sales			149,976,000	\$ -	\$ 3,408,643.82	\$ 521,335.07

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 13

Witness: Derek Rahn

Q-13. a. Provide a schedule of the calculation of the 12-month average line loss by month for November 2014 through October 2016.

b. Describe the actions that KU has taken to reduce line loss during this period.

A-13. a. See attached.

b. KU's transmission and distribution system is constantly being expanded and upgraded to provide reliable electric service. All enhancements contribute to a system that will operate with potentially fewer line losses. New line construction and transformer additions provide facilities which may reduce the current in existing facilities, thus allowing power the path of least resistance. Replacing existing conductors with larger conductors or replacing existing transformers with larger transformers also reduce the resistance. Adding capacitors near the load reduces system reactive power (VAR) requirements and line and transformer currents. Any reduction in current and/or resistance results in reduced losses. The Company's planning and design objective is to provide a reliable transmission and distribution system at a reasonable cost. For Transmission and Distribution, the cost for losses are evaluated as outlined below.

Transmission:

The cost of transmission line losses is included in the economic analysis when evaluating the cost of alternative projects. The costs of core and copper losses are incorporated into the selection of all transmission transformers.

Distribution:

Losses are evaluated in the selection of standard line materials (cables, wires, distribution transformers, etc.) and distribution substation transformers. Total ownership cost, which includes the cost of no-load, load and auxiliary losses, is incorporated into the selection of distribution and substation transformers.

**Kentucky Utilities Company
12 month Average Line Loss
November 2014 - October 2016**

(1)	(2)	(3)	(4)	(5)	(6)
Month	Total kWh Sources 12 Months Ended Current Month	Total kWh System Losses 12 Months Ended Current Month	12 Months End % Losses	Total kWh Sources Current Month	Current Month Calculates System Losses (kWh)
			(3) / (2)		(4) x (5)
Nov-2014	23,523,022,000	1,435,972,744	6.104542%	1,923,890,000	117,444,673
Dec-2014	23,399,204,000	1,389,239,938	5.937125%	1,999,383,000	118,705,868
Jan-2015	23,102,930,000	1,392,060,208	6.025470%	2,272,732,000	136,942,785
Feb-2015	23,277,900,000	1,372,866,416	5.897725%	2,282,861,000	134,636,864
Mar-2015	23,188,089,000	1,387,272,829	5.982696%	1,911,759,000	114,374,729
Apr-2015	23,155,766,000	1,382,569,386	5.970735%	1,562,111,000	93,269,508
May-2015	23,189,828,000	1,360,636,254	5.867384%	1,806,112,000	105,971,527
Jun-2015	23,273,259,000	1,355,534,110	5.824428%	2,028,368,000	118,140,834
Jul-2015	23,534,855,000	1,358,622,697	5.772811%	2,201,548,000	127,091,205
Aug-2015	23,556,790,000	1,373,970,702	5.832589%	2,068,112,000	120,624,473
Sep-2015	23,668,983,000	1,342,056,934	5.670108%	1,900,502,000	107,760,516
Oct-2015	23,622,564,000	1,357,688,768	5.747423%	1,665,186,000	95,705,283
Nov-2015	23,350,828,000	1,358,555,412	5.818018%	1,652,154,000	96,122,617
Dec-2015	23,169,558,000	1,338,766,318	5.778126%	1,818,113,000	105,052,860
Jan-2016	23,100,925,000	1,338,991,165	5.796266%	2,204,099,000	127,755,441
Feb-2016	22,731,299,000	1,295,911,469	5.701000%	1,913,235,000	109,073,527
Mar-2016	22,555,237,000	1,278,689,754	5.669148%	1,735,697,000	98,399,232
Apr-2016	22,610,842,000	1,275,220,375	5.639862%	1,617,716,000	91,236,950
May-2016	22,492,514,000	1,275,843,680	5.672304%	1,687,784,000	95,736,239
Jun-2016	22,427,114,000	1,272,754,132	5.675069%	1,962,968,000	111,399,788
Jul-2016	22,326,254,000	1,276,218,222	5.716222%	2,100,688,000	120,079,990
Aug-2016	22,465,323,000	1,249,702,963	5.562809%	2,207,181,000	122,781,263
Sep-2016	22,469,789,000	1,290,059,000	5.741304%	1,904,968,000	109,370,004
Oct-2016	22,545,008,000	1,293,464,079	5.737253%	1,740,405,000	99,851,438

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 14

Witness: Eileen L. Saunders

Q-14. List KU's scheduled, actual, and forced outages between May 1, 2016 and October 31, 2016.

A-14. See attached.

Kentucky Utilities Company
May 2016 through October 2016

Unit and Outage Type (F=Forced; S=Scheduled)	Scheduled		Actual*		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	Scheduled	Actual*		
E. W. Brown Unit 1 - Coal - 106 MW	F		7/27/2016 13:50	7/28/2016 9:23		19:33	Electro-Hydraulic Control (EHC) valve repair	
In-service May 1957	S	7/28/2016 9:23	7/28/2016 18:04	7/28/2016 9:23	7/28/2016 18:04	8:41	8:41	Boiler feed pump recirculating valve repair
	S	8/22/2016 2:15	8/22/2016 15:38	8/22/2016 2:15	8/22/2016 15:38	13:23	13:23	Flue Gas Desulfurization (FGD) damper inspection
	S	10/8/2016 0:50	10/11/2016 12:57	10/8/2016 0:50	10/11/2016 12:57	84:07	84:07	FGD expansion joint repair
	S	10/26/2016 6:00	10/26/2016 17:11	10/26/2016 6:00	10/26/2016 17:11	11:11	11:11	Electrostatic Precipitator (ESP) ground inspection
E. W. Brown Unit 2 - Coal - 166 MW	S	5/4/2016 6:00	5/4/2016 16:42	5/4/2016 6:00	5/4/2016 16:42	10:42	10:42	Boiler waterwall tube leak
In-service June 1963	S	8/22/2016 2:15	8/22/2016 15:38	8/22/2016 2:15	8/22/2016 15:38	13:23	13:23	FGD damper inspection
	S	9/17/2016 12:08	9/17/2016 20:28	9/17/2016 12:08	9/17/2016 20:28	8:20	8:20	Boiler steam drum terminal tube leak
	S	9/27/2016 5:28	9/29/2016 11:41	9/27/2016 5:28	9/29/2016 11:41	54:13	54:13	Boiler corner support repair
	S	10/7/2016 22:38	10/11/2016 12:57	10/7/2016 22:38	10/11/2016 12:57	86:19	86:19	FGD expansion joint repair
	S	10/26/2016 6:00	10/27/2016 17:35	10/26/2016 6:00	10/27/2016 17:35	35:35	35:35	ESP ground inspection
E. W. Brown Unit 3 - Coal - 409 MW	S	5/16/2016 15:57	5/18/2016 12:00	5/16/2016 15:57	5/18/2016 12:00	44:03	44:03	Boiler waterwall tube leak
In-service July 1971	F			7/1/2016 12:21	7/5/2016 15:36		99:15	Boiler reheat tube leak
	F			7/5/2016 21:43	7/7/2016 10:41		36:58	Induced Draft (ID) fan expansion joint temporary repair
	S	8/13/2016 20:13	8/17/2016 5:56	8/13/2016 20:13	8/17/2016 5:56	81:43	81:43	ID fan expansion joint replacement
	F			8/17/2016 22:43	8/18/2016 21:43		23:00	Boiler circulating water pump (BCWP) bypass line weld repair
	S	8/22/2016 2:15	8/22/2016 15:35	8/22/2016 2:15	8/22/2016 15:35	13:20	13:20	FGD damper inspection
	F			8/29/2016 13:20	8/31/2016 17:30		52:10	Boiler waterwall tube leak
	S	10/3/2016 6:00	10/16/2016 0:07	10/3/2016 6:00	10/16/2016 0:07	306:07	306:07	Minor boiler inspection and weld repair
Ghent Unit 1 - Coal - 474 MW	S	6/28/2016 22:39	6/29/2016 21:29	6/28/2016 22:39	6/29/2016 21:29	22:50	22:50	Expansion joint repair
In-service February 1974	S	8/5/2016 23:42	8/6/2016 19:28	8/5/2016 23:42	8/6/2016 19:28	19:46	19:46	BCWP seal repair
	F			9/16/2016 18:36	9/23/2016 1:56		151:20	Boiler primary superheat tube leak

*Actual outage dates and hours of duration include scheduled and forced outages.

Kentucky Utilities Company
 May 2016 through October 2016

Unit and Outage Type (F=Forced; S=Scheduled)	Scheduled		Actual*		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	Scheduled	Actual*		
Ghent Unit 2 - Coal - 493 MW	S	5/2/2016 22:15	5/4/2016 20:32	5/2/2016 22:15	5/4/2016 20:32	46:17	46:17	Condenser tube leak
In-service April 1977	F			7/8/2016 14:27	7/10/2016 11:25		44:58	Condenser expansion joint repair
	S	10/1/2016 0:00	10/30/2016 15:00	9/28/2016 5:12	10/23/2016 17:06	711:00	611:54	Minor turbine outage
	F			10/24/2016 8:27	10/24/2016 19:53		11:26	Removal of equipment following outage
	S	10/26/2016 23:11	10/29/2016 2:13	10/26/2016 23:11	10/29/2016 2:13	51:02	51:02	Air Heater inspection and adjustment
Ghent Unit 3 - Coal - 485 MW	S	5/5/2016 8:31	5/8/2016 21:20	5/5/2016 8:31	5/8/2016 21:20	84:49	84:49	Expansion joint repair
In-service May 1981	S	5/20/2016 9:43	5/30/2016 16:28	5/20/2016 9:43	5/30/2016 16:28	246:45	246:45	ID fan expansion joint replacement
	F			6/9/2016 6:47	6/9/2016 18:19		11:32	Cooling system leak repair
	S	6/9/2016 18:19	6/10/2016 9:20	6/9/2016 18:19	6/10/2016 9:20	15:01	15:01	Boiler inspection
	F			6/11/2016 19:20	6/15/2016 17:45		94:25	Temporary generator ground caused by moisture from cooler leak
	F			7/1/2016 21:22	7/3/2016 5:06		31:44	Boiler superheat tube leak
	F			7/19/2016 21:37	7/20/2016 18:32		20:55	Boiler primary superheat tube leak
	F			8/12/2016 1:09	8/13/2016 3:35		26:26	Boiler primary superheat tube leak
	F			9/22/2016 2:36	9/23/2016 23:40		45:04	Boiler reheat tube leak
	S	9/28/2016 8:08	9/29/2016 15:29	9/28/2016 8:08	9/29/2016 15:29	31:21	31:21	Boiler reheat tube leak
	S	10/29/2016 0:00	11/20/2016 15:00	10/29/2016 15:54	11/18/2016 19:57	543:00	484:03	Minor boiler outage
Ghent Unit 4 - Coal - 465 MW	F			7/23/2016 15:02	7/30/2016 21:06		174:04	Cooling tower inspection and repair
In-service August 1984	S	8/31/2016 22:06	9/2/2016 18:15	8/31/2016 22:06	9/2/2016 18:15	44:09	44:09	Circulating water line repair
	S	10/12/2016 22:57	10/15/2016 8:30	10/12/2016 22:57	10/15/2016 8:30	57:33	57:33	Circulating water line repair

*Actual outage dates and hours of duration include scheduled and forced outages.

Kentucky Utilities Company
May 2016 through October 2016

Unit and Outage Type (F=Forced; S=Scheduled)	Scheduled		Actual*		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	Scheduled	Actual*		
Trimble County Unit 2 - Coal - 549 MW	S	4/30/2016 16:06	5/9/2016 6:47	4/30/2016 16:06	5/9/2016 6:47	206:41	206:41	Turbine bearing inspection and adjustment
In-service January 2011	F			5/9/2016 9:45	5/9/2016 16:18		6:33	Generator protection relay trip
75% ownership share of 732 MW jointly owned with LG&E	F			5/10/2016 18:31	5/13/2016 5:10		58:39	Boiler drain leak repair
	S	5/16/2016 3:44	5/18/2016 6:29	5/16/2016 3:44	5/18/2016 6:29	50:45	50:45	Wet electrostatic precipitator (WESP) inspection
	F			5/18/2016 19:23	5/19/2016 8:26		13:03	Generator vibration inspection
	F			5/19/2016 11:17	6/1/2016 0:00		300:43	Generator vibration repair
	F			6/1/2016 0:00	7/15/2016 5:45		1061:45	Generator vibration repair extension
	F			7/18/2016 12:32	7/19/2016 23:59		35:27	Boiler pressure relief repair
	F			7/31/2016 7:42	7/31/2016 18:56		11:14	Air Heater motor trip
	F			7/31/2016 19:19	8/1/2016 2:59		7:40	Loss of power on transfer from Reserve to Main Aux Transformer
	F			9/11/2016 1:31	9/11/2016 14:58		13:27	Main steam control valve position indicator repair
	F			9/27/2016 6:46	9/27/2016 14:43		7:57	Primary air reference line transmitter repair
	F			10/30/2016 8:46	10/30/2016 21:26		12:40	Steam control valve inspection and repair
	F			10/31/2016 2:17	10/31/2016 9:00		6:43	Low feedwater flow during start-up
Cane Run Unit 7 - Gas CC - 662 MW	S	7/2/2016 22:33	7/3/2016 18:33	7/2/2016 22:33	7/3/2016 18:33	20:00	20:00	Heat Recovery Steam Generator (HRSG) superheat vent repair
In-service June 2015	S	7/30/2016 21:12	7/31/2016 7:23	7/30/2016 21:12	7/31/2016 7:23	10:11	10:11	Shutdown for water pump tie-in to existing systems
Jointly owned with LG&E	S	10/29/2016 0:00	11/20/2016 15:00	10/29/2016 0:03	11/18/2016 23:24	543:00	503:21	HRSG inspection, Combustion turbine borescope inspection
E. W. Brown Unit 5 - Gas CT - 130 MW	S	10/15/2016 0:00	10/23/2016 15:00	10/19/2016 7:53	10/22/2016 14:40	207:00	78:47	Generator protection relay upgrade
In-service June 2001								
Jointly owned with LG&E								
E. W. Brown Unit 6 - Gas CT - 146 MW	S	5/6/2016 5:49	5/7/2016 3:44	5/6/2016 5:49	5/7/2016 3:44	21:55	21:55	Oil pump motor replacement
In-service August 1999	S	7/28/2016 6:07	7/28/2016 12:27	7/28/2016 6:07	7/28/2016 12:27	6:20	6:20	Fire protection system repair
Jointly owned with LG&E	S	10/15/2016 0:00	10/23/2016 15:00	10/19/2016 5:42	10/22/2016 12:27	207:00	78:45	Borescope inspection and relay protection upgrade
	F			10/22/2016 13:25	10/24/2016 14:17		48:52	Generator protection relay calibration

*Actual outage dates and hours of duration include scheduled and forced outages.

Kentucky Utilities Company
 May 2016 through October 2016

Unit and Outage Type (F=Forced; S=Scheduled)	Scheduled		Actual*		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	Scheduled	Actual*		
E. W. Brown Unit 7 - Gas CT - 146 MW	S	10/20/2016 6:51	10/20/2016 17:53	10/20/2016 6:51	10/20/2016 17:53	11:02	11:02	Gas pipeline inspection
In-service August 1999	S	10/21/2016 8:26	10/21/2016 18:41	10/21/2016 8:26	10/21/2016 18:41	10:15	10:15	Gas pipeline inspection extension
Jointly owned with LG&E								
E. W. Brown Unit 8 - Gas CT - 121 MW	F			6/2/2016 11:47	6/3/2016 9:35		21:48	Generator circuit breaker repair
In-service February 1995	S	6/7/2016 5:44	6/7/2016 17:12	6/7/2016 5:44	6/7/2016 17:12	11:28	11:28	Gas flow meter calibration
	S	6/30/2016 7:27	6/30/2016 16:08	6/30/2016 7:27	6/30/2016 16:08	8:41	8:41	Breaker inspection
	S	8/18/2016 5:42	8/18/2016 13:30	8/18/2016 5:42	8/18/2016 13:30	7:48	7:48	Lube oil system calibration
E. W. Brown Unit 9 - Gas CT - 121 MW	F			5/12/2016 7:59	5/14/2016 9:06		49:07	Heating element replacement
In-service January 1995	S	9/14/2016 5:50	9/14/2016 13:32	9/14/2016 5:50	9/14/2016 13:32	7:42	7:42	Generator step-up transformer electrical testing
	S	9/26/2016 5:42	9/26/2016 13:10	9/26/2016 5:42	9/26/2016 13:10	7:28	7:28	Inlet air manifold inspection
	F			10/17/2016 21:22	10/19/2016 7:21		33:59	Heating element inspection and replacement
E. W. Brown Unit 10 - Gas CT - 121 MW	S	8/16/2016 7:00	8/16/2016 13:00	8/16/2016 7:00	8/16/2016 13:00	6:00	6:00	Water injection system control valve calibration
In-service December 1995								
E. W. Brown Unit 11 - Gas CT - 121 MW	S	8/14/2016 11:00	8/14/2016 17:15	8/14/2016 11:00	8/14/2016 17:15	6:15	6:15	Gas valve calibration
In-service May 1996	S	10/24/2016 14:18	10/27/2016 17:17	10/24/2016 14:18	10/27/2016 17:17	74:59	74:59	Generator protection relay upgrade
Haefling Unit 1 - Gas CT - 12 MW		No outages > or = 6 hours						
In-service October 1970								
Haefling Unit 2 - Gas CT - 12 MW		No outages > or = 6 hours						
In-service October 1970								
Paddys Run Unit 13 - Gas CT - 147 MW	S	10/29/2016 0:00	11/13/2016 15:00	10/24/2016 5:30	11/12/2016 10:11	375:00	460:41	High pressure gas line connection outage
In-service June 2001								
Jointly owned with LG&E								
Trimble County Unit 5 - Gas CT - 159 MW	F			5/11/2016 12:49	5/14/2016 14:38		73:49	Motor operated disconnect (MOD) repair and upgrade
In-service May 2002	F			6/26/2016 10:54	6/27/2016 12:44		25:50	Static start system inspection and repair
Jointly owned with LG&E	S	9/16/2016 5:20	9/16/2016 14:48	9/16/2016 5:20	9/16/2016 14:48	9:28	9:28	Gas control valve repair
	S	10/1/2016 0:00	10/16/2016 15:00	9/30/2016 20:23	10/15/2016 16:04	375:00	355:41	Unit controls upgrade

*Actual outage dates and hours of duration include scheduled and forced outages.

Kentucky Utilities Company
 May 2016 through October 2016

Unit and Outage Type (F=Forced; S=Scheduled)	Scheduled		Actual*		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	Scheduled	Actual*		
Trimble County Unit 6 - Gas CT - 159 MW	S	4/22/2016 20:30	5/29/2016 14:56	4/22/2016 20:30	5/29/2016 14:56	882:26	882:26	Hot gas path inspection
In-service May 2002	S	8/24/2016 6:26	8/24/2016 18:25	8/24/2016 6:26	8/24/2016 18:25	11:59	11:59	Gas valve servo replacement
Jointly owned with LG&E	S	10/1/2016 0:00	10/16/2016 15:00	9/30/2016 20:23	10/15/2016 22:06	375:00	361:43	Unit controls upgrade
	S	10/15/2016 22:28	10/16/2016 7:42	10/15/2016 22:28	10/16/2016 7:42	9:14	9:14	Post control upgrade system tuning
	S	10/16/2016 10:56	10/17/2016 0:00	10/16/2016 10:56	10/17/2016 0:00	13:04	13:04	Post control upgrade tuning and combustion chamber repair
	S	10/17/2016 0:00	10/24/2016 7:49	10/17/2016 0:00	10/24/2016 7:49	175:49	175:49	Post control upgrade tuning and combustion chamber repair extension
Trimble County Unit 7 - Gas CT - 159 MW	S	5/14/2016 3:00	5/14/2016 14:38	5/14/2016 3:00	5/14/2016 14:38	11:38	11:38	MOD repair and upgrade: shared equipment with TC5
In-service June 2004	S	8/23/2016 6:28	8/23/2016 16:08	8/23/2016 6:28	8/23/2016 16:08	9:40	9:40	Post outage vibration balance shot
Jointly owned with LG&E								
Trimble County Unit 8 - Gas CT - 159 MW	F			5/24/2016 11:55	5/25/2016 20:05		32:10	Cooling system leak repair
In-service June 2004	F			8/9/2016 14:28	8/10/2016 10:01		19:33	Fire protection system repair
Jointly owned with LG&E								
Trimble County Unit 9 - Gas CT - 159 MW	S	3/21/2016 2:27	5/4/2016 0:00	3/21/2016 2:27	5/4/2016 0:00	1053:33	1053:33	Generator rewind
In-service July 2004	S	5/4/2016 0:00	5/6/2016 22:22	5/4/2016 0:00	5/6/2016 22:22	70:22	70:22	Generator rewind extension
Jointly owned with LG&E	S	10/22/2016 0:00	10/30/2016 15:00	10/24/2016 1:32	10/30/2016 17:56	207:00	160:24	Borescope inspection
Trimble County Unit 10 - Gas CT - 159 MW	S	10/22/2016 0:00	10/30/2016 15:00	10/24/2016 1:32	10/31/2016 0:00	207:00	166:28	Generator protection relay upgrade
In-service July 2004	S	10/31/2016 0:00	10/31/2016 12:25	10/31/2016 0:00	10/31/2016 12:25	12:25	12:25	Gas line pressure regulating valve maintenance and tuning
Jointly owned with LG&E								

*Actual outage dates and hours of duration include scheduled and forced outages.

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 15

Witness: Delbert Billiter

- Q-15. For each existing fuel contract categorized as long-term (i.e., one year or more in length), provide:
- a. Supplier's name and address;
 - b. Name and location of production facility;
 - c. Date when contract was executed;
 - d. Duration of contract;
 - e. Date(s) of each contract revision, modification, or amendment;
 - f. Annual tonnage requirements;
 - g. Actual annual tonnage received since the contract's inception;
 - h. Percent of annual requirements received during the contract's term;
 - i. Base price in dollars per ton;
 - j. Total amount of price escalations to date in dollars per ton; and
 - k. Current price paid for coal under the contract in dollars per ton (i.+j).

A-15. See attached.

A. NAME/ADDRESS: Alliance Coal, LLC / J12007
1717 South Boulder Av., Suite 400
Tulsa, Oklahoma 74119-4886

B. PRODUCTION FACILITY:
OPERATOR Hopkins County Coal, Warrior Coal and Webster
County Coal
MINE Seller's Mines
LOCATION Western Kentucky

C. CONTRACT EXECUTED DATE: December 9, 2011

D. CONTRACT DURATION: January 1, 2012 – December 31, 2016

E. CONTRACT AMENDMENTS: Amendment No. 1, effective January 1, 2013.
Determine Base price for 2013 and 2014.
Amendment No. 2, effective January 1, 2014.
Determine Base price for 2014 and 2015.
Amendment No. 3, effective January 1, 2015.
Determine Base price for 2015 and 2016.
Amendment No. 4, effective January 1, 2016.
Determine Base price for 2016.

F. ANNUAL TONNAGE REQUIREMENTS:

2012	3,000,000 tons
2013	3,000,000 tons
2014	3,000,000 tons
2015	3,000,000 tons
2016	3,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&E</u>	<u>KU</u>
2012	2,877,460 tons	14,326 tons
2013	3,065,353 tons	0 tons
2014	2,942,649 tons	60,536 tons
2015	3,027,379 tons	0 tons
2016	2,147,399 tons (through 10/31/16)	257,247 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2012	96%
2013	102%
2014	100%
2015	101%
2016	80% (through 10/31/16)

I. BASE PRICE (FOB Railcar/Barge):	2012 - \$47.00 per ton FOB Railcar 2013 - \$48.00 per ton FOB Railcar 2014 - \$47.38 per ton FOB Railcar/Barge 2015 - \$47.13 per ton FOB Railcar/Warrior 2015 - \$46.88 per ton FOB Railcar/Dotiki 2016 - \$45.75 per ton FOB Railcar/Warrior 2016 - \$45.00 per ton FOB Railcar/Dotiki
J. ESCALATIONS TO DATE:	None
K. CURRENT CONTRACT PRICE:	\$45.75 per ton FOB Railcar/Warrior \$45.00 per ton FOB Railcar/Dotiki

A. NAME/ADDRESS: Alliance Coal, LLC / J16001B
1717 South Boulder Av., Suite 400
Tulsa, Oklahoma 74119-4886

B. PRODUCTION FACILITY:
OPERATOR River View Coal, LLC
MINE River View Mine
LOCATION Union County, Kentucky

C. CONTRACT EXECUTED DATE: December 29, 2014

D. CONTRACT DURATION: January 1, 2016 – December 31, 2017

E. CONTRACT AMENDMENTS: Amendment No. 1, effective October 10, 2014.
Extend term to December 31, 2017. Increase Base
Quantity tonnage. Update Annual Base Price for
2016 and 2017.
Contract J16001 Assignment from Patriot Coal
Sales to Alliance Coal, LLC.

F. ANNUAL TONNAGE REQUIREMENTS: 2016 960,000 tons
2017 480,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&E</u>	<u>KU</u>
2016	557,197 tons (through 10/31/16)	185,795 tons

H. PERCENT OF ANNUAL REQUIREMENTS: 2016 77% (through 10/31/16)

I. BASE PRICE (FOB Barge): 2016 - \$46.69 per ton
2017 - \$48.25 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$46.69 per ton

A. NAME/ADDRESS: Alliance Coal, LLC / J16008
1717 South Boulder Av., Suite 400
Tulsa, Oklahoma 74119-4886

B. PRODUCTION FACILITY:
OPERATOR Gibson County Coal, LLC
MINE Gibson South
LOCATION Gibson County, Indiana

C. CONTRACT EXECUTED DATE: March 1, 2015

D. CONTRACT DURATION: January 1, 2016 – December 31, 2017

E. CONTRACT AMENDMENTS: Amendment No.1, effective March 1, 2016
Adds FOB Barge Load Point Mount Vernon
Terminal MP 828

F. ANNUAL TONNAGE REQUIREMENTS:

2016	250,000 tons
2017	250,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&E</u>	<u>KU</u>
2016	0 tons (through 10/31/16)	188,365 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2016	75% (through 10/31/16)
------	------------------------

I. BASE PRICE (FOB Railcar/Barge):

2016	- \$47.00 per ton FOB Railcar \$54.50 per ton FOB Barge
2017	- \$49.00 per ton FOB Railcar

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$47.00 per ton FOB Railcar
\$54.50 per ton FOB Barge

A. NAME/ADDRESS: Arch Coal Sales Company, Inc. / J16012
1 CityPlace Drive, Suite 300
St. Louis, Missouri 63141

B. PRODUCTION FACILITY:
OPERATOR Thunder Basin Coal Company, LLC
MINES Black Thunder Complex
LOCATION Campbell County, Wyoming

C. CONTRACT EXECUTED DATE: June 2, 2015

D. CONTRACT DURATION: January 1, 2016 - December 31, 2017

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS: 2016 600,000 tons
2017 600,000 tons

G. ACTUAL TONNAGE RECEIVED: KU
2016 343,250 (through 10/31/16)

H. PERCENT OF ANNUAL REQUIREMENTS: 2016 57% (through 10/31/16)

I. BASE PRICE (FOB Railcar) 2016 \$11.50 per ton
2017 \$12.60 per ton

J. ESCALATIONS TO DATE: \$0.00 per ton

K. CURRENT CONTRACT PRICE: \$11.50 per ton

- A. NAME/ADDRESS: Armstrong Coal Sales, LLC / J07032
407 Brown Road
Madisonville, Kentucky 42431
- B. PRODUCTION FACILITY:
OPERATOR Armstrong Coal Company, Inc
MINES Various
LOCATION Muhlenberg County and Ohio County, Kentucky
- C. CONTRACT EXECUTED DATE: December 20, 2007
- D. CONTRACT DURATION: January 1, 2008 - December 31, 2019
- E. CONTRACT AMENDMENTS: Amendment No. 1, effective July 1, 2008 amending base quantity and modifying diesel fuel adjustment to include explosives.
Amendment No. 2, effective December 22, 2009 amending term, base quantity, price and environmental force majeure.
Amendment No. 3, effective October 29, 2013 amending term, base quantity, price and payment.
Assignment and Assumption Agreement dated August 6, 2015 assigning Agreement from Armstrong Coal Company, Inc. to Armstrong Coal Sales, LLC.
- F. ANNUAL TONNAGE REQUIREMENTS:
- | | |
|-------------------|---------------------------|
| 2008 | 600,000 tons |
| 2009 | 2,200,000 tons |
| 2010 | 1,800,000 tons |
| 2011 through 2013 | - 2,100,000 tons per year |
| 2014 through 2016 | - 1,000,000 tons per year |
| 2017 through 2019 | - 700,000 tons per year |
- G. ACTUAL TONNAGE RECEIVED:
- | | <u>LG&E</u> | <u>KU</u> |
|------|-----------------|----------------|
| 2008 | 511,414 tons | 82,623 tons |
| 2009 | 1,530,482 tons | 632,077 tons |
| 2010 | 1,180,206 tons | 657,930 tons |
| 2011 | 993,296 tons | 877,219 tons |
| 2012 | 904,254 tons | 1,211,495 tons |
| 2013 | 838,589 tons | 1,431,403 tons |
| 2014 | 346,954 tons | 634,044 tons |

	<u>LG&E</u>	<u>KU</u>
2015	312,387 tons	627,074 tons
2016	309,479 tons (through 10/31/16)	559,231 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2008	99%
2009	98%
2010	102%
2011	89%
2012	101%
2013	108%
2014	98%
2015	94%
2016	87% (through 10/31/16)

I. BASE PRICE (FOB Railcar/Barge)

2008	Quality 1 - \$27.31 per ton Quality 2 - \$28.30 per ton
2009	Quality 1 - \$27.60 per ton Quality 2 - \$28.76 per ton
2010	Quality 1 - \$28.18 per ton Quality 2 - N/A
2011	Quality 1 - \$28.19 per ton Quality 2 - \$29.61 per ton
2012	Quality 1 - \$28.35 per ton Quality 2 - \$29.77 per ton
2013	Quality 1 - \$28.35 per ton Quality 2 - \$29.77 per ton
2014-2017	Quality 1 - \$28.50 per ton Quality 2 - \$29.92 per ton
2018	Quality 1 - \$29.00 per ton Quality 2 - \$30.42 per ton
2019	Quality 1 - \$30.25 per ton Quality 2 - \$31.67 per ton

A. NAME/ADDRESS:	Armstrong Coal Sales, LLC / J14004 407 Brown Road Madisonville, Kentucky 42431	
B. PRODUCTION FACILITY: OPERATOR MINES LOCATION	Armstrong Coal Company, Inc. Various Muhlenberg County and Ohio County, Kentucky	
C. CONTRACT EXECUTED DATE:	December 12, 2012	
D. CONTRACT DURATION:	January 1, 2013 - December 31, 2017	
E. CONTRACT AMENDMENTS:	Amendment No. 1, effective October 29, 2013 amending base quantity and price. Assignment and Assumption Agreement dated August 6, 2015 assigning Agreement from Armstrong Coal Company, Inc. to Armstrong Coal Sales, LLC.	
F. ANNUAL TONNAGE REQUIREMENTS:	2014	1,300,000 tons
	2015	1,350,000 tons
	2016	500,000 tons
	2017	500,000 tons
G. ACTUAL TONNAGE: RECEIVED:	<u>LG&E</u>	<u>KU</u>
	2014	647,205 tons
	2015	323,703 tons
	2016	279,420 tons
		(through 10/31/16)
H. PERCENT OF ANNUAL REQUIREMENTS:	2014	94%
	2015	88%
	2016	120% (through 10/31/16)
I. BASE PRICE (FOB Railcar/Barge)	<u>Railcar</u>	<u>Barge</u>
	2014	\$44.60 per ton
	2015	\$46.01 per ton
	2016	\$46.75 per ton
	2017	\$47.90 per ton

J. ESCALATIONS TO DATE:

Railcar/Barge
-\$5.47 per ton

K. CURRENT CONTRACT PRICE:

<u>Railcar</u>	<u>Barge</u>
\$41.28 per ton	\$42.28 per ton

A. NAME/ADDRESS: Armstrong Coal Sales, LLC / J14010
407 Brown Road
Madisonville, Kentucky 42431

B. PRODUCTION FACILITY:
OPERATOR Armstrong Coal Company, Inc.
MINES Various
LOCATION Muhlenberg County and Ohio County,
Kentucky

C. CONTRACT EXECUTED DATE: December 12, 2012

D. CONTRACT DURATION: January 1, 2014 - December 31, 2019

E. CONTRACT AMENDMENTS: Assignment and Assumption Agreement dated August 6, 2015 assigning Agreement from Armstrong Coal Company, Inc. to Armstrong Coal Sales, LLC.

F. ANNUAL TONNAGE REQUIREMENTS:

2014	100,000 tons
2015	100,000 tons
2016	100,000 tons
2017	100,000 tons
2018	100,000 tons
2019	100,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&E</u>	<u>KU</u>
2014	38,628 tons	59,303 tons
2015	28,826 tons	75,097 tons
2016	14,332 tons	64,070 tons
	(through 10/31/16)	

H. PERCENT OF ANNUAL REQUIREMENTS:

2014	98%
2015	104%
2016	78% (through 10/31/16)

I. BASE PRICE (FOB Barge/Railcar)

2014	\$40.00 per ton
2015	\$41.00 per ton
2016	\$42.00 per ton
2017	\$43.00 per ton
2018	\$44.00 per ton
2019	\$45.00 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$42.00 per ton

A. NAME/ADDRESS: Armstrong Coal Sales, LLC / J16003
407 Brown Road
Madisonville, Kentucky 42431

B. PRODUCTION FACILITY:
OPERATOR Armstrong Coal Company, Inc.
MINES Various
LOCATION Muhlenberg County and Ohio County,
Kentucky

C. CONTRACT EXECUTED DATE: September 8, 2014

D. CONTRACT DURATION: January 1, 2016 - December 31, 2017

E. CONTRACT AMENDMENTS: Assignment and Assumption Agreement dated
August 6, 2015 assigning Agreement from
Armstrong Coal Company, Inc. to Armstrong Coal
Sales, LLC.

F. ANNUAL TONNAGE REQUIREMENTS: 2016 1,000,000 tons
2017 1,000,000 tons

G. ACTUAL TONNAGE RECEIVED: LG&E KU
2016 329,788 tons 452,771 tons
(through 10/31/16)

H. PERCENT OF ANNUAL REQUIREMENTS: 2016 78% (through 10/31/16)

I. BASE PRICE (FOB Barge/Railcar) 2016 \$42.80 per ton
2017 \$44.00 per ton

J. ESCALATIONS TO DATE: -\$5.54 per ton

K. CURRENT CONTRACT PRICE: \$37.26 per ton

A. NAME/ADDRESS:	Armstrong Coal Sales, LLC / J16017 407 Brown Road Madisonville, Kentucky 42431	
B. PRODUCTION FACILITY:		
OPERATOR	Armstrong Coal Company, Inc.	
MINES	Various	
LOCATION	Muhlenberg County and Ohio County, Kentucky	
C. CONTRACT EXECUTED DATE:	September 16, 2015	
D. CONTRACT DURATION:	September 1, 2015 - December 31, 2018	
E. CONTRACT AMENDMENTS:	None	
F. ANNUAL TONNAGE REQUIREMENTS:	2016	400,000 tons
	2017	720,000 tons
	2018	1,000,000 tons
G. ACTUAL TONNAGE: RECEIVED:		
		<u>LG&E</u> <u>KU</u>
	2016	69,982 tons 236,975 tons (through 10/31/16)
H. PERCENT OF ANNUAL REQUIREMENTS:	2016	77% (through 10/31/16)
I. BASE PRICE (FOB Railcar/Barge)		
		<u>Railcar</u> <u>Barge</u>
	2016	\$38.25 per ton \$39.25 per ton
	2017	\$39.25 per ton \$40.25 per ton
	2018	\$40.25 per ton \$41.25 per ton
J. ESCALATIONS TO DATE:	<u>Railcar/Barge</u> -\$2.61 per ton	
K. CURRENT CONTRACT PRICE:		
		<u>Railcar</u> <u>Barge</u>
		\$35.64 per ton \$36.64 per ton

A. NAME/ADDRESS:	Bowie Refined Coal LLC / K14037 6100 Dutchmans Lane, 11 th Floor Louisville, Kentucky 40205	
B. PRODUCTION FACILITY: OPERATOR MINES LOCATION	Bowie Refined Coal LLC BRC Estill County Facility Estill County, Kentucky	
C. CONTRACT EXECUTED DATE:	October 6, 2014	
D. CONTRACT DURATION:	October 1, 2014 - December 31, 2016	
E. CONTRACT AMENDMENTS:	None	
F. ANNUAL TONNAGE REQUIREMENTS:	2014	30,000 tons
	2015	120,000 tons
	2016	120,000 tons
G. ACTUAL TONNAGE: RECEIVED:		<u>KU</u>
	2014	12,672 tons
	2015	99,611 tons
	2016	39,633 tons (through 10/31/16)
H. PERCENT OF ANNUAL REQUIREMENTS:	2014	42%
	2015	83%
	2016	33% (through 10/31/16)
I. BASE PRICE (FOB E.W. Brown)		
		<u>120,000 lbs. GVW</u> <u>80,000 lbs. GVW</u>
	2014	\$58.50 per ton \$69.50 per ton
	2015	\$59.67 per ton \$70.67 per ton
	2016	\$60.84 per ton \$71.84 per ton
J. ESCALATIONS TO DATE:	None	
K. CURRENT CONTRACT PRICE:		
		<u>120,000 lbs. GVW</u> <u>80,000 lbs. GVW</u>
		\$60.84 per ton \$71.84 per ton

A. NAME/ADDRESS:	Eagle River Coal, LLC / J16005 29 West Raymond St. Harrisburg, Illinois 62946	
B. PRODUCTION FACILITY:		
OPERATOR	Eagle River Coal, LLC	
MINES	Eagle River Surface Mine No.1	
LOCATION	Saline County, Illinois	
C. CONTRACT EXECUTED DATE:	November 11, 2014	
D. CONTRACT DURATION:	January 1, 2016 - December 31, 2018	
E. CONTRACT AMENDMENTS:	None	
F. ANNUAL TONNAGE	2016	300,000 tons
REQUIREMENTS:	2017	420,000 tons
	2018	420,000 tons
G. ACTUAL TONNAGE:		
RECEIVED:	2016	<u>LG&E</u> <u>KU</u> 98,204 tons 128,137 tons (through 10/31/16)
H. PERCENT OF ANNUAL	2016	75% (through 10/31/16)
REQUIREMENTS:		
I. BASE PRICE (FOB Barge)	2016	\$48.20 per ton
	2017	\$49.30 per ton
	2018	\$52.30 per ton
J. ESCALATIONS TO DATE:	-\$3.75 per ton	
K. CURRENT CONTRACT PRICE:	\$44.45 per ton	

A. NAME/ADDRESS: Foresight Coal Sales, LLC / J16018
46226 National Road
St. Clairsville, Ohio 43950

B. PRODUCTION FACILITY:
OPERATOR: Macoupin Energy, LLC
Sugar Camp Energy, LLC
Hillsboro Energy, LLC
Williamson Energy, LLC
MINES: Shay Mine No. 1
Deer Run Mine
MC#1
Mach #1
LOCATION: Macoupin, Montgomery, Williamson and Franklin
Counties, Illinois

C. CONTRACT EXECUTED DATE: December 19, 2015

D. CONTRACT DURATION: December 1, 2015 - December 31, 2019

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS

Total 3,000,000 tons	
<u>Year</u>	<u>Volume Range</u>
2016	0 – 500,000 tons
2017	1,000,000 – 1,500,000 tons
2018	1,000,000 – 1,500,000 tons
2019	0 – 1,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>KU</u>	<u>LGE</u>
2016	0 tons	0 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2016	NA
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I. BASE PRICE: (FOB Barge)

<u>Volume Range (Cumulative)</u>	<u>Base Price</u>
0 – 1,000,000 tons	\$38.95 per ton
1,000,001 – 2,000,000 tons	\$40.45 per ton
2,000,001 – 3,000,000 tons	\$42.35 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$38.95 per ton

- A. NAME/ADDRESS: Peabody COALSALES, LLC / J16007
701 Market Street
St. Louis, Missouri 63101
- B. PRODUCTION FACILITY:
OPERATOR Peabody Midwest Mining, LLC
Peabody Wild Boar Mining, LLC
MINE Somerville Mine Complex
Wild Boar
LOCATION Warrick & Gibson Counties, Indiana
- C. CONTRACT EXECUTED DATE: April 6, 2015
- D. CONTRACT DURATION: April 1, 2015 – December 31, 2018
- E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1, 2015
Extend term to December 31, 2018 and add 250K tons to 2016, 750K tons to 2017 and 750K tons to 2018. Added new pricing for 2016 through 2018.
- F. ANNUAL TONNAGE REQUIREMENTS: 2016 750,000 tons
2017 750,000 tons
2018 750,000 tons
- G. ACTUAL TONNAGE RECEIVED:

<u>KU</u>	<u>LGE</u>
2016 596,700 tons (through 10/31/2016)	17,804 tons
- H. PERCENT OF ANNUAL REQUIREMENTS: 2016 82% (through 10/31/2016)
- I. BASE PRICE: (FOB Barge/Railcar) 2016 1st 500,000 tons
\$45.75 per ton – FOB Barge Evansville
\$45.75 per ton – FOB Barge Warrick Co.
\$42.75 per ton – FOB Railcar
- 2016 Last 250,000 tons
\$40.75 per ton – FOB Barge Evansville
\$40.75 per ton – FOB Barge Warrick Co.
\$37.75 per ton – FOB Railcar

2017 \$41.75 per ton – FOB Barge Evansville
\$41.75 per ton – FOB Barge Warrick Co.
\$38.75 per ton – FOB Railcar

2018 \$42.75 per ton – FOB Barge Evansville
\$42.75 per ton – FOB Barge Warrick Co.
\$39.75 per ton – FOB Railcar

J. ESCALATIONS TO DATE:

2016 1st 500,000 tons
-\$8.42 per ton – FOB Barge Evansville
-\$7.49 per ton – FOB Barge Warrick Co.
-\$7.49 per ton – FOB Railcar

2016 Last 250,000 tons
-\$2.48 per ton – FOB Barge Evansville
-\$2.26 per ton – FOB Barge Warrick Co.
-\$2.26 per ton – FOB Railcar

K. CURRENT CONTRACT PRICE:

2016 Last 250,000 tons
\$38.27 per ton – FOB Barge Evansville
\$38.49 per ton – FOB Barge Warrick Co.
\$35.49 per ton – FOB Railcar

A. NAME/ADDRESS:	Rhino Energy LLC and Pennyrile Energy LLC / J14001 424 Lewis Hargett Circle, Suite 250 Lexington, Kentucky 40503															
B. PRODUCTION FACILITY: OPERATOR MINE LOCATION	Pennyrile Energy LLC Riveredge Mine McLean County, Kentucky															
C. CONTRACT EXECUTED DATE:	December 11, 2012															
D. CONTRACT DURATION:	December 10, 2014 - December 31, 2020															
E. CONTRACT AMENDMENTS:	None															
F. ANNUAL TONNAGE REQUIREMENTS:	2014 150,000 tons 2015 800,000 tons 2016 800,000 tons 2017 800,000 tons 2018 – 2020 re-opener															
G. ACTUAL TONNAGE RECEIVED:	<table border="0" style="margin-left: 40px;"> <thead> <tr> <th></th> <th style="text-align: center;"><u>LG&E</u></th> <th style="text-align: center;"><u>KU</u></th> </tr> </thead> <tbody> <tr> <td>2014</td> <td style="text-align: center;">43,582 tons</td> <td style="text-align: center;">70,647 tons</td> </tr> <tr> <td>2015</td> <td style="text-align: center;">121,084 tons</td> <td style="text-align: center;">580,770 tons</td> </tr> <tr> <td>2016</td> <td style="text-align: center;">62,122 tons</td> <td style="text-align: center;">642,673 tons</td> </tr> <tr> <td></td> <td colspan="2" style="text-align: center;">(through 10/31/16)</td> </tr> </tbody> </table>		<u>LG&E</u>	<u>KU</u>	2014	43,582 tons	70,647 tons	2015	121,084 tons	580,770 tons	2016	62,122 tons	642,673 tons		(through 10/31/16)	
	<u>LG&E</u>	<u>KU</u>														
2014	43,582 tons	70,647 tons														
2015	121,084 tons	580,770 tons														
2016	62,122 tons	642,673 tons														
	(through 10/31/16)															
H. PERCENT OF ANNUAL REQUIREMENTS:	2014 76% 2015 88% 2016 88% (through 10/31/16)															
I. BASE PRICE (FOB Barge):	2014 \$45.25 per ton 2015 \$46.50 per ton 2016 \$48.25 per ton 2017 \$50.00 per ton 2018 – 2020 re-opener															
J. ESCALATIONS TO DATE:	None															
K. CURRENT CONTRACT PRICE:	\$48.25 per ton															

- A. NAME/ADDRESS: The American Coal Company / J16006
46226 National Road
St. Clairsville, Ohio 43950
- B. PRODUCTION FACILITY:
OPERATOR: The American Coal Company
MINES: New Era Mine and New Future Mine
LOCATION: Saline County, Illinois
- C. CONTRACT EXECUTED DATE: December 19, 2015
- D. CONTRACT DURATION: December 1, 2014 - December 31, 2019
- E. CONTRACT AMENDMENTS: Amendment No.1 effective January 1, 2016, change
FOB Barge Loading Point to Sitran Dock MP 817.5
Ohio River.
Amendment No. 2 effective September 1, 2016,
reduce FOB Barge Price.
- F. ANNUAL TONNAGE REQUIREMENTS
- | <u>Year</u> | <u>Volume Range</u> |
|-------------|----------------------------|
| 2016 | 0 – 500,000 tons |
| 2017 | 1,000,000 – 1,500,000 tons |
| 2018 | 1,000,000 – 1,500,000 tons |
| 2019 | 0 – 1,000,000 tons |
- G. ACTUAL TONNAGE RECEIVED:
- | | <u>KU</u> | <u>LGE</u> |
|------|-----------|------------|
| 2016 | 0 tons | 0 tons |
- H. PERCENT OF ANNUAL REQUIREMENTS:
- | | |
|------|----|
| 2016 | NA |
|------|----|
- I. BASE PRICE: (FOB Barge)
- | <u>Volume Range (Cumulative)</u> | <u>Base Price</u> |
|----------------------------------|-------------------|
| 0 – 500,000 tons | \$43.50 per ton |
| 500,001 – 1,000,000 tons | \$44.00 per ton |
| 1,000,001 – 1,500,000 tons | \$44.75 per ton |
| 1,500,001 – 2,000,000 tons | \$45.50 per ton |
| 2,000,001 – 2,500,000 tons | \$46.50 per ton |
| 2,500,001 – 3,000,000 tons | \$47.00 per ton |
- J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$43.50 per ton

A. NAME/ADDRESS: Triad Mining, LLC / J15002
3228 Summit Square Place, Suite 180
Lexington, Kentucky 40509

B. PRODUCTION FACILITY:
OPERATOR: Triad Mining, LLC
MINES: Log Creek
LOCATION: Pike County, Indiana

C. CONTRACT EXECUTED DATE: January 23, 2015

D. CONTRACT DURATION: January 1, 2015 - December 30, 2017

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2015	360,000 tons
2016	500,000 tons
2017	500,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>KU</u>
2015	362,200 tons
2016	431,521 tons (through 10/31/16)

H. PERCENT OF ANNUAL REQUIREMENTS:

2015	101%
2016	86% (through 10/31/16)

I. BASE PRICE: (FOB Railcar)

2015	\$44.00 per ton
2016	\$46.00 per ton
2017	\$47.50 per ton

J. ESCALATIONS TO DATE: -\$3.34 per ton

K. CURRENT CONTRACT PRICE: \$42.66 per ton

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 16

Witness: Derek Rahn

Q-16. Provide a schedule of the present and proposed rates that KU seeks to change pursuant to 807 KAR 5:056, shown in comparative form.

A-16. See attached.

Kentucky Utilities Revised Tariffs

Tariff Sheet No.	Rate Schedule	Existing Base Rate -- Energy, Fuel and ECR	Existing Fuel Component of Base Rates	Existing Base Rate -- Excluding Fuel Base	Revised Fuel Component of Base Rates	Revised Base Rates including Fuel and ECR
5	RS	\$ 0.08870	\$ 0.02892	\$ 0.05978	\$ 0.02609	\$ 0.08587
6	RTOD-Energy					
	Off Peak	\$ 0.05740	\$ 0.02892	\$ 0.02848	\$ 0.02609	\$ 0.05457
	On Peak	\$ 0.27646	\$ 0.02892	\$ 0.24754	\$ 0.02609	\$ 0.27363
6.1	RTOD - Demand	\$ 0.04370	\$ 0.02892	\$ 0.01478	\$ 0.02609	\$ 0.04087
7	VFD	0.08870	0.02892	0.05978	0.02609	0.08587
10	GS	0.10426	0.02892	0.07534	0.02609	0.10143
12	AES	0.08369	0.02892	0.05477	0.02609	0.08086
15	PS					
	Secondary	0.03572	0.02892	0.00680	0.02609	0.03289
	Primary	0.03446	0.02892	0.00554	0.02609	0.03163
20	TODS	0.03527	0.02892	0.00635	0.02609	0.03244
22	TODP	0.03432	0.02892	0.00540	0.02609	0.03149
25	RTS	0.03357	0.02892	0.00465	0.02609	0.03074
30	FLS					
	Primary	0.03643	0.02892	0.00751	0.02609	0.03360
	Transmission	0.03344	0.02892	0.00452	0.02609	0.03061
37	LE	0.07328	0.02892	0.04436	0.02609	0.07045
38	TE	0.08740	0.02892	0.05848	0.02609	0.08457

LIGHTING SCHEDULES; ALL RATES PER UNIT PER MONTH

Page	Schedule	Kwh per year	Fuel Factor Increase \$/kWh (0.00283)	Annual Increase per year	Monthly Increase	Tariff			
						Existing	Revised		
35	LS Lighting Service								
	Overhead Service								
	Rate Code Type of Fixture	Approximate Lumens	kW Per Light						
	High Pressure Sodium								
	462 Cobra Head	5,800	0.083	332 kWh/year	(0.94)	(0.08)	\$ 9.86	\$ 9.78	
	472 Cobra Head	5,800	0.083	332 kWh/year	(0.94)	(0.08)	13.04	12.96	
	463 Cobra Head	9,500	0.117	468 kWh/year	(1.32)	(0.11)	10.28	10.17	
	473 Cobra Head	9,500	0.117	468 kWh/year	(1.32)	(0.11)	13.70	13.59	
	464 Cobra Head	22,000	0.242	968 kWh/year	(2.74)	(0.23)	16.08	15.85	
	474 Cobra Head	22,000	0.242	968 kWh/year	(2.74)	(0.23)	19.50	19.27	
	465 Cobra Head	50,000	0.471	1,884 kWh/year	(5.33)	(0.44)	25.61	25.17	
	475 Cobra Head	50,000	0.471	1,884 kWh/year	(5.33)	(0.44)	27.37	26.93	
	487 Directional	9,500	0.117	468 kWh/year	(1.32)	(0.11)	10.13	10.02	
	488 Directional	22,000	0.242	968 kWh/year	(2.74)	(0.23)	15.42	15.19	
	489 Directional	50,000	0.471	1,884 kWh/year	(5.33)	(0.44)	21.95	21.51	
	428 Open Bottom	9,500	0.117	468 kWh/year	(1.32)	(0.11)	8.87	8.76	
	Metal Halide								
	450 Directional	12,000	0.150	600 kWh/year	(1.70)	(0.14)	16.13	15.99	
	451 Directional	32,000	0.350	1,400 kWh/year	(3.96)	(0.33)	22.80	22.47	
	452 Directional	107,800	1.080	4,320 kWh/year	(12.23)	(1.02)	47.70	46.68	
35.1	LS Lighting Service								
	Underground Service								
	Rate Code Type of Fixture	Approximate Lumens	kW Per Light						
	High Pressure Sodium								
	467 Colonial	5,800	0.083	332 kWh/year	(0.94)	(0.08)	\$ 12.14	\$ 12.06	
	468 Colonial	9,500	0.117	468 kWh/year	(1.32)	(0.11)	12.46	12.35	
	401 Acorn	5,800	0.083	332 kWh/year	(0.94)	(0.08)	16.57	16.49	
	411 Acorn	5,800	0.083	332 kWh/year	(0.94)	(0.08)	23.63	23.55	
	420 Acorn	9,500	0.117	468 kWh/year	(1.32)	(0.11)	17.01	16.90	
	430 Acorn	9,500	0.117	468 kWh/year	(1.32)	(0.11)	24.20	24.09	
	414 Victorian	5,800	0.083	332 kWh/year	(0.94)	(0.08)	33.87	33.79	
	415 Victorian	9,500	0.117	468 kWh/year	(1.32)	(0.11)	34.19	34.08	
	492 Contemporary	5,800	0.083	332 kWh/year	(0.94)	(0.08)	17.12	17.04	
	476 Contemporary	5,800	0.083	332 kWh/year	(0.94)	(0.08)	18.66	18.58	
	497 Contemporary	9,500	0.117	468 kWh/year	(1.32)	(0.11)	17.00	16.89	
	477 Contemporary	9,500	0.117	468 kWh/year	(1.32)	(0.11)	23.09	22.98	
	498 Contemporary	22,000	0.242	968 kWh/year	(2.74)	(0.23)	19.84	19.61	
	478 Contemporary	22,000	0.242	968 kWh/year	(2.74)	(0.23)	29.73	29.50	
	499 Contemporary	50,000	0.471	1,884 kWh/year	(5.33)	(0.44)	24.15	23.71	
	479 Contemporary	50,000	0.471	1,884 kWh/year	(5.33)	(0.44)	36.74	36.30	
	300 Dark Sky	4,000	0.060	240 kWh/year	(0.68)	(0.06)	\$ 24.72	\$ 24.66	
	301 Dark Sky	9,500	0.117	468 kWh/year	(1.32)	(0.11)	25.83	25.72	
35.2	LS Lighting Service								
	Underground Service								
	Rate Code Type of Fixture	Approximate Lumens	kW Per Light						
	Metal Halide								
	490 Contemporary	12,000	0.150	600 kWh/year	(1.70)	(0.14)	17.45	17.31	
	494 Contemporary	12,000	0.150	600 kWh/year	(1.70)	(0.14)	31.42	31.28	
	491 Contemporary	32,000	0.350	1,400 kWh/year	(3.96)	(0.33)	24.68	24.35	
	495 Contemporary	32,000	0.350	1,400 kWh/year	(3.96)	(0.33)	38.64	38.31	
	493 Contemporary	107,800	1.080	4,320 kWh/year	(12.23)	(1.02)	51.32	50.30	
	496 Contemporary	107,800	1.080	4,320 kWh/year	(12.23)	(1.02)	65.28	64.26	

LIGHTING SCHEDULES; ALL RATES PER UNIT PER MONTH

Page	Schedule	Kwh per year	Fuel Factor Increase \$/kWh (0.00283)	Annual Increase per year	Monthly Increase	Tariff	
						Existing	Revised
36	RLS Restricted Lighting Service						
	Overhead Service						
	Rate Code Type of Fixture	Approximate Lumens kW Per Light					
	High Pressure Sodium						
	461 Cobra Head	4,000 0.060	240 kWh/year	(0.68)	(0.06)	8.53	8.47
	471 Cobra Head	4,000 0.060	240 kWh/year	(0.68)	(0.06)	11.73	11.67
	409 Cobra Head	50,000 0.471	1,884 kWh/year	(5.33)	(0.44)	13.56	13.12
	426 Open Bottom	5,800 0.083	332 kWh/year	(0.94)	(0.08)	8.54	8.46
	Metal Halide						
	454 Directional	12,000 0.150	600 kWh/year	(1.70)	(0.14)	\$ 20.89	\$ 20.75
	455 Directional	32,000 0.350	1,400 kWh/year	(3.96)	(0.33)	27.56	27.23
	459 Directional	107,800 1.080	4,320 kWh/year	(12.23)	(1.02)	52.45	51.43
	Mercury Vapor						
	446 Directional	7,000 0.207	828 kWh/year	(2.34)	(0.20)	\$ 10.77	\$ 10.57
	456 Directional	7,000 0.207	828 kWh/year	(2.34)	(0.20)	13.27	13.07
	447 Directional	10,000 0.294	1,176 kWh/year	(3.33)	(0.28)	12.77	12.49
	457 Directional	10,000 0.294	1,176 kWh/year	(3.33)	(0.28)	14.98	14.70
	448 Directional	20,000 0.453	1,812 kWh/year	(5.13)	(0.43)	14.45	14.02
	458 Directional	20,000 0.453	1,812 kWh/year	(5.13)	(0.43)	16.91	16.48
	404 Open Bottom	7,000 0.207	828 kWh/year	(2.34)	(0.20)	11.87	11.67
36.1	RLS Restricted Lighting Service						
	Overhead Service (continued)						
	Rate Code Type of Fixture	Approximate Lumens kW Per Light					
	Incandescent						
	421 Tear Drop	1,000 0.102	408 kWh/year	(1.15)	(0.10)	3.81	3.71
	422 Tear Drop	2,500 0.201	804 kWh/year	(2.28)	(0.19)	5.11	4.92
	424 Tear Drop	4,000 0.327	1,308 kWh/year	(3.70)	(0.31)	7.63	7.32
	434 Tear Drop	4,000 0.327	1,308 kWh/year	(3.70)	(0.31)	8.67	8.36
	425 Tear Drop	6,000 0.447	1,788 kWh/year	(5.06)	(0.42)	10.19	9.77
	Underground Service						
	Rate Code Type of Fixture	Approximate Lumens kW Per Light					
	Metal Halide						
	460 Directional	12,000 0.150	600 kWh/year	(1.70)	(0.14)	30.10	29.96
	469 Directional	32,000 0.350	1,400 kWh/year	(3.96)	(0.33)	36.77	36.44
	470 Directional	107,800 1.080	4,320 kWh/year	(12.23)	(1.02)	61.66	60.64
	High Pressure Sodium						
	440 Acorn	4,000 0.060	240 kWh/year	(0.68)	(0.06)	15.11	15.05
	410 Acorn	4,000 0.060	240 kWh/year	(0.68)	(0.06)	22.31	22.25
	466 Colonial	4,000 0.060	240 kWh/year	(0.68)	(0.06)	10.79	10.73
	412 Coach	5,800 0.083	332 kWh/year	(0.94)	(0.08)	33.87	33.79
	413 Coach	9,500 0.117	468 kWh/year	(1.32)	(0.11)	34.19	34.08
	360 Granville	16,000 0.181	724 kWh/year	(2.05)	(0.17)	62.30	62.13

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 17

Witness: Derek Rahn

Q-17. Provide a statement showing by cross-outs and italicized inserts all proposed changes in rates. A copy of the current tariff may be used.

A-17. See attached.

Kentucky Utilities Company

**P.S.C. No. 17, First Revision of Original Sheet No. 5
Canceling P.S.C. No. 17, Original Sheet No. 5**

Standard Rate

**RS
RESIDENTIAL SERVICE**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for single phase secondary delivery to single family residential service subject to the terms and conditions on Sheet No. 100 of this Tariff. Three phase service under this rate schedule is restricted to those customers being billed on this rate schedule as of July 1, 2004.

RATE

Basic Service Charge: \$10.75 per month

Plus an Energy Charge of: \$ 0.08587 per kWh

Deleted: 0.08870

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 85
Off-System Sales Adjustment Clause	Sheet No. 88
Demand Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91
Home Energy Assistance Program	Sheet No. 92

MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges. Beginning October 1, 2010, residential customers who receive a pledge for or notice of low income energy assistance from an authorized agency will not be assessed or required to pay a late payment charge for the bill for which the pledge or notice is received, nor will they be assessed or required to pay a late payment charge in any of the eleven (11) months following receipt of such pledge or notice.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

DATE OF ISSUE: December 16, 2015**DATE EFFECTIVE:** February 1, 2016

ISSUED BY: /s/ Edwin R. Staton, Vice President
State Regulation and Rates
Lexington, Kentucky

**Issued by Authority of an Order of the
Public Service Commission in Case No.
2015-00221 dated December 7, 2015**

Kentucky Utilities Company

**P.S.C. No. 17, First Revision of Original Sheet No. 6
Canceling P.S.C. No. 17, Original Sheet No. 6**

Standard Rate **RTOD-Energy**
Residential Time-of-Day Energy Service

APPLICABLE
In the territory served.

AVAILABILITY OF SERVICE
RTOD-Energy shall be available as an option to customers otherwise served under rate schedule RS.

- 1) Service under this rate schedule is limited to a maximum of five hundred (500) customers taking service on RTOD-Energy and RTOD-Demand combined that are eligible for Rate RS. Company will accept customers on a first-come-first-served basis.
- 2) This service is also available to customers on rate schedule GS (where the GS service is used in conjunction with an RS service to provide service to a detached garage and energy usage is no more than 300 kWh per month) who demonstrate power delivered to such detached garage is consumed, in part, for the powering of low emission vehicles licensed for operation on public streets or highways. Such vehicles include:
 - a) battery electric vehicles or plug-in hybrid electric vehicles recharged through a charging outlet at Customer's premises,
 - b) natural gas vehicles refueled through an electric-powered refueling appliance at Customer's premises.
- 3) A customer electing to take service under this rate schedule who subsequently elects to take service under the standard Rate RS may not be allowed to return to this optional rate for 12 months from the date of exiting this rate schedule.

RATE

Basic Service Charge: \$10.75 per month

Plus an Energy Charge:

Off Peak Hours: ~~\$0.05457~~, per kWh
On Peak Hours: ~~\$0.027363~~, per kWh

Deleted: 0.05740
Deleted: 0.27646

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 85
Off-System Sales Adjustment Clause	Sheet No. 88
Demand Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91
Home Energy Assistance Program	Sheet No. 92

DATE OF ISSUE: December 16, 2015

DATE EFFECTIVE: February 1, 2016

ISSUED BY: /s/ Edwin R. Staton, Vice President
State Regulation and Rates
Lexington, Kentucky

**Issued by Authority of an Order of the
Public Service Commission in Case No.
2015-00221 dated December 7, 2015**

Kentucky Utilities Company

**P.S.C. No. 17, First Revision of Original Sheet No. 7
Canceling P.S.C. No. 17, Original Sheet No. 7**

Standard Rate	RTOD-Demand Residential Time-of-Day Demand Service
----------------------	---

APPLICABLE

In the territory served.

AVAILABILITY OF SERVICE

RTOD-Demand shall be available as an option to customers otherwise served under rate schedule RS.

- 1) Service under this rate schedule is limited to a maximum of five hundred (500) customers taking service on RTOD-Demand and RTOD-Energy combined that are eligible for Rate RS. Company will accept customers on a first-come-first-served basis.
- 2) This service is also available to customers on rate schedule GS (where the GS service is used in conjunction with an RS service to provide service to a detached garage and energy usage is no more than 300 kWh per month) who demonstrate power delivered to such detached garage is consumed, in part, for the powering of low emission vehicles licensed for operation on public streets or highways. Such vehicles include:
 - a) battery electric vehicles or plug-in hybrid electric vehicles recharged through a charging outlet at Customer's premises,
 - b) natural gas vehicles refueled through an electric-powered refueling appliance at Customer's premises.
- 3) A customer electing to take service under this rate schedule who subsequently elects to take service under the standard Rate RS may not be allowed to return to this optional rate for 12 months from the date of exiting this rate schedule.

RATE

Basic Service Charge:	\$10.75 per month
Plus an Energy Charge:	\$ 0.04087 , per kWh
Plus a Demand Charge:	
Off Peak Hours:	\$ 3.70 per kW
On Peak Hours:	\$13.05 per kW

Deleted: 0.04370

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 85
Off-System Sales Adjustment Clause	Sheet No. 88
Demand Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91
Home Energy Assistance Program	Sheet No. 92

DATE OF ISSUE: December 16, 2015

DATE EFFECTIVE: February 1, 2016

ISSUED BY: /s/ Edwin R. Staton, Vice President
State Regulation and Rates
Lexington, Kentucky

**Issued by Authority of an Order of the
Public Service Commission in Case No.
2015-00221 dated December 7, 2015**

Kentucky Utilities Company

**P.S.C. No. 17, First Revision of Original Sheet No. 9
Canceling P.S.C. No. 17, Original Sheet No. 9**

Standard Rate **VFD**
VOLUNTEER FIRE DEPARTMENT SERVICE

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for single-phase delivery, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. Service under this rate schedule is at the option of the customer with the customer determining whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION

To be eligible for this rate a volunteer fire department is defined as:

- 1) having at least 12 members and a chief,
- 2) having at least one firefighting apparatus, and
- 3) half the members must be volunteers

RATE

Basic Service Charge: \$10.75 per month
Plus an Energy Charge of: \$ 0.08587 per kWh

Deleted: 0.08870

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with:

Fuel Adjustment Clause	Sheet No. 85
Off-System Sales Adjustment Clause	Sheet No. 88
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

DATE OF ISSUE: December 16, 2015

DATE EFFECTIVE: February 1, 2016

ISSUED BY: /s/ Edwin R. Staton, Vice President
State Regulation and Rates
Lexington, Kentucky

**Issued by Authority of an Order of the
Public Service Commission in Case No.
2015-00221 dated December 7, 2015**

Kentucky Utilities Company

P.S.C. No. 17, First Revision of Original Sheet No. 10
Canceling P.S.C. No. 17, Original Sheet No. 10

Standard Rate

GS
GENERAL SERVICE RATE

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To general lighting and small power loads for secondary service.

Service under this schedule will be limited to customers whose 12-month-average monthly maximum loads do not exceed 50 kW. Existing customers with 12-month-average maximum monthly loads exceeding 50 kW who are receiving service under P.S.C. 13, Fourth Revision of Original Sheet No. 10 as of February 6, 2009, will continue to be served under this rate at their option. If Customer is taking service under this rate schedule and subsequently elects to take service under another rate schedule, Customer may not again take service under this rate schedule unless and until Customer meets the Availability requirements that would apply to a new customer.

RATE

Basic Service Charge: \$25.00 per month for single-phase service
\$40.00 per month for three-phase service

Plus an Energy Charge of: \$ 0.10143 per kWh

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ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 85
Off-System Sales Adjustment Clause	Sheet No. 88
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

DETERMINATION OF MAXIMUM LOAD

If Company determines based on Customer's usage history that Customer may be exceeding the maximum load permitted under Rate GS, Company may, at its discretion, equip Customer with a meter capable of measuring demand to determine Customer's continuing eligibility for Rate GS. If Customer is equipped with a demand-measuring meter, Customer's load will be measured and will be the average kW demand delivered to the customer during the 15-minute period of maximum use during the month.

MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

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Kentucky Utilities Company

P.S.C. No. 17, First Revision of Original Sheet No. 12
Canceling P.S.C. No. 17, Original Sheet No. 12

Standard Rate

AES
ALL ELECTRIC SCHOOL

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Service under this rate is available for secondary and primary service to:

- (1) a complex of school buildings on a central campus,
- (2) an individual school building, or
- (3) an addition to an existing school building.

School buildings, as referred to herein, shall be defined as buildings used as classrooms, laboratories, gymnasiums, libraries, cafeterias, school related offices or for other bona fide school purposes by duly constituted school authorities of Kentucky. Served electrically by Kentucky Utilities Company, such energy requirements include, but are not limited to, lighting, heating, cooling, and water heating. School buildings not receiving every energy requirement electrically shall be separately metered from the above defined service and served under the applicable rate. Other fuels may be used as incidental to and for instructional laboratory and other miscellaneous purposes without affecting the availability of this rate.

At those locations where the school owns its distribution system and makes the service connections to the various buildings and/or load centers, Company shall be given the option of providing service by use of the existing Customer-owned distribution system, or of constructing its own facilities in accordance with the Company's Overhead Construction Standards. In any event, Company's investment in the facilities it provides may be limited to an amount not exceeding twice the estimated annual revenue from Customer's service. Should Company's investment in the facilities required to provide service to Customer exceed twice the revenue anticipated from the service to Customer and at Customer's option, Customer may make a contribution for the difference in the investment required in facilities necessary to provide service and twice the anticipated revenue, so as to receive service under this schedule.

This Rate Schedule is not available to privately operated kindergartens or daycare centers and is restricted to those customers who were qualified for and being served on Rate AES as of July 1, 2011. Because this rate schedule is closed to new customers, if Customer is taking service under this rate schedule and subsequently elects to take service under another rate schedule, Customer may not again take service under this rate schedule.

RATE

Basic Service Charge: \$25.00 per meter per month for single-phase service
\$40.00 per meter per month for three-phase service

Plus an Energy Charge of: \$ 0.08086 per kWh

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**P.S.C. No. 17, First Revision of Original Sheet No. 15
Canceling P.S.C. No. 17, Original Sheet No. 15**

Standard Rate

**PS
POWER SERVICE**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This rate schedule is available for secondary or primary service.

Service under this schedule will be limited to customers whose 12-month-average monthly minimum secondary loads exceed 50 kW and whose 12-month-average monthly maximum loads do not exceed 250 kW. Secondary or primary customers receiving service under PSC 13, Fourth Revision of Original Sheet No. 20, Large Power Service, or Fourth Revision of Original Sheet No. 30, Mine Power Service, as of February 6, 2009, with loads not meeting these criteria will continue to be served under this rate at their option. If Customer is taking service under this rate schedule and subsequently elects to take service under another rate schedule, Customer may not again take service under this rate schedule unless and until Customer meets the Availability requirements that would apply to a new customer.

RATE

	Secondary	Primary
Basic Service Charge per month:	\$90.00	\$200.00
Plus an Energy Charge per kWh of:	\$ 0.03289	\$ 0.03163
Plus a Demand Charge per kW of:		
Summer Rate: (Five Billing Periods of May through September)	\$19.05	\$ 19.51
Winter Rate: (All other months)	\$16.95	\$ 17.41

Where the monthly billing demand is the greater of:

- the maximum measured load in the current billing period but not less than 50 kW for secondary service or 25 kW for primary service, or
- a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- a minimum of 60% of the contract capacity based on the maximum expected load on the system or on facilities specified by Customer.

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Kentucky Utilities Company

P.S.C. No. 17, First Revision of Original Sheet No. 20
Canceling P.S.C. No. 17, Original Sheet No. 20

Standard Rate **TODS**
TIME-OF-DAY SECONDARY SERVICE

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule is available for secondary service. Service under this schedule will be limited to customers whose 12-month-average monthly minimum loads exceed 250 kW and whose 12-month-average monthly maximum loads do not exceed 5,000 kW.

RATE

Basic Service Charge per month: \$200.00

Plus an Energy Charge per kWh of: \$ 0.03244

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Plus a Maximum Load Charge per kW of:

Peak Demand Period	\$ 6.13
Intermediate Demand Period	\$ 4.53
Base Demand Period	\$ 5.20

Where:

the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of:

- a) the maximum measured load in the current billing period, or
- b) a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and

the monthly billing demand for the Base Demand Period is the greater of:

- a) the maximum measured load in the current billing period but not less than 250 kW, or
- b) a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- c) a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 85
Off-System Sales Adjustment Clause	Sheet No. 88
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

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Kentucky Utilities Company

P.S.C. No. 17, First Revision of Original Sheet No. 22
 Canceling P.S.C. No. 17, Original Sheet No. 22

Standard Rate **TODP**
TIME-OF-DAY PRIMARY SERVICE

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule is available for primary service to any customer: (1) who has a 12-month-average monthly minimum demand exceeding 250 kVA; and (2) whose new or additional load receives any required approval of Company's transmission operator.

RATE

Basic Service Charge per month: \$300.00

Plus an Energy Charge per kWh of: \$ 0.03149

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Plus a Maximum Load Charge per kVA of:

Peak Demand Period \$ 5.89

Intermediate Demand Period \$ 4.39

Base Demand Period \$ 3.34

Where:

the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of:

- a) the maximum measured load in the current billing period, or
- b) a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and

the monthly billing demand for the Base Demand Period is the greater of:

- a) the maximum measured load in the current billing period but not less than 250 kVA, or
- b) a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- c) a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

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Kentucky Utilities Company

**P.S.C. No. 17, First Revision of Original Sheet No. 25
Canceling P.S.C. No. 17, Original Sheet No. 25**

Standard Rate

**RTS
RETAIL TRANSMISSION SERVICE**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule is available for transmission service to any customer: (1) who has a 12-month-average monthly minimum demand exceeding 250 kVA; and (2) whose new or additional load receives any required approval of Company's transmission operator.

RATE

Basic Service Charge per month:	\$1,000.00
Plus an Energy Charge per kWh of:	\$ <u>0.03074</u>
Plus a Maximum Load Charge per kVA of:	
Peak Demand Period	\$ 4.73
Intermediate Demand Period	\$ 4.63
Base Demand Period	\$ 3.10

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Where:

- the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of:
 - a) the maximum measured load in the current billing period, or
 - b) a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and
- the monthly billing demand for the Base Demand Period is the greater of:
 - a) the maximum measured load in the current billing period but not less than 250 kVA, or
 - b) a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
 - c) a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 85
Off-System Sales Adjustment Clause	Sheet No. 88
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

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Kentucky Utilities Company

**P.S.C. No. 17, First Revision of Original Sheet No. 30
Canceling P.S.C. No. 17, Original Sheet No. 30**

Standard Rate **FLS**
Fluctuating Load Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for primary or transmission service to customers up to an aggregate of two hundred (200) MVA for all customers taking service under this schedule and under the Fluctuating Load Service Rate FLS schedule of Louisville Gas and Electric Company. This schedule is restricted to individual customers whose monthly demand is twenty (20) MVA or greater. A customer is defined as a fluctuating load if that customer's load either increases or decreases twenty (20) MVA or more per minute or seventy (70) MVA or more in ten (10) minutes when such increases or decreases exceed one (1) occurrence per hour during any hour of the billing month.

Subject to the above aggregate limit of two hundred (200) MVA, this schedule is mandatory for all customers whose load is defined as fluctuating and not served on another standard rate schedule as of July 1, 2004.

BASE RATE

	<u>Primary</u>	<u>Transmission</u>	
Basic Service Charge per month:	\$1,000.00	\$1,000.00	
Plus an Energy Charge per kWh of:	\$ 0.03360	\$ 0.03061	
Plus a Maximum Load Charge per kVA of:			
Peak Demand Period	\$ 3.01	\$ 3.01	
Intermediate Demand Period	\$ 2.12	\$ 2.12	
Base Demand Period	\$ 2.17	\$ 1.42	

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Where:

the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of:

- a) the maximum measured load in the current billing period, or
- b) a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and

the monthly billing demand for the Base Demand Period is the greater of:

- a) the maximum measured load in the current billing period but not less than 20,000 kVA, or
- b) a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- c) a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

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Lexington, Kentucky

Kentucky Utilities Company

**P.S.C. No. 17, First Revision of Original Sheet No. 35
Canceling P.S.C. No. 17, Original Sheet No. 35**

Standard Rate **LS**
Lighting Service

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE
Service under this rate schedule is offered, under the conditions set out hereinafter, for lighting applications such as, but not limited to, the illumination of street, driveways, yards, lots, and other outdoor areas where secondary voltage of 120/240 is available.

Service will be provided under written contract, signed by customer prior to service commencing, when additional facilities are required.

Units marked with an asterisk (*) are not available for use in residential neighborhoods except by municipal authorities.

OVERHEAD SERVICE
Based on Customer's lighting choice, Company will furnish, own, install, and maintain the lighting unit. A basic overhead service includes lamp, fixture, photoelectric control, mast arm, and, if needed, up to 150 feet of conductor per fixture on existing wood poles (fixture only). Company will, upon request, furnish ornamental poles of Company's choosing, together with overhead wiring and all other equipment mentioned for basic overhead service.

Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge	
				Fixture Only	Ornamental
High Pressure Sodium					
462/472	Cobra Head	5,800	0.083	\$ 9.78	\$12.96
463/473	Cobra Head	9,500	0.117	10.17	13.59
464/474	Cobra Head	22,000*	0.242	15.85	19.27
465/475	Cobra Head	50,000*	0.471	25.17	26.93
487	Directional	9,500	0.117	\$10.02	
488	Directional	22,000*	0.242	15.19	
489	Directional	50,000*	0.471	21.51	
428	Open Bottom	9,500	0.117	\$ 8.76	
Metal Halide					
450	Directional	12,000*	0.150	\$15.99	
451	Directional	32,000*	0.350	22.47	
452	Directional	107,800*	1.080	46.68	

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Kentucky Utilities Company

P.S.C. No. 17, First Revision of Original Sheet No. 35.1
Canceling P.S.C. No. 17, Original Sheet No. 35.1

Standard Rate LS
Lighting Service

OVERHEAD SERVICE (continued)

Should Customer request underground service, Customer shall make a non-refundable cash contribution prior to the time of installation, or, at the option of company, make a work contribution to Company for the difference in the installed cost of the system requested and the cost of the overhead lighting system.

Where the location of existing poles is not suitable or where there are no existing poles for mounting of lights, and Customer requests service under these conditions, Company may furnish the requested facilities at an additional charge to be determined under the Excess Facilities Rider.

UNDERGROUND SERVICE

Based on Customer's lighting choice, Company will furnish, own, install, and maintain poles, fixtures, and any necessary circuitry up to 200 feet. All poles and fixtures furnished by Company will be standard stocked materials. Company may decline to install equipment and provide service thereto in locations deemed by Company as unsuitable for underground installation.

RATE

Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge		
				Fixture Only	Decorative Smooth	Historic Fluted
High Pressure Sodium						
467	Colonial	5,800	0.083		\$12.06	
468	Colonial	9,500	0.117		12.35	
401/411	Acorn	5,800	0.083		\$16.49	\$23.55
420/430	Acorn	9,500	0.117		16.90	24.09
414	Victorian	5,800	0.083			\$33.79
415	Victorian	9,500	0.117			34.08
492/476	Contemporary	5,800	0.083	\$17.04	\$18.58	
497/477	Contemporary	9,500	0.117	16.89	22.98	
498/478	Contemporary	22,000*	0.242	19.61	29.50	
499/479	Contemporary	50,000*	0.471	23.71	36.30	
300	Dark Sky	4,000	0.060		\$24.66	
301	Dark Sky	9,500	0.117		25.72	

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Kentucky Utilities Company

P.S.C. No. 17, First Revision of Original Sheet No. 35.2
Canceling P.S.C. No. 17, Original Sheet No. 35.2

Standard Rate

LS
Lighting Service

Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge		
				Fixture Only	Decorative Smooth	Historic Fluted
Metal Halide						
490/494	Contemporary	12,000*	0.150	\$17.31	\$31.28	
491/495	Contemporary	32,000*	0.350	24.35	38.31	
493/496	Contemporary	107,800*	1.080	50.30	64.26	

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Customer shall make a non-refundable cash contribution prior to the time of installation, or, at the option of Company, make a work contribution to Company for the difference in the installed cost of the system requested and the cost of the conventional overhead lighting system.

Where Customer's location would require the installation of additional facilities, Company may furnish, own, and maintain the requested facilities at an additional charge per month to be determined under the Excess Facilities Rider.

DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill. Billing for this service to be made a part of bill rendered for other electric service.

DETERMINATION OF ENERGY CONSUMPTION

The kilowatt-hours will be determined as set forth on Sheet No. 67 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 85
Off-System Sales Adjustment Clause	Sheet No. 88
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

TERM OF CONTRACT

For a fixed term of not less than five (5) years and for such time thereafter until terminated by either party giving thirty (30) days prior written notice to the other when additional facilities are required. Cancellation by Customer prior to the initial five-year term will require Customer to pay to Company a lump sum equal to the monthly charge times the number of months remaining on the original five (5) year term.

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**P.S.C. No. 17, First Revision of Original Sheet No. 36
Canceling P.S.C. No. 17, Original Sheet No. 36**

Standard Rate **RLS**
Restricted Lighting Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Service under this rate schedule is restricted to those lighting fixtures/poles in service as of January 1, 2013, except where a spot replacement maintains the continuity of multiple fixtures/poles comprising a neighborhood lighting system or continuity is desired for a subdivision being developed in phases. Spot placement of restricted fixtures/poles is contingent on the restricted fixtures/poles being available from manufacturers. Spot replacement of restricted units will be made under the terms and conditions provided for under non-restricted Lighting Service Rate LS.

In the event restricted fixtures/poles fail and replacements are unavailable, Customer will be given the choice of having Company remove the failed fixture/pole or replacing the failed fixture/pole with other available fixture/pole.

OVERHEAD SERVICE

Based on Customer's lighting choice, Company has furnished, installed, and maintained the lighting unit complete with lamp, fixture, photoelectric control, mast arm, and, if needed, up to 150 feet of conductor per fixture on existing wood poles (fixture only). Company has, upon request, furnished poles, of Company's choosing, together with overhead wiring and all other equipment mentioned for overhead service.

RATE	Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge	
					Fixture Only	Fixture and Pole
High Pressure Sodium						
	461/471	Cobra Head	4,000	0.060	\$ 8.47	\$ 11.67
	409	Cobra Head	50,000	0.471	13.12	
	426	Open Bottom	5,800	0.083	8.46	
Metal Halide						
	454	Directional	12,000	0.150		\$ 20.75
	455	Directional	32,000	0.350	27.23	
	459	Directional	107,800	1.080	51.43	
Mercury Vapor						
	446/456	Cobra Head	7,000	0.207	\$ 10.57	\$ 13.07
	447/457	Cobra Head	10,000	0.294	12.49	14.70
	448/458	Cobra Head	20,000	0.453	14.02	16.48
	404	Open Bottom	7,000	0.207	11.67	

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P.S.C. No. 17, First Revision of Original Sheet No. 36.1
Canceling P.S.C. No. 17, Original Sheet No. 36.1

Standard Rate RLS
Restricted Lighting Service

OVERHEAD SERVICE (continued)

Incandescent

421	Tear Drop	1,000	0.102	\$ 3.71	
422	Tear Drop	2,500	0.201	4.92	
424/434	Tear Drop	4,000	0.327	7.32	\$ 8.36
425	Tear Drop	6,000	0.447	9.77	

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Where the location of existing poles was not suitable, or where there were no existing poles for mounting of lights, and Customer requested service under these conditions, Company may have furnished the requested facilities at an additional charge determined under the Excess Facilities Rider.

UNDERGROUND SERVICE

Based on Customer's lighting choice, Company has furnished, installed, and maintained the lighting unit complete with lamp, fixture, photoelectric control, mast arm, and, if needed, up to 200 feet of conductor per fixture on appropriate poles.

RATE	Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge		
					Wood Pole	Decorative Smooth	Historic Fluted
Metal Halide							
	460	Directional	12,000	0.150		\$29.96	
	469	Directional	32,000	0.350		36.44	
	470	Directional	107,800	1.080		60.64	
High Pressure Sodium							
	440/410	Acorn	4,000	0.060		\$15.05	\$22.25
	466	Colonial	4,000	0.060		\$10.73	
	412	Coach	5,800	0.083		\$33.79	
	413	Coach	9,500	0.117		34.08	

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Deleted: 34.19

DATE OF ISSUE: December 16, 2015

DATE EFFECTIVE: February 1, 2016

ISSUED BY: /s/ Edwin R. Staton, Vice President
State Regulation and Rates
Lexington, Kentucky

**Issued by Authority of an Order of the
Public Service Commission in Case No.
2015-00221 dated December 7, 2015**

Kentucky Utilities Company

P.S.C. No. 17, First Revision of Original Sheet No. 36.2
Canceling P.S.C. No. 17, Original Sheet No. 36.2

Standard Rate RLS
Restricted Lighting Service

UNDERGROUND SERVICE (continued)

RATE	Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge	
					Decorative Smooth	Historic Fluted
	360	Granville	16,000	0.181	\$62.13	

Deleted: 62.30

Granville units are restricted to installations for the City of London.

DUE DATE OF BILL

Payment is due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill. Billing for this service to be made a part of the bill rendered for other electric service.

DETERMINATION OF ENERGY CONSUMPTION

The kilowatt-hours will be determined as set forth on Sheet No. 67 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 85
Off-System Sales Adjustment Clause	Sheet No. 88
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

TERM OF CONTRACT

For a fixed term of not less than five (5) years and for such time thereafter until terminated by either party giving thirty (30) days prior written notice to the other when additional facilities are required. Cancellation by Customer prior to the initial five-year term will require Customer to pay to Company a lump sum equal to the monthly charge times the number of months remaining on the original five (5) year term.

TERMS AND CONDITIONS

1. Service shall be furnished under Company's Terms and Conditions, except as set out herein.
2. All service and maintenance will be performed only during regular scheduled working hours of Company. Customer will be responsible for reporting outages and other operating faults, and the Company shall initiate service corrections within two (2) business days after such notification by Customer.

DATE OF ISSUE: December 16, 2015

DATE EFFECTIVE: February 1, 2016

ISSUED BY: /s/ Edwin R. Staton, Vice President
State Regulation and Rates
Lexington, Kentucky

Issued by Authority of an Order of the
Public Service Commission in Case No.
2015-00221 dated December 7, 2015

Kentucky Utilities Company

P.S.C. No. 17, First Revision of Original Sheet No. 37
Canceling P.S.C. No. 17, Original Sheet No. 37

Standard Rate

LE
Lighting Energy Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to municipalities, county governments, divisions or agencies of the state or Federal governments, civic associations, and other public or quasi-public agencies for service to public street and highway lighting systems, where the municipality or other agency owns and maintains all street lighting equipment and other facilities on its side of the point of delivery of the energy supplied hereunder.

RATE

\$0.07045 per kWh

Deleted: 0.07328

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 85
Off-System Sales Adjustment Clause	Sheet No. 88
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

CONDITIONS OF DELIVERY

- a) Service hereunder will be metered except when, by mutual agreement of Company and customer, an unmetered installation will be more satisfactory from the standpoint of both parties. In the case of unmetered service, billing will be based on a calculated consumption taking into account the types of equipment served.
- b) The location of the point of delivery of the energy supplied hereunder and the voltage at which such delivery is effected shall be mutually agreed upon by Company and the customer in consideration of the type and size of customer's street lighting system and the voltage which Company has available for delivery.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

DATE OF ISSUE: December 16, 2015

DATE EFFECTIVE: February 1, 2016

ISSUED BY: /s/ Edwin R. Staton, Vice President
State Regulation and Rates
Lexington, Kentucky

Issued by Authority of an Order of the
Public Service Commission in Case No.
2015-00221 dated December 7, 2015

Kentucky Utilities Company

P.S.C. No. 17, First Revision of Original Sheet No. 38
Canceling P.S.C. No. 17, Original Sheet No. 38

Standard Rate

TE
Traffic Energy Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to municipalities, county governments, divisions of the state or Federal governments or any other governmental agency for service on a 24-hour all-day every-day basis, where the governmental agency owns and maintains all equipment on its side of the point of delivery of the energy supplied hereunder. In the application of this rate each point of delivery will be considered as a separate customer.

This service is limited to traffic control devices including, signals, cameras, or other traffic lights and electronic communication devices.

RATE

Basic Service Charge: \$4.00 per delivery per month

Plus an Energy Charge of: ~~0.08457~~ per kWh

Deleted: 0.08740

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 85
Off-System Sales Adjustment Clause	Sheet No. 88
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

CONDITIONS OF SERVICE

1. Service hereunder will be metered except when, by mutual agreement of Company and customer, an unmetered installation will be more satisfactory from the standpoint of both parties. In the case of unmetered service, billing will be based on a calculated consumption, taking into account the size and characteristics of the load, or on meter readings obtained from a similar installation.

DATE OF ISSUE: December 16, 2015

DATE EFFECTIVE: February 1, 2016

ISSUED BY: /s/ Edwin R. Staton, Vice President
State Regulation and Rates
Lexington, Kentucky

**Issued by Authority of an Order of the
Public Service Commission in Case No.
2015-00221 dated December 7, 2015**

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 18

Witness: Delbert Billiter

Q-18. a. State whether KU regularly compares the price of its coal purchases with those paid by other electric utilities.

b. If yes, state:

(1) How KU's prices compare with those of other utilities. If the comparison includes months outside of the review period, a comparison limited to the review period should be provided separately. Provide a copy of the source documents and calculations used to support the amounts used in the comparison and include all prices used in the comparison in cents per MMBtu; and

(2) The utilities that are included in this comparison and their locations.

A-18. a. Yes.

b. KU compares pricing of its coal purchases with neighboring utilities from data that is compiled by the ABB Inc. Ventyx database from the EIA-923 Power Plant Operations Report. The utilities included in the comparison are shown on the list found on page 1 and the chart found of page 2 (the supporting data is contained in pages 3 – 6) of the Attachment to this response and for the period of May 1, 2016 through October 31, 2016.

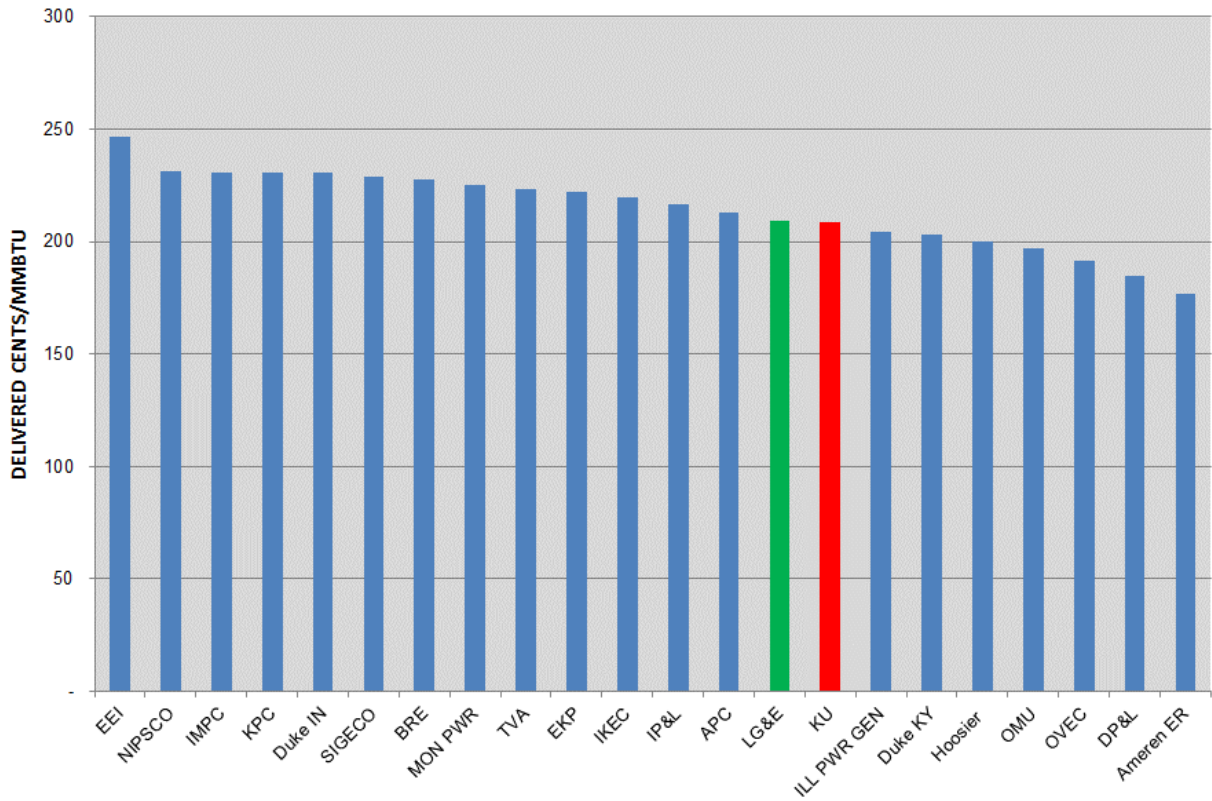
Attachment to Response to Question No. 18

Page 1 of 6

Billiter

Utilities in Comparison List		
UTILITY	ABBREVIATED	PLANT LOCATIONS
AmerenEnergy Generating Co	Ameren ER	Illinois
Big Rivers Electric Corp	BRE	Kentucky
Appalachian Power Co	APC	Virginia, West Virginia
Dayton Power & Light Co (The)	DP&L	Ohio
Duke Energy Indiana	Duke IN	Indiana
Duke Energy Kentucky	Duke KY	Ohio
East Kentucky Power Coop	EKP	Kentucky
Electric Energy Inc	EEL	Illinois
Hoosier Energy Rural Electric Coop Inc	Hoosier	Indiana
Illinois Power Generating Co	ILL PWR GEN	Illinois
Indiana Kentucky Electric Corp	IKEC	Indiana
Indiana Michigan Power Co	IMPC	Indiana
Indianapolis Power & Light	IP&L	Indiana
Kentucky Power Co	KPC	Kentucky
Kentucky Utilities Co	KU	Kentucky
Louisville Gas & Electric Co	LG&E	Kentucky
Monongahela Power Co	MON PWR	West Virginia
Northern Indiana Public Service Co	NIPSCO	Indiana
Ohio Valley Electric Corp	OVEC	Ohio
Owensboro Municipal Utilities	OMU	Kentucky
Southern Indiana Gas & Electric Co	SIGECO	Indiana
Tennessee Valley Authority	TVA	Alabama, Kentucky, Tennessee

Utility Price Comparison
May 16 - Oct 16



Attachment to Response to Question No. 18
Page 3 of 6
Billiter

DELIVERED PRICE COMPARISON (MAY 2016 - OCTOBER 2016)

Plant Operator Name	Reported Source Name	Quantity (000s tons)	Btu/lb	lbsSO2/mmBtu	Delivered Fuel Price Cents/mmBtu
AmerenEnergy Resources Generating Co	PEABODY COAL SALES	623	8800	0.45	195.18
AmerenEnergy Resources Generating Co	ARCH	739	8945	0.56	162.48
		1,362	8878	0.51	176.62
Appalachian Power Co	SOUTHWESTERN ENERGY SERVICE	23	12497	1.38	230.60
Appalachian Power Co	SOUTHERN COAL SALES CORP	149	12132	1.37	230.18
Appalachian Power Co	CONTURA ENERGY INC	28	13148	4.03	222.56
Appalachian Power Co	CONSOLIDATION COAL CO	801	12788	5.59	237.43
Appalachian Power Co	CONSOL	84	12976	3.97	160.13
Appalachian Power Co	BLACKHAWK MINING LLC	201	12399	1.43	221.17
Appalachian Power Co	AMERICAN ENERGY	1,764	12582	6.81	190.94
Appalachian Power Co	ALPHA COAL	910	12233	1.61	233.63
		3,960	12529	4.78	212.84
Big Rivers Electric Corp	TTCP PETCOKE	17	14150	7.35	145.50
Big Rivers Electric Corp	RHINO ENERGY	124	11383	4.58	214.44
Big Rivers Electric Corp	RHINO	59	11369	4.54	214.87
Big Rivers Electric Corp	PEABODY COAL SALES	190	11106	5.63	231.68
Big Rivers Electric Corp	KENAMERICA RESOURCES	247	11802	4.84	215.89
Big Rivers Electric Corp	FORESIGHT COAL SALES	132	11002	6.01	178.50
Big Rivers Electric Corp	ALLIANCE COAL	843	11818	5.32	241.75
		1,613	11640	5.28	227.44
Dayton Power & Light Co (The)	WILLIAMSON ENERGY	816	11842	4.73	220.05
Dayton Power & Light Co (The)	WHITE OAK RESOURCES LLC	378	11895	4.26	205.05
Dayton Power & Light Co (The)	TUNNEL RIDGE LLC	65	12605	4.23	178.37
Dayton Power & Light Co (The)	TRAFIGURA	201	11804	4.35	178.24
Dayton Power & Light Co (The)	RIVER TRADING	47	11853	2.33	166.43
Dayton Power & Light Co (The)	NOBLE ENERGY MARKETING	8	12030	1.48	172.10
Dayton Power & Light Co (The)	NOBLE AMERICAS GAS & POWER	7	12005	1.53	172.20
Dayton Power & Light Co (The)	MERCURIA	53	11846	4.75	174.42
Dayton Power & Light Co (The)	KOLMAR AMERICAS INC	16	11534	2.07	155.72
Dayton Power & Light Co (The)	FORESIGHT COAL SALES	250	11842	4.74	187.74
Dayton Power & Light Co (The)	EMERALD	13	11818	2.41	168.08
Dayton Power & Light Co (The)	CONSOL	108	12930	4.28	167.17
Dayton Power & Light Co (The)	COLONA	136	12907	4.29	167.24
Dayton Power & Light Co (The)	COAL NETWORK	71	12006	2.13	167.28
Dayton Power & Light Co (The)	AMERICAN COAL	76	11844	4.48	153.58
Dayton Power & Light Co (The)	ALPHA COAL	423	13085	4.51	151.56
Dayton Power & Light Co (The)	ALLIANCE COAL	344	12322	4.80	160.10
		3,012	12183	4.43	184.95
Duke Energy Indiana	WISE ENERGY GROUPLLC	3	12010	1.02	222.20
Duke Energy Indiana	SUNRISE COAL SALES	23	11505	6.12	260.30
Duke Energy Indiana	SOLAR SOURCES	529	11330	4.41	192.93
Duke Energy Indiana	PEABODY COAL SALES	2,451	11127	4.88	201.39
Duke Energy Indiana	MODELED - SOLAR SOURCES	323	11321	4.43	192.80
Duke Energy Indiana	FOSSIL COALLLC	9	11187	1.50	201.70
Duke Energy Indiana	DUKE ENERGY	265	11684	5.20	319.71
Duke Energy Indiana	DOMINION	5	11521	1.18	201.40
Duke Energy Indiana	COECLERICI COAL NETWORK	16	11680	1.30	206.14
Duke Energy Indiana	BLACKHAWK MINING LLC	15	12005	1.32	214.60
Duke Energy Indiana	BLACK BEAUTY	953	11490	6.14	209.94
Duke Energy Indiana	ALLIANCE COAL	702	11615	2.30	367.66
		5,293	11324	4.68	230.64

Attachment to Response to Question No. 18

DELIVERED PRICE COMPARISON (MAY 2016 - OCTOBER 2016)

Plant Operator Name	Reported Source Name	Quantity (000s tons)	Btu/lb	lbsSO2/mmBtu	Delivered Fuel Price Cents/mmBtu
Duke Energy Kentucky	RIVER VIEW COAL	411	11490	5.16	223.99
Duke Energy Kentucky	RHINO ENERGY	16	11356	4.54	184.40
Duke Energy Kentucky	PEABODY COAL TRADE	5	12398	3.21	177.16
Duke Energy Kentucky	FORESIGHT COAL SALES	80	11212	5.72	201.02
Duke Energy Kentucky	CONTURA ENERGY INC	30	12993	4.70	195.15
Duke Energy Kentucky	CONSOL	171	12951	3.90	184.06
Duke Energy Kentucky	ARMSTRONG COAL	76	11747	4.72	187.12
Duke Energy Kentucky	ALPHA COAL	69	13113	4.45	194.57
Duke Energy Kentucky	ALLIANCE COAL	77	12594	4.41	180.20
		934	12016	4.79	203.33
East Kentucky Power Coop	WHITE OAK RESOURCES LLC	122	11534	4.86	253.02
East Kentucky Power Coop	WHITE COUNTY COAL	122	11464	5.17	266.08
East Kentucky Power Coop	RIVER VIEW COAL	170	11878	4.81	241.53
East Kentucky Power Coop	PEABODY COAL SALES	174	11103	5.58	239.55
East Kentucky Power Coop	PATRIOT COAL SALES	16	11545	5.13	219.90
East Kentucky Power Coop	OXFORD MINING CO	396	11449	6.50	193.82
East Kentucky Power Coop	NALLY & HAMILTON	20	12450	3.01	232.30
East Kentucky Power Coop	FORESIGHT COAL SALES	302	11828	4.76	227.68
East Kentucky Power Coop	BOWIE REFINED COAL	100	11710	3.58	226.22
East Kentucky Power Coop	BLACKHAWK MINING LLC	25	12351	3.11	227.10
East Kentucky Power Coop	B & W RESOURCES	37	12011	2.33	289.13
East Kentucky Power Coop	B & N COAL	234	11200	7.95	179.38
East Kentucky Power Coop	ALLIANCE COAL	26	12601	4.21	219.68
		1,746	11565	5.54	221.90
Electric Energy Inc	NORTH ANTELOPE	16	8520	0.42	243.85
Electric Energy Inc	BLACK THUNDER WEST	95	8661	0.72	231.75
Electric Energy Inc	BLACK THUNDER ARCH	287	8699	0.54	231.75
Electric Energy Inc	BELLAYRE	48	8520	0.56	216.55
Electric Energy Inc	ANTELOPE	383	8673	0.54	265.89
		828	8669	0.56	246.81
Hoosier Energy Rural Electric Coop Inc	SUNRISE COAL SALES	652	11712	5.75	203.68
Hoosier Energy Rural Electric Coop Inc	PEABODY COAL SALES	767	11122	5.49	196.59
		1,418	11393	5.61	199.94
Illinois Power Generating Co	PEABODY COAL SALES	968	8754	0.44	200.70
Illinois Power Generating Co	CLOUD PEAK	35	8851	0.61	231.80
Illinois Power Generating Co	BLACK THUNDER WEST	52	8884	0.61	231.80
Illinois Power Generating Co	BLACK THUNDER ARCH	123	8821	0.62	231.80
Illinois Power Generating Co	BELLAYRE	463	8752	0.49	200.70
		1,642	8765	0.48	204.34
Indiana Kentucky Electric Corp	RESOURCE FUELS	488	11491	5.15	259.64
Indiana Kentucky Electric Corp	KNIGHTHAWK	457	11207	5.24	197.92
Indiana Kentucky Electric Corp	FORESIGHT COAL SALES	201	11356	5.45	190.56
		1,146	11354	5.24	223.24

Attachment to Response to Question No. 18

DELIVERED PRICE COMPARISON (MAY 2016 - OCTOBER 2016)

Plant Operator Name	Reported Source Name	Quantity (000s tons)	Btu/lb	lbsSO2/mmBtu	Delivered Fuel Price Cents/mmBtu
Indiana Michigan Power Co	RWE TRADING AMERICASINC	39	11972	1.57	245.65
Indiana Michigan Power Co	PEABODY COAL SALES	1,821	8718	0.48	227.16
Indiana Michigan Power Co	NOBLE GAS MARKETING	19	12141	1.42	223.80
Indiana Michigan Power Co	NOBLE ENERGY MARKETING	113	12066	1.52	225.21
Indiana Michigan Power Co	CLOUD PEAK	181	8841	0.53	213.86
Indiana Michigan Power Co	ARCH	245	8932	0.61	215.59
Indiana Michigan Power Co	ALPHA COAL	230	12165	1.34	273.93
		2,649	9262	0.64	230.82
Indianapolis Power & Light	TRIAD	179	11631	5.95	206.50
Indianapolis Power & Light	SUNRISE COAL SALES	284	11818	5.50	220.80
Indianapolis Power & Light	COALSALES LLC	988	11278	5.52	218.43
Indianapolis Power & Light	COAL SALES	178	11340	5.71	218.09
Indianapolis Power & Light	ALLIANCE COAL	198	11717	2.40	209.25
		1,828	11450	5.24	216.57
Kentucky Power Co	NOBLE GAS MARKETING	11	12200	1.46	223.70
Kentucky Power Co	NOBLE ENERGY MARKETING	90	11977	1.52	228.15
Kentucky Power Co	CONSOLIDATION COAL CO	668	12674	6.24	202.75
Kentucky Power Co	ALPHA COAL	588	12137	1.37	264.52
		1,358	12391	3.78	230.76
Kentucky Utilities Co	TRIAD	321	11615	6.01	260.84
Kentucky Utilities Co	RHINO ENERGY	397	11380	4.59	229.29
Kentucky Utilities Co	PEABODY COAL TRADE	34	10143	2.30	148.24
Kentucky Utilities Co	KOLMAR AMERICAS INC	29	10348	1.65	172.10
Kentucky Utilities Co	FORESIGHT COAL SALES	347	11766	4.70	197.91
Kentucky Utilities Co	EAGLE RIVER COAL	86	12669	6.14	192.79
Kentucky Utilities Co	COALSALES LLC	370	11178	5.65	213.53
Kentucky Utilities Co	BOWIE	23	11960	3.08	254.42
Kentucky Utilities Co	ARMSTRONG COAL	871	11283	5.73	173.01
Kentucky Utilities Co	AMERICAN COAL	250	11747	4.21	221.19
Kentucky Utilities Co	ALLIANCE COAL	444	11511	4.49	226.02
		3,171	11459	5.12	208.72
Louisville Gas & Electric Co	RHINO ENERGY	33	11346	4.68	228.07
Louisville Gas & Electric Co	PEABODY COAL TRADE	21	10026	2.35	147.95
Louisville Gas & Electric Co	KOLMAR AMERICAS INC	20	10269	1.66	173.27
Louisville Gas & Electric Co	FORESIGHT COAL SALES	138	11816	4.63	195.70
Louisville Gas & Electric Co	EAGLE RIVER COAL	54	12643	5.74	193.26
Louisville Gas & Electric Co	COALSALES LLC	18	11101	5.65	178.58
Louisville Gas & Electric Co	ARMSTRONG COAL	571	11277	5.78	178.11
Louisville Gas & Electric Co	ARCH	158	8925	0.58	217.77
Louisville Gas & Electric Co	AMERICAN COAL	199	11726	4.22	219.21
Louisville Gas & Electric Co	ALLIANCE COAL	2,067	11760	5.51	218.49
		3,279	11526	5.16	209.43

Attachment to Response to Question No. 18

DELIVERED PRICE COMPARISON (MAY 2016 - OCTOBER 2016)

Plant Operator Name	Reported Source Name	Quantity (000s tons)	Btu/lb	lbsSO2/mmBtu	Delivered Fuel Price Cents/mmBtu
Monongahela Power Co	TUNNEL RIDGE LLC	98	12604	4.29	333.26
Monongahela Power Co	MEPCO OPERATIONS	509	12074	4.58	217.47
Monongahela Power Co	FIRSTENERGY	449	12916	5.32	172.25
Monongahela Power Co	CONSOL	2,522	12484	5.47	237.62
Monongahela Power Co	ARCH	2	12985	1.82	140.20
Monongahela Power Co	AMERICAN ENERGY	1,344	12589	7.08	206.88
Monongahela Power Co	ALLIANCE COAL	328	12592	4.45	238.94
		5,252	12517	5.70	225.43
Northern Indiana Public Service Co	SUNRISE COAL SALES	468	11672	5.69	228.73
Northern Indiana Public Service Co	PEABODY COAL SALES	406	8786	0.45	228.70
Northern Indiana Public Service Co	CONSOL	148	12932	3.90	216.01
Northern Indiana Public Service Co	COALSLES LLC	754	10968	5.06	254.48
Northern Indiana Public Service Co	ARCH	682	8998	0.55	212.52
Northern Indiana Public Service Co	ALLIANCE COAL	46	11740	4.24	197.40
		2,503	10340	3.12	231.51
Ohio Valley Electric Corp	AMERICAN ENERGY	1,163	12297	6.77	191.41
		1,163	12297	6.77	191.41
Owensboro Municipal Utilities	WEST KY MINERALS	156	11218	4.93	195.00
Owensboro Municipal Utilities	PEABODY COAL SALES	84	11222	6.82	197.28
Owensboro Municipal Utilities	KENAMERICA RESOURCES	40	11743	4.85	195.54
Owensboro Municipal Utilities	ARMSTRONG	186	11868	4.53	199.00
		467	11523	5.11	197.09
Southern Indiana Gas & Electric Co	SUNRISE COAL SALES	672	11601	5.99	229.15
		672	11601	5.99	229.15
Tennessee Valley Authority	PEABODY COAL TRADE	11	11050	4.83	247.00
Tennessee Valley Authority	PEABODY COAL SALES	2,519	10063	2.06	204.96
Tennessee Valley Authority	MR COAL MARKETING & TRADINGLL	46	12321	1.66	215.34
Tennessee Valley Authority	MR COAL MARKETING	58	12279	1.74	215.62
Tennessee Valley Authority	KOPPER GLO	82	12838	1.97	223.10
Tennessee Valley Authority	KENAMERICA RESOURCES	786	11775	4.84	202.32
Tennessee Valley Authority	FORESIGHT COAL SALES	521	11770	4.69	219.22
Tennessee Valley Authority	EDF TRADING	24	13100	1.16	280.56
Tennessee Valley Authority	COECLERICI COAL NETWORK	15	8761	0.75	172.12
Tennessee Valley Authority	CLOUD PEAK	744	8865	0.52	197.71
Tennessee Valley Authority	BLACKHAWK MINING LLC	59	12657	1.41	236.35
Tennessee Valley Authority	B & W RESOURCES	43	12251	1.79	242.94
Tennessee Valley Authority	ARMSTRONG COAL	1,037	11772	4.64	230.63
Tennessee Valley Authority	ARCH	3,943	8905	0.67	195.07
Tennessee Valley Authority	ALPHA COAL	23	12197	1.49	283.38
Tennessee Valley Authority	ALLIANCE COAL	1,470	11759	4.93	264.81
Tennessee Valley Authority	ALLIANCE COAL	957	12541	4.99	267.10
		12,338	10406	2.59	219.63

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 19

Witness: Delbert Billiter

Q-19. For the period under review by generating station, list the percentages of KU's coal delivered by:

- a. Rail;
- b. Truck;
- c. Barge;
- d. Other (specify)

A-19. **E.W. Brown Station**

- a. Rail – 87%
- b. Truck – 13%
- c. Barge – NA

Ghent Station

- a. Rail - NA
- b. Truck – NA
- c. Barge – 100%

Trimble Station/PRB

- a. Rail – NA
- b. Truck – NA
- c. Barge – 100%

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 20

Witness: Delbert Billiter

Q-20. For each generating station, state the methods of coal delivery currently available.

A-20. E.W. Brown – Rail and Truck

Ghent – Barge

Trimble County/PRB - Barge

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 21

Witness: Delbert Billiter

- Q-21. a. State KU's coal inventory level in tons and in number of days' supply as of October 31, 2016. Provide this information by generating station and in the aggregate.
- b. Describe the criteria used to determine the number of days' supply.
- c. Compare KU's coal inventory as of October 31, 2016 to its inventory target for that date for each plant and for total inventory.
- d. If actual coal inventory exceeds inventory target by 10 days' supply, state the reasons for the additional inventory.
- e. (1) State whether KU expects any significant changes in its current coal inventory target within the next 12 months.
- (2) If the response is yes, state the expected change and the reasons for this change.

A-21. a. As of October 31, 2016:

EW Brown	221,071 Tons; 35 Days	Target 30-55 Days
Ghent	931,067 Tons; 44 Days	Target 20-39 Days
Trimble County*	472,584 Tons; 75 Days	Target 21-44 Days
Total	1,624,722 Tons; 49 Days	Target 23-44 Days

* Trimble County coal inventory includes both PRB and High Sulfur coals used for Trimble County Unit 2.

- b. The method of calculating days in inventory is based on each plant's coal burn capability (coal tons in inventory divided by 90% of each generating unit's heat input rating from its air permit to operate).

Upper and lower tons/day targeted inventory days were established for each plant taking into consideration each plant's operating parameters. Each plants "least cost" inventory range is established annually during the planning process based on historical coal burn/receipt variances, procurement reaction time for long-term fuel supply agreements, current coal and electricity prices offset by carrying and outage costs.

- c. See (a) above.
- d. A combination of low load and low gas prices caused system coal consumption to be lower than budget before and during the review period. Increased gas generation, primarily due to CR7, displaced coal-fired generation during the review period.
- e. (1) KU does not expect significant changes in its current coal inventory target levels; however, during the Companies' planning cycle minor adjustments may be made to the inventory targets if warranted.

(2) Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
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Case No. 2017-00003

Question No. 22

Witness: Delbert Billiter

- Q-22. a. State whether KU has audited any of its coal contracts during the period from May 1, 2016 to October 31, 2016.
- b. If the response is yes, for each audited contract:
- (1) Identify the contract;
 - (2) Identify the auditor;
 - (3) State the results of the audit; and
 - (4) Describe the actions that KU took as a result of the audit.
- A-22 a. No. KU has not conducted any financial audits of coal companies. KU's current coal contracts either contain a fixed price or a portion of the base contract price is adjusted using government published indices to reflect the changes in the cost. These agreements thus do not require audits. Either KU's Manager Fuels Technical Services or KU's Mining Engineer conducts scheduled on-site reviews and inspections of the mining operations, scales and sampling systems of each vendor up to twice a year, and likewise may conduct unscheduled visits. Additionally, KU employees may visit a vendor as needed to address problems and issues at any time.

As noted in previous filings, governmental impositions may be imposed on the mining industry. As claims for governmental impositions are received, LG&E reviews and may use consultants to review the claims.

Alliance Coal, LLC in accordance with the provisions of Section 8.3 New Impositions of Agreement J09002, requested a price increase for calendar year 2015. The Parties agreed to a settlement. A copy of the Settlement Agreement effective December 1, 2016 is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

Alliance Coal, LLC in accordance with the provisions of Section 8.3 New Impositions of Agreement J12007, requested a price increase for calendar year 2015. The Parties agreed to a settlement. A copy of the Settlement Agreement effective December 1, 2016 is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

Alliance Coal, LLC in accordance with the provisions of Section 8.4 New Impositions of Agreement J13004, requested a price increase for calendar year 2015. The Parties agreed to a settlement. A copy of the Settlement Agreement effective December 1, 2016 is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

Alliance Coal, LLC in accordance with the provisions of Section 8.4 New Impositions of Agreement J14011, requested a price increase for calendar year 2015. The Parties agreed to a settlement. A copy of the Settlement Agreement effective December 1, 2016 is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

- b. Not applicable.

KENTUCKY UTILITIES COMPANY

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Case No. 2017-00003

Question No. 23

Witness: Derek Rahn

- Q-23. a. State whether KU has received any customer complaints regarding its FAC during the period from May 1, 2016 to October 31, 2016.
- b. If the response is yes, for each complaint, state:
- (1) The nature of the complaint; and
 - (2) KU's response.
- A-23. a. No.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

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Case No. 2017-00003

Question No. 24

Witness: Delbert Billiter

- Q-24. a. State whether KU is currently involved in any litigation with its current or former coal suppliers.
- b. If the response is yes, for each litigation:
- (1) Identify the coal supplier;
 - (2) Identify the coal contract involved;
 - (3) State the potential liability or recovery to KU;
 - (4) List the issues presented; and
 - (5) Provide a copy of the complaint or other legal pleading that initiated the litigation and any answers or counterclaims. If a copy has previously been filed with the Commission, provide the date on which it was filed and the case in which it was filed.
- c. State the current status of all litigation with coal suppliers.
- A-24. a. KU is not involved in any litigation with its coal suppliers.
- a. Not applicable.
 - b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
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Case No. 2017-00003

Question No. 25

Witness: Delbert Billiter

- Q-25. List each written coal supply solicitation issued during the period May 1, 2016 to October 31, 2016.
- a. For each solicitation, provide the date of the solicitation (contract or spot), the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
 - b. For each solicitation, state the number of vendors to whom the solicitation was sent, the number of vendors who responded, and the selected vendor. Provide the bid tabulation sheet or corresponding document that ranks the proposals. (This document shall identify all vendors who made offers.) State the reasons for each selection. For each lowest-cost bid not selected, explain why the bid was not selected.

A-25. SOLICITATION 1

The final selection of the vendors who responded to the solicitation dated March 2, 2016 was completed for middlings spot order for 2017 and was filed in Case No. 2016-00232. The selection of vendors for 2017 and beyond was not completed at the time the data responses were filed for high sulfur coal. The requested information for the selected vendors is provide below for the high sulfur coal purchased for 2017 – 2020.

- a. Date: March 2, 2016
Contract/Spot: Contract or Spot
Quantities: No minimum or maximum specified
Quality: Suitable for KU's Ghent Station and LG&E's Trimble County and Mill Creek Stations
Period: April through December 2016 – Spot
2017 and beyond – Contract

Generating Units: KU's Ghent Station and LG&E's Trimble County and Mill Creek Stations

- b. Number of vendors receiving bids: 122
Number of vendors responded: 22 companies / 46 offers
Selected vendor(s): The vendor(s) selected were based upon the lowest evaluated delivered cost.

High Sulfur Term

Alliance Coal, LLC – J17005, J18003
The American Coal Company – J17004
Armstrong Coal Sales – J18002

The bid analysis information is confidential and proprietary information and is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

SOLICITATION 2

- a. Date: September 20, 2016
Contract/Spot: Contract or Spot
Quantities: No minimum or maximum specified
Quality: Suitable for KU's Ghent Station and LG&E's Trimble County and Mill Creek Stations
Period: 2018 and beyond - Contract
Generating Units: KU's Ghent Station and LG&E's Trimble County and Mill Creek Stations
- b. Number of vendors receiving bids: 123
Number of vendors responded: 14 companies / 23 offers
Selected vendor(s): Will be provided once the process is complete.

The final selection of the vendor(s) for high sulfur coal for the period of 2018-2020 from the bids are in negotiations and are still in progress. The name of the selected vendors and supporting bid tabulation will be provided to the Commission after the negotiations are completed and the agreements signed.

The bid analysis information is confidential and proprietary information and is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

KENTUCKY UTILITIES COMPANY

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Case No. 2017-00003

Question No. 26

Witness: Delbert Billiter

- Q-26. List each oral solicitation for coal supplies issued during the period from May 1, 2016 to October 31, 2016.
- a. For each solicitation, state why the solicitation was not written, the date(s) of the solicitation, the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
 - b. For each solicitation, identify all vendors solicited and the vendor selected. Provide the bid tabulation sheet or other document that ranks the proposals. (This document shall identify all vendors who made offers.) State the reasons for each selection. For each lowest-cost bid not selected, explain why the bid was not selected.
- A-26. KU did not issue any oral solicitation.
- a. Not applicable.
 - b. Not applicable.

KENTUCKY UTILITIES COMPANY

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Case No. 2017-00003

Question No. 27

Witness: Delbert Billiter

Q-27. For the period from May 1, 2016 to October 31, 2016, list each vendor from whom coal was purchased and the quantity and nature of each purchase (e.g., spot or contract). For the period under review in total, provide the percentage of purchases that were spot versus contract.

A-27.

<u>VENDOR</u>	<u>PURCHASE TONNAGE</u>	<u>TYPE</u>
Alliance Coal LLC - J12007	257,247	Contract
Alliance Coal LLC - J16001B	49,240	Contract
Alliance Coal LLC - J16004	31,739	Spot
Alliance Coal LLC - J16008	107,254	Contract
Arch Coal Sales Company Inc. - J16012	157,603	Contract
Armstrong Coal Company - J07032	306,976	Contract
Armstrong Coal Company - J14004	126,668	Contract
Armstrong Coal Company - J14010	41,420	Contract
Armstrong Coal Company - J16003	276,016	Contract
Armstrong Coal Company - J16017	120,125	Contract
Bowie Refined Coal LLC - K14037	22,568	Contract
Peabody COALSALES LLC - J16007	369,563	Contract
Eagle River Coal LLC - J16005	85,584	Contract
Foresight Coal Sales LLC - J16009	346,934	Spot
Kolmar Americas - J16019	29,435	Spot
Peabody Coaltrade LLC - J16016	33,809	Spot
Rhino Energy LLC - J14001	397,252	Contract
Triad Mining LLC - J15002	320,830	Contract
The American Coal Company - J16002	250,029	Spot
	<u>3,330,293</u>	
	2,638,347	79% Contract
	<u>691,946</u>	21% Spot
	3,330,293	

KENTUCKY UTILITIES COMPANY

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Case No. 2017-00003

Question No. 28

Witness: Charles R. Schram

- Q-28. For the period from May 1, 2016 to October 31, 2016, list each vendor from whom natural gas was purchased for generation and the quantity and nature of each purchase (e.g., spot or contract). For the period under review in total, provide the percentage of purchases that were spot versus contract.
- A-28. See the attachment for the list of vendors, associated quantities, and the nature of the natural gas purchases. KU has contracted with Texas Gas Pipeline for long-term firm gas transport for both LG&E and KU combustion turbine generation.

Beginning in July 2016, a portion of the natural gas used to fuel the Cane Run 7 combined cycle unit was purchased on a forward basis. Other than those forward purchases and the purchases made pursuant to the Special Contract referenced below, natural gas was purchased on an 'as-needed' spot market basis. The Special Contract and the contracts for long-term firm gas transport have been filed with the Commission.

Purchases from Louisville Gas and Electric Company are primarily for LG&E-owned coal and gas fired generation and are made in accordance with a Special Contract under 807 KAR 5:011 Section 13.¹ Additionally, purchases from Columbia Gas are for KU-owned generation served by the local distribution company.

¹ The Special Contract for Firm Gas Sales and Firm Transportation Service dated September 28, 2007 and effective April 11, 2008, between Louisville Gas and Electric Company, on behalf of its Gas Distribution Business, and Louisville Gas and Electric Company and Kentucky Utilities Company, on behalf of their Electric Generation Business, was approved by the Kentucky Public Service Commission in Case No. 2007-00449.

KU and LG&E have joint ownership in the following combustion turbine and combined cycle units:

Station	Units	KU Ownership	LG&E Ownership
Trimble County	5 and 6	71%	29%
Trimble County	7, 8, 9 and 10	63%	37%
Brown	5	47%	53%
Paddy's Run	13	47%	53%
Brown	6 and 7	62%	38%
Cane Run	7	78%	22%

Fuel expenses for actual commodity used and associated pipeline transport charges, if any, are allocated to the Companies based on their respective ownership percentages.

<u>Vendor</u>	<u>Type</u>	<u>MMBtu</u>
Anadarko Energy Services Company	Spot	44,200
Atmos Energy Marketing, LLC	Spot	143,031
BG Energy Merchants, LLC	Spot	310,600
BP Energy Company	Spot	4,467,098
Cargill, Inc.	Spot	45,000
CIMA Energy, LTD	Spot	419,522
Colonial Energy, Inc.	Spot	136,100
Columbia Gas of Kentucky, Inc.	GSO Customer*	4,742
ConocoPhillips Company	Spot	76,600
Direct Energy Business Marketing,	Spot	139,900
DTE Energy Trading, Inc.	Spot	1,090,233
Eco-Energy, LLC	Spot	66,000
EDF Trading North America, LLC	Spot	37,900
Exelon Generation Company, LLC	Spot	534,600
Laclede Energy Resources, Inc.	Spot	302,501
Macquarie Energy, LLC	Spot	101,300
Mercuria Energy America, Inc.	Spot	118,500
Mercuria Energy Gas Trading LLC	Spot	214,700
NextEra Energy Power Marketing, LLC	Spot	600
NJR Energy Services Company	Spot	165,509
Range Resources - Appalachia, LLC	Spot	456,028
Sequent Energy Management, L.P.	Spot	2,039,300
Shell Energy North America (US), L.P.	Spot	443,100
SWN Energy Services Company, LLC	Spot	30,000
Tenaska Marketing Ventures	Spot	13,058,894
Tennessee Valley Authority	Spot	100,000
Twin Eagle Resource Management, LLC	Spot	195,300
United Energy Trading, LLC	Spot	13,796
Vitol Inc.	Spot	10,000
LG&E Gas Supply	Special Contract**	166,999
EDF Trading North America, LLC	Forward	1,850,000
Mercuria Energy America, Inc.	Forward	610,000
Sequent Energy Management, L.P.	Forward	310,000
	Total Volume	27,702,053 MMBtu

*KU is a General Sales Customer of Columbia Gas of Kentucky for the Haefling Plant; no volume purchase commitments.

**LG&E is the local gas distribution company; no volume purchase commitments.

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Case No. 2017-00003

Question No. 29

Witness: Charles R. Schram / Delbert Billiter

Q-29. State whether KU engages in hedging activities for its coal or natural gas purchases used for generation. If the response is yes, describe the hedging activities in detail.

A-29. KU does not engage in financial hedging activities for its coal or natural gas purchases.

KU does use physical hedging in contracting for coal. KU uses the following guidelines in utilization of coal under contract for the minimum projected requirement:

1 year out	95 – 100%
2 years out	80 – 90%
3 years out	40 – 90%
4 years out	30 – 70%
5 years out	10 – 50%
6 years out	0 – 30%

KU also uses physical hedging in contracting for natural gas. KU began to purchase a portion of the natural gas for the Cane Run 7 combined cycle unit on a forward basis beginning in July 2016. For the current year, the Company's practice targets purchasing no more than 50 percent of the forecasted burn at CR7. Longer-term, KU uses the following guidelines for the purchase of natural gas under contract for the minimum projected Cane Run 7 requirement:

1 year out	10 – 50%
2 years out	0 – 30%
3 years out	0 – 10%

KENTUCKY UTILITIES COMPANY

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Case No. 2017-00003

Question No. 30

Witness: Delbert Billiter / Stuart A. Wilson

Q-30. For each generating station or unit for which a separate coal pile is maintained, state for the period from May 1, 2016 to October 31, 2016 the actual amount of coal burned in tons, actual amount of coal deliveries in tons, total kWh generated, and actual capacity factor at which the plant operated.

A-30. The information requested from May 1, 2016 to October 31, 2016 is shown in the table below:

Plant	Coal Burn (Tons)	Coal Receipts (Tons)	Net MWh	Capacity Factor (Net MWh)/ (period hrs x MW rating)
E. W. Brown	573,403	522,573	1,149,508	38.2%
Ghent	2,909,101	2,650,117	6,173,900	72.9%
Trimble County HS	N/A	1,558,541	N/A	N/A
Trimble County PRB	N/A	157,603	N/A	N/A
Trimble County 2	767,906	N/A	1,778,998	55.0%

Notes: 1 – Trimble County values reflect 100% of the unit. Trimble County 2 is owned by KU (60.75%), LG&E (14.25%), IMPA (12.88%), and IMEA (12.12%).

2 – The North American Electric Reliability Council Generation Availability Data System defines capacity factor as the value equal to the net MWh produced divided by the product of the hours in the period and the unit rating.

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Response to Commission Staff's First Request for Information in Appendix B of Commission's Order Dated February 6, 2017

Case No. 2017-00003

Question No. 31

Witness: Stuart A. Wilson

Q-31. For each natural gas generating unit, state for the period from May 1, 2016, to October 31, 2016, the actual amount of natural gas burned, total kWh generated, and actual capacity factor at which the plant operated.

A-31. The information requested from May 1, 2016 to October 31, 2016 is shown in the table below:

Unit	Gas Burn (MCF)	Net MWh	Capacity Factor (Net MWh)/ (period hrs x MW rating)
Cane Run 7	17,290,067	2,604,339	89.1%
Brown 5	217,918	16,603	2.9%
Brown 6	192,570	17,382	2.7%
Brown 7	185,874	16,701	2.6%
Brown 8	729,127	58,838	11.0%
Brown 9	816,230	64,692	12.1%
Brown 10	508,527	40,501	7.6%
Brown 11	549,644	41,940	7.8%
Haefling	4,130	195	0.2%
Paddys Run 13	994,785	93,010	14.3%
Trimble Co 5	851,170	73,287	10.4%
Trimble Co 6	544,871	48,085	6.8%
Trimble Co 7	965,833	84,282	12.0%
Trimble Co 8	162,333	14,325	2.0%
Trimble Co 9	1,178,770	105,994	15.1%
Trimble Co 10	879,388	77,477	11.0%

Notes: 1 – Values for jointly owned units reflect 100% of the unit.
2 – The North American Electric Reliability Council Generation Availability Data System defines capacity factor as the value equal to the net MWh produced divided by the product of the hours in the period and the unit rating.

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Case No. 2017-00003

Question No. 32

Witness: Charles R. Schram / Delbert Billiter

- Q-32. a. During the period from May 1, 2016 to October 31, 2016, have there been any changes to KU's written policies and procedures regarding its fuel procurement?
- b. If yes,
- (1) Describe the changes;
 - (2) State the date(s) the changes were made;
 - (3) Explain why the changes were made; and
 - (4) Provide the written policies and procedures as changed.
- c. If no, provide the date when KU's current fuel procurement policies and procedures were last changed, when they were last provided to the Commission, and identify the proceeding in which they were provided.
- A-32. a. No changes were made during the period referenced above to the Corporate Fuels and By-Products Procurement Procedures or to the Power Supply Commodity Policy – Natural Gas Fuel for Generation.
- b. Not applicable.
- c. The Corporate Fuels and By-Products Procurement Procedures were last changed effective August 1, 2015 and were provided to the Commission in response to Question No. 15 in Case No. 2016-00003. The Power Supply Commodity Policy – Natural Gas Fuel for Generation was effective February 1, 2016, and was provided to the Commission in response to Question No. 15 in Case No. 2016-00003.

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Case No. 2017-00003

Question No. 33

Witness: Delbert Billiter

- Q-33. a. State whether KU is aware of any violations of its policies and procedures regarding fuel procurement that occurred prior to or during the period from May 1, 2016 to October 31, 2016.
- b. If the response is yes, for each violation:
- (1) Describe the violation;
 - (2) Describe the action(s) that KU took upon discovering the violation; and
 - (3) Identify the person(s) who committed the violation.
- A-33. a. No.
- b. Not applicable.

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Case No. 2017-00003

Question No. 34

Witness: Charles R. Schram / Delbert Billiter

Q-34. Identify and explain the reasons for all changes in the organizational structure and personnel of the departments or divisions that are responsible for KU's fuel procurement activities that occurred during the period from May 1, 2016, to October 31, 2016.

A-34. Changes that occurred in the Corporate Fuels and By-Products Department:

Yvette Rhoads, Senior Secretary left the company September 6, 2016.

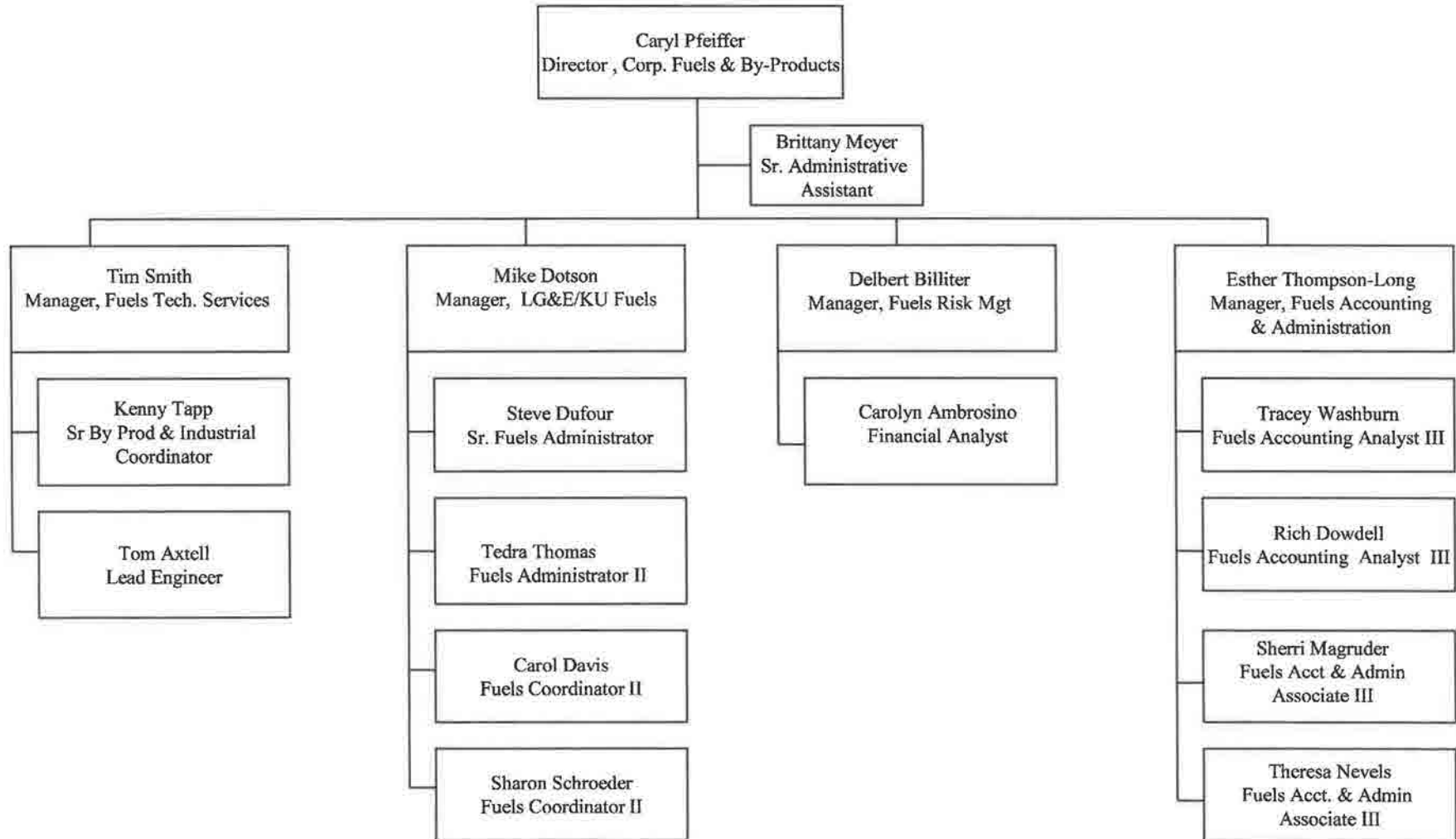
Brittany Meyer joined the department as Senior Administrative Assistant on December 28, 2016.

See attached organization chart dated December 2016 for Corporate Fuels and By-Products.

The Power Supply department has no organizational or personnel changes to report.

Corporate Fuels and By-Products

December, 2016



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Case No. 2017-00003

Question No. 35

Witness: Eileen L. Saunders

- Q-35. a. Identify all changes that KU made during the period from May 1, 2016 to October 31, 2016 to its maintenance and operation practices that affect fuel usage at KU's generation facilities.
- b. Describe the impact of these changes on KU's fuel usage.
- A-35. a. None.
- b. Not applicable.

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Case No. 2017-00003

Question No. 36

Witness: Derek Rahn

- Q-36. a. List all intersystem sales during the period from May 1, 2016 to October 31, 2016 in which KU used a third party's transmission system.
- b. For each sale listed above:
- (1) Describe the effect on the FAC calculation of line losses related to intersystem sales when using a third party's transmission system; and
 - (2) State the line-loss factor used for each transaction and describe how such line-loss factor was determined.
- A-36. a. There were no inter-system sales from May 1, 2016 through October 31, 2016, which required a third party's transmission system.
- b. Not applicable.

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Case No. 2017-00003

Question No. 37

Witness: Derek Rahn

- Q-37. a. Describe the effect on the FAC calculation of line losses related to intersystem sales when not using a third party's transmission system.
- b. Describe each change that KU made to its methodology for calculating intersystem sales line losses during the period from May 1, 2016 to October 31, 2016.

A-37.

- a. KU continues to use a line loss factor of 0.5% to determine the cost of fuel associated with line losses incurred to make an intersystem sale and recovered from such sale consistent with the Commission's June 7, 2013, Amended Order in Case No. 2012-00552.
- b. There have been no changes regarding the calculation of losses associated with intersystem sales.

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Case No. 2017-00003

Question No. 38

Witness: Delbert Billiter

Q-38. State whether KU has solicited bids for coal with the restriction that it was not mined through strip mining or mountain top removal. If the response is yes, explain the reasons for the restriction on the solicitation, the quantity in tons and price per ton of the coal purchased as a result of this solicitation, and the difference between the price of this coal and the price it could have obtained for the coal if the solicitation had not been restricted.

A-38. KU has not solicited bids with this restriction.

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Case No. 2017-00003

Question No. 39

Witness: Eileen L. Saunders

- Q-39. Provide a detailed discussion of any specific generation efficiency improvements KU has undertaken during the period from May 1, 2016, to October 31, 2016.
- A-39. KU has not realized any efficiency improvements through major component projects during this period. KU strives to maintain unit efficiency through routine, cyclical, planned outage maintenance. This maintenance work continues to focus on reestablishing expected turbine efficiency degraded since the previous outage. Additionally, KU maintains unit efficiency through continuous monitoring of all plant systems during operation. KU contracts Black and Veatch to provide this monitoring on larger units to identify trends which indicate a potential efficiency loss of any system component. Black and Veatch sends notification to the generating stations which track the potential issue through resolution. In evaluating potential major component projects or replacements that may impact efficiency, KU must balance any potential efficiency benefit associated with the project against both costs and potential implications under the Clean Air Act.

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Case No. 2017-00003

Question No. 40

Witness: Derek Rahn

- Q-40. State whether all contracts related to commodity and/or transportation have been filed with the Commission. If any contracts have not been filed, explain why they have not been filed and provide a copy.
- A-40. Yes, all contracts for May 2016 through October 2016 related to commodity and/or transportation have been filed with the Commission.

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Case No. 2017-00003

Question No. 41

Witness: Delbert Billiter / Charles R. Schram

- Q-41. Identify any issues that could affect fuel costs for the two-year period that remain unresolved or unsettled. Include in the response any issues related to billings from a regional transmission operator. Consider this a continuing request to inform the Commission if KU becomes aware of any issues during the course of this proceeding.
- A-41. The Company has no unresolved or unsettled issues to report.

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Case No. 2017-00003

Question No. 42

Witness: Charles R. Schram

- Q-42. Explain in detail how KU classifies a generation outage as forced or scheduled.
- A-42. The Company uses the definitions and guidelines published by the North American Electric Reliability Corporation ("NERC") for reporting to the Generating Availability Data System ("GADS"). GADS definitions for determining outage classifications can be found on NERC's website:
<http://www.nerc.com/pa/RAPA/gads/Pages/Data%20Reporting%20Instructions.aspx>.

Below are excerpts from the NERC GADS definitions for planned (scheduled), maintenance, and forced outages:

PO – Planned Outage

An outage that is scheduled well in advance and is of a predetermined duration, can last for several weeks, and occurs only once or twice a year. Turbine and boiler overhauls or inspections, testing, and nuclear refueling are typical planned outages. For a planned outage, all of the specific individual maintenance and operational tasks to be performed are determined in advance and are referred to as the "original scope of work." The general task of repairing turbines, boilers, pumps, etc. is not considered a work scope because it does not define the individual tasks to be performed. For example, if a general task such as repair boiler is considered the work scope, it is impossible to conclude that any boiler work falls outside of the original scope of work. Discovery work and re-work which render the unit out of service beyond the estimated PO end date are not considered part of the original scope of work. A planned extension may be used only in instances where the original scope of work requires more time to complete than the estimated time. For example, if an inspection that is in the original scope of work for the planned outage takes longer than scheduled, the extra time should be coded as an extension (PE). However, if damage found during the inspection results in an extension of the outage, the extra time required to make repairs should be coded as a forced outage.

MO – Maintenance Outage

An outage that can be deferred beyond the end of the next weekend (defined as Sunday at 2400 hours or as Sunday turns into Monday), but requires that the unit be removed from service, another outage state, or Reserve Shutdown state before the next Planned Outage

(PO). Characteristically, a MO can occur any time during the year, has a flexible start date, may or may not have a predetermined duration, and is usually much shorter than a PO. Discovery work and re-work which render the unit out of service beyond the estimated MO end date are not considered part of the original scope of work. A maintenance extension may be used only in instances where the original scope of work requires more time to complete than the estimated time. For example, if an inspection that is in the original scope of work for the outage takes longer than scheduled, the extra time should be coded as an extension (ME). If the damage found during the inspection is of a nature that the unit could be put back on-line and be operational past the end of the upcoming weekend, the work could be considered MO. If the inspection reveals damage that prevents the unit from operating past the upcoming weekend, the extended work time should be Forced Outage (U1).

U1 – Unplanned (Forced) Outage — Immediate

This is an outage that requires immediate removal of a unit from service, another outage state, or a reserve shutdown state. This type of outage usually results from immediate mechanical/electrical/hydraulic control system trips and operator-initiated trips in response to unit alarms.

U2 – Unplanned (Forced) Outage — Delayed

This is an outage that does not require immediate removal of a unit from the in-service state, instead requiring removal within six hours. This type of outage can only occur while the unit is in service.

U3 – Unplanned (Forced) Outage — Postponed

This is an outage that can be postponed beyond six hours but requires that a unit be removed from the in service state before the end of the next weekend (Sunday at 2400 or before Sunday turns into Monday). This type of outage can only occur while the unit is in service.

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's First Request for Information
in Appendix B of Commission's Order Dated February 6, 2017**

Case No. 2017-00003

Question No. 43

Witness: Derek Rahn

- Q-43. Refer to Form B filings for the review period for KU and its sister company, Louisville Gas and Electric Company ("LG&E").
- a. The Natural Gas Fuel Inventory Schedule for the Brown station shows a beginning and ending balance. State whether this indicates that KU has a storage facility for natural gas at the Brown station or whether this represents natural gas stored on the pipeline.
 - b. KU and LG&E jointly own the Brown combustion turbines. Explain why KU shows a beginning and ending inventory balance, but LG&E does not.
- A-43.
- a. The Natural Gas Fuel Inventory represents the natural gas stored in the pipeline. KU does not have natural gas storage facilities.
 - b. KU and LG&E jointly own Brown combustion turbines. For accounting purposes, given the insignificant amount of gas inventory for electric generation due to the lack of physical storage, gas inventory is recorded entirely on KU's books for these generation stations. This avoids KU from having to maintain separate inventory accounts for each generation unit thereby eliminating the need to perform numerous cost allocations on insignificant amounts. Once the natural gas is received at the station and burned by a specific unit, the natural gas cost is then allocated based on the KU and LG&E ownership percentage of that specific unit to ensure costs are properly charged to each company.