

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**ELECTRONIC EXAMINATION BY THE PUBLIC)
SERVICE COMMISSION OF THE ENVIRONMENTAL)
SURCHARGE MECHANISMS OF LOUISVILLE GAS)
AND ELECTRIC COMPANY FOR THE SIX-MONTH)
BILLING PERIOD ENDING OCTOBER 31, 2017)**

CASE NO. 2018-00052

**AMENDED TESTIMONY OF
DEREK A. RAHN
MANAGER, REVENUE REQUIREMENT COS
LG&E AND KU SERVICES COMPANY**

Filed: April 20, 2018

1 **I. Please state your name, title, and business address.**

2 A. My name is Derek A. Rahn. I am the Manager, Revenue Requirement COS for Kentucky
3 Utilities Company (“KU” or “Company”) and Louisville Gas and Electric Company
4 (“LG&E”) and an employee of LG&E and KU Services Company, which provides
5 services to LG&E and KU (collectively “Companies”). My business address is 220 West
6 Main Street, Louisville, Kentucky, 40202.

7 **Q. Have you previously filed testimony in this proceeding?**

8 A. Yes. I submitted Direct Testimony on March 14, 2018.

9 **Q. What is the purpose of your Amended Testimony and data responses?**

10 A. The purpose of my testimony is to present corrected information to my previously filed
11 testimony, as well as corrected responses and attachments to Question No. 1, Question
12 No. 2, Question No. 3, Question No. 5, and Question No. 6. As noted in the response
13 to Question No. 6, there is only a \$0.01 impact to the average monthly residential bill
14 that was previously presented in the Company's data response.

15 **Q. What created the need to amend these responses?**

16 A. It has come to my attention that the attachment to Question No. 3, which provided the
17 calculations for deferred tax balances submitted in the monthly filings for the
18 six months under review, contained incorrect balances for July and August 2017.
19 The calculations for these two months did not include the depreciation changes
20 approved in the last rate case which were effective July 2017.¹

¹ *In the Matter of:* Electronic Application of Louisville Gas and Electric Company for an Adjustment of its Electric Rates and for Certificates of Public Convenience and Necessity, Case No. 2016-00371, Order dated

1 Also the company is correcting the attachment for its Embedded Cost of Capital to
2 include the amortization of a terminated swap that was not originally included in the
3 calculation provided in the attachment to Question No. 5.

4 **Q. Are any other responses affected by this corrected information?**

5 A. Yes. Since deferred tax balances are subtracted from rate base and recommended ROR
6 changed due to the amortization of a terminated swap, the Company is updating the
7 rate base amounts, the revised rate of return, the Retail E(m), and the over/under
8 recovery in the attachments to Questions No. 1, 2, 5, and 6.

9 **Q. Are there corrections to information provided in the monthly filings during the**
10 **billing period under review?**

11 A. Yes. The corrected monthly ECR mechanism filings for the expense months July and
12 August of 2017 are reflected in Exhibit DAR-2 of this Amended Testimony.

13 **Q. As a result of these corrections for the billing period under review, is an adjustment**
14 **to the revenue requirement necessary?**

15 A. Yes. LG&E experienced an over-recovery of \$2,920,368 (rather than \$2,951,748) for the
16 billing period ending October 31, 2017. LG&E's amended response to Question No. 2 of
17 the Commission Staff's Request for Information shows the calculation of the over-
18 recovery. An adjustment to the revenue requirement is necessary to reconcile the
19 collection of past surcharge revenues with actual costs for the billing period under review.

20 **Q. What kind of adjustment is LG&E proposing in this case as a result of the operation**

1 **of the environmental surcharge during the billing period?**

2 A. LG&E is proposing that the over-recovery be distributed in four months following the
3 Commission's Order in this proceeding. Specifically, LG&E recommends the
4 Commission approve a decrease to the Environmental Surcharge Revenue Requirement
5 of \$730,092 for four months, to begin in the second full billing month following the
6 Commission's Order in this proceeding. This method is consistent with the method of
7 implementing previous over- or under- recovery positions in prior ECR review cases.

8 **Q. What is the bill impact on a residential customer for the proposed distribution of the**
9 **over-recovery?**

10 A. As noted above and as reflected in my original testimony in this proceeding, the inclusion
11 of the distribution reflecting the over-recovery position in the determination of the ECR
12 billing factor will decrease the billing factor by approximately 0.86% for four months.
13 For a residential customer using an average of 928 kWh per month, the impact of the
14 adjusted ECR billing factor would be a decrease of approximately \$0.83 for four months.

15 **Q. What rate of return is LG&E proposing to use for all ECR Plans upon the**
16 **Commission's Order in this proceeding?**

17 A. LG&E is recommending an overall rate of return on capital of 8.73%, including the
18 currently approved 9.7% return on equity and adjusted capitalization, to be used to
19 calculate the environmental surcharge. This is based on capitalization as of August 31,
20 2017, the Commission's Order of January 24, 2018 in Case No. 2017-00267, use of the
21 new corporate tax rate implemented in the Tax Cuts and Jobs Act, and use of the correction
22 regarding the amortization of a terminated swap that was not originally included in the

1 calculation.

2 See the response and revised attachment to Commission Staff's First Request for
3 Information Question No. 5 following this testimony.

4 **Q. What is your recommendation to the Commission in this case with this Amended
5 Testimony?**

6 A. LG&E makes the following recommendations to the Commission in this case:

7 a) The Commission accepts the corrections in July and August Expense Months on
8 ES Forms 1.00, 1.10, 2.00, and 2.10 as reflected in Exhibit DAR-2 of this
9 Amended Testimony;

10 b) The Commission should approve the proposed decrease to the Environmental
11 Surcharge Revenue Requirement of \$730,092 for four months to begin in the
12 second full billing month following the Commission's Order in this proceeding;

13 c) The Commission should determine the environmental surcharge amount for the
14 six-month billing period ending October 31, 2017 to be just and reasonable;

15 d) The Commission should approve the use of an overall rate of return on capital of
16 8.73% for all projects, using a return on equity of 9.70%, beginning in the second
17 full billing month following the Commission's Order in this proceeding, and as
18 originally filed on March 14, 2018;

19 e) The Commission should approve the proposed ES Forms as reflected in Exhibit
20 DAR-1, as originally filed March 14, 2018.

21 **Q. Does this conclude your Amended Testimony?**

22 A. Yes.

ES FORM 1.00

LOUISVILLE GAS AND ELECTRIC COMPANY ENVIRONMENTAL SURCHARGE REPORT

Net Group E(m) and
Group Environmental Surcharge Billing Factors
For the Expense Month of July 2017

GROUP 1 (Total Revenue)

Group 1 E(m) -- ES Form 1.10, line 16	=	\$ 1,430,975
Group 1 ES Billing Factor -- ES Form 1.10, line 18	=	3.95%

GROUP 2 (Net Revenue)

Group 2 E(m) -- ES Form 1.10, line 16	=	\$ 1,970,440
Group 2 ES Billing Factor -- ES Form 1.10, line 18	=	5.82%

Effective Date for Billing: September billing cycle beginning August 30, 2017

Submitted by: _____

Title: Manager, Revenue Requirement

Date Submitted: August 18, 2017

**LOUISVILLE GAS AND ELECTRIC COMPANY
ENVIRONMENTAL SURCHARGE REPORT**

**Calculation of Total E(m) and
Group Surcharge Billing Factors**

For the Expense Month of July 2017

Calculation of Total E(m)

$E(m) = [(RB / 12) (ROR + (ROR - DR)(TR / (1 - TR)))] + OE - BAS + BR$, where

RB	=	Environmental Compliance Rate Base
ROR	=	Rate of Return on the Environmental Compliance Rate Base
DR	=	Debt Rate (both short-term and long-term debt)
TR	=	Composite Federal & State Income Tax Rate
OE	=	Pollution Control Operating Expenses
BAS	=	Total Proceeds from By-Product and Allowance Sales
BR	=	Beneficial Reuse Operating Expenses

	Pre-2016 Environmental Compliance Plans	2016 Environmental Compliance Plan
(1) RB	= \$ 940,391,195	\$ 40,249,818
(2) RB / 12	= \$ 78,365,933	\$ 3,354,152
(3) (ROR + (ROR - DR) (TR / (1 - TR)))	= 10.31%	10.31%
(4) OE	= \$ 2,915,699	\$ 301,771
(5) BAS	= \$ 0	Not Applicable
(6) BR	= \$ 36,907	Not Applicable
(7) E(m) (2) x (3) + (4) - (5) + (6)	= \$ 11,032,134	\$ 647,584
(8) Total E(m) = sum of Pre-2016 E(m) + 2016 E(m)	= \$ 11,679,718	

Calculation of Adjusted Net Jurisdictional E(m)

(9) Jurisdictional Allocation Ratio for Expense Month -- ES Form 3.10	=	99.42%
(10) Jurisdictional E(m) = Total E(m) x Jurisdictional Allocation Ratio [(8) x (9)]	=	\$ 11,611,976
(11) Adjustment for (Over)/Under-collection pursuant to Case No. 2016-00438	=	\$ (848,911)
(12) Prior Period Adjustment (if necessary)	=	\$ -
(13) Revenue Collected through Base Rates	=	\$ 7,361,650
(14) Adjusted Net Jurisdictional E(m) [(10) + (11) + (12) - (13)]	=	\$ 3,401,415

Calculation of Group Environmental Surcharge Billing Factors

		<u>GROUP 1 (Total Revenue)</u>	<u>GROUP 2 (Net Revenue)</u>
(15) Revenue as a Percentage of 12-month Total Revenue ending with the Current Month -- ES Form 3.00	=	42.07%	57.93%
(16) Group E(m) [(14) x (15)]	=	\$ 1,430,975	\$ 1,970,440
(17) Group R(m) = Average Monthly Group Revenue for the 12 Months Ending with the Current Expense Month -- ES Form 3.00	=	\$ 36,204,065	\$ 33,882,155
(18) Group Environmental Surcharge Billing Factors [(16) ÷ (17)]	=	3.95%	5.82%

**LOUISVILLE GAS AND ELECTRIC COMPANY
ENVIRONMENTAL SURCHARGE REPORT**

Revenue Requirements of Environmental Compliance Costs
For the Expense Month of July 2017

Determination of Environmental Compliance Rate Base

	Pre-2016 Environmental Compliance Plan	2016 Environmental Compliance Plan
Eligible Pollution Control Plant	\$ 1,141,501,107	\$ 10,322,407
Eligible Pollution CWIP Excluding AFUDC	85,612,589	25,618,873
Subtotal	\$ 1,227,113,696	\$ 35,941,280
Additions:		
Inventory - Emission Allowances per ES Form 2.31, 2.32, 2.33, and 2.34	144	
Cash Working Capital Allowance	851,720	303,759
Net Unamortized Closure Cost Balance ¹		5,162,427
Subtotal	851,864	5,466,186
Deductions:		
Accumulated Depreciation on Eligible Pollution Control Plant	50,990,283	79,954
Pollution Control Deferred Income Taxes	236,584,082	1,077,694
Subtotal	287,574,365	1,157,648
Environmental Compliance Rate Base	\$ 940,391,195	\$ 40,249,818

Determination of Pollution Control Operating Expenses

	Pre-2016 Environmental Compliance Plan	2016 Environmental Compliance Plan
Monthly Operations & Maintenance Expense	\$ 462,480	\$ 254,525
Monthly Depreciation & Amortization Expense	2,315,355	16,400
less investment tax credit amortization	-	-
Monthly Taxes Other Than Income Taxes - Eligible Plant	137,864	1,406
Monthly Taxes Other Than Income Taxes - Closure Costs		-
Amortization of Monthly Closure Costs		29,440
Monthly Emission Allowance Expense from ES Form 2.31, 2.32, 2.33, and 2.34	-	
Monthly Surcharge Consulting Fees	-	-
Construction Monitoring Consultant Fee	-	-
Total Pollution Control Operations Expense	\$ 2,915,699	\$ 301,771

Determination of Beneficial Reuse Operating Expenses

	Environmental Compliance Plan
Total Monthly Beneficial Reuse Expense	\$ 37,186
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)	(279)
Net Beneficial Reuse Operations Expense	\$ 36,907

Proceeds From By-Product and Allowance Sales

	Total Proceeds	Amount in Base Rates	Net Proceeds
	(1)	(2)	(1) - (2)
Allowance Sales	\$ 0	\$ -	\$ 0
Scrubber By-Products Sales	-	-	-
Total Proceeds from Sales	\$ 0	\$ -	\$ 0

Note 1: The net unamortized closure cost balance is comprised of CCR closure cost expenditures less accumulated amortization, accumulated deferred income taxes and amount in base rates.

**LOUISVILLE GAS AND ELECTRIC COMPANY
ENVIRONMENTAL SURCHARGE REPORT**

Plant, CWIP & Depreciation Expense

For the Month Ended: July 31, 2017

(1) Description	(2) Eligible Plant In Service	(3) Eligible Accumulated Depreciation	(4) CWIP Amount Excluding AFUDC	(5) Eligible Net Plant In Service	(6) Deferred Tax Balance as of 7/31/2017	(7) Monthly ITC Amortization Credit	(8) Monthly Depreciation Expense	(9) Monthly Property Tax Expense
				(2)-(3)+(4)				
2009 Plan:								
Project 22 - Cane Run CCP Storage (Landfill - Phase 1) [CANCELLED]								
Project 23 - Trimble County Ash Treatment Basin (BAP/GSP)	\$ 9,599,354	\$ 1,306,157	\$ -	\$ 8,293,196	\$ 898,293		\$ 10,336	\$ 1,053
Project 24 - Trimble County CCP Storage (Landfill - Phase 1)	\$ 4,067,717	\$ 237,603	\$ 78,120,157	\$ 81,950,271	\$ 748,812		\$ 9,249	\$ 487
Project 25 - Beneficial Reuse	\$ 7,413,755	\$ 525,876	\$ -	\$ 6,887,879	\$ 1,062,855		\$ 14,253	\$ 603
Subtotal	\$ 21,080,826	\$ 2,069,637	\$ 78,120,157	\$ 97,131,347	\$ 2,709,959	\$ -	\$ 33,837	\$ 2,142
Less Retirements and Replacement resulting from implementation of 2009 Plan	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Net Total - 2009 Plan:	\$ 21,080,826	\$ 2,069,637	\$ 78,120,157	\$ 97,131,347	\$ 2,709,959	\$ -	\$ 33,837	\$ 2,142
2011 Plan:								
Project 26 - Mill Creek Station Air Compliance	\$ 1,019,573,876	\$ 44,822,127	\$ 7,492,432	\$ 982,244,181	\$ 213,619,410		\$ 2,051,466	\$ 123,442
Project 27 - Trimble County Unit 1 Air Compliance	\$ 100,846,405	\$ 4,098,520	\$ -	\$ 96,747,886	\$ 20,254,712		\$ 230,052	\$ 12,279
Subtotal	\$ 1,120,420,281	\$ 48,920,647	\$ 7,492,432	\$ 1,078,992,067	\$ 233,874,122	\$ -	\$ 2,281,518	\$ 135,721
Less Retirements and Replacement resulting from implementation of 2011 Plan	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Net Total - 2011 Plan:	\$ 1,120,420,281	\$ 48,920,647	\$ 7,492,432	\$ 1,078,992,067	\$ 233,874,122	\$ -	\$ 2,281,518	\$ 135,721
2016 Plan:								
Project 28 - Supplemental Mercury Control	\$ 1,186,620	\$ 20,432	\$ 2,401,736	\$ 3,567,924	\$ 223,929		\$ 2,393	\$ 312
Project 29 - Mill Creek New Process Water Systems	\$ 8,756,574	\$ 54,380	\$ 17,775,194	\$ 26,477,388	\$ 815,343		\$ 13,141	\$ 1,046
Project 30 - Trimble County New Process Water Systems	\$ 379,213	\$ 5,141	\$ 5,441,943	\$ 5,816,015	\$ 38,423		\$ 866	\$ 47
Subtotal	\$ 10,322,407	\$ 79,954	\$ 25,618,873	\$ 35,861,326	\$ 1,077,694	\$ -	\$ 16,400	\$ 1,406
Less Retirements and Replacement resulting from implementation of 2016 Plan	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Net Total - 2016 Plan:	\$ 10,322,407	\$ 79,954	\$ 25,618,873	\$ 35,861,326	\$ 1,077,694	\$ -	\$ 16,400	\$ 1,406
Net Total - All Plans:	\$ 1,151,823,514	\$ 51,070,237	\$ 111,231,462	\$ 1,211,984,740	\$ 237,661,776	\$ -	\$ 2,331,755	\$ 139,269

Note 1: Trimble County projects for the 2009 Plan are proportionately shared by KU at 48% and LG&E at 52%.

Note 2: Effective with the September 2012 expense month, Project 22 is cancelled and the previous CWIP balance is included on ES Form 2.50 as an expense for the September 2012 expense month.

ES FORM 1.00

LOUISVILLE GAS AND ELECTRIC COMPANY ENVIRONMENTAL SURCHARGE REPORT

Net Group E(m) and
Group Environmental Surcharge Billing Factors
For the Expense Month of August 2017

GROUP 1 (Total Revenue)

Group 1 E(m) -- ES Form 1.10, line 16	=	\$ 1,845,891
Group 1 ES Billing Factor -- ES Form 1.10, line 18	=	5.13%

GROUP 2 (Net Revenue)

Group 2 E(m) -- ES Form 1.10, line 16	=	\$ 2,559,577
Group 2 ES Billing Factor -- ES Form 1.10, line 18	=	7.53%

Effective Date for Billing: September billing cycle beginning September 29, 2017

Submitted by: _____

Title: Manager, Revenue Requirement

Date Submitted: September 19, 2017

**LOUISVILLE GAS AND ELECTRIC COMPANY
ENVIRONMENTAL SURCHARGE REPORT**

**Calculation of Total E(m) and
Group Surcharge Billing Factors**

For the Expense Month of August 2017

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(ROR -DR)(TR/(1-TR)))] + OE - BAS + BR, where
 RB = Environmental Compliance Rate Base
 ROR = Rate of Return on the Environmental Compliance Rate Base
 DR = Debt Rate (both short-term and long-term debt)
 TR = Composite Federal & State Income Tax Rate
 OE = Pollution Control Operating Expenses
 BAS = Total Proceeds from By-Product and Allowance Sales
 BR = Beneficial Reuse Operating Expenses

	Pre-2016 Environmental Compliance Plans	2016 Environmental Compliance Plan
(1) RB	= \$ 937,831,407	\$ 51,743,674
(2) RB / 12	= \$ 78,152,617	\$ 4,311,973
(3) (ROR + (ROR - DR) (TR / (1 - TR)))	= 10.31%	10.31%
(4) OE	= \$ 2,907,540	\$ 339,210
(5) BAS	= \$ 0	Not Applicable
(6) BR	= \$ 107,792	Not Applicable
(7) E(m) (2) x (3) + (4) - (5) + (6)	= \$ 11,072,867	\$ 783,774
(8) Total E(m) = sum of Pre-2016 E(m) + 2016 E(m)	= \$ 11,856,641	

Calculation of Adjusted Net Jurisdictional E(m)

(9) Jurisdictional Allocation Ratio for Expense Month -- ES Form 3.10	= 99.42%
(10) Jurisdictional E(m) = Total E(m) x Jurisdictional Allocation Ratio [(8) x (9)]	= \$ 11,787,872
(11) Adjustment for (Over)/Under-collection pursuant to Case No. 2016-00438	= \$ -
(12) Prior Period Adjustment (if necessary)	= \$ -
(13) Revenue Collected through Base Rates	= \$ 7,382,404
(14) Adjusted Net Jurisdictional E(m) [(10) + (11) + (12) - (13)]	= \$ 4,405,468

Calculation of Group Environmental Surcharge Billing Factors

	GROUP 1 (Total Revenue)	GROUP 2 (Net Revenue)
(15) Revenue as a Percentage of 12-month Total Revenue ending with the Current Month -- ES Form 3.00	= 41.90%	58.10%
(16) Group E(m) [(14) x (15)]	= \$ 1,845,891	\$ 2,559,577
(17) Group R(m) = Average Monthly Group Revenue for the 12 Months Ending with the Current Expense Month -- ES Form 3.00	= \$ 35,960,007	\$ 33,995,944
(18) Group Environmental Surcharge Billing Factors [(16) ÷ (17)]	= 5.13%	7.53%

**LOUISVILLE GAS AND ELECTRIC COMPANY
ENVIRONMENTAL SURCHARGE REPORT**

Revenue Requirements of Environmental Compliance Costs
For the Expense Month of August 2017

Determination of Environmental Compliance Rate Base

	Pre-2016 Environmental Compliance Plan	2016 Environmental Compliance Plan
Eligible Pollution Control Plant	\$ 1,141,501,107	\$ 10,322,407
Eligible Pollution CWIP Excluding AFUDC	87,212,558	37,271,621
Subtotal	\$ 1,228,713,665	\$ 47,594,028
Additions:		
Inventory - Emission Allowances per ES Form 2.31, 2.32, 2.33, and 2.34	144	
Cash Working Capital Allowance	840,801	295,311
Net Unamortized Closure Cost Balance ¹		5,198,332
Subtotal	840,945	5,493,643
Deductions:		
Accumulated Depreciation on Eligible Pollution Control Plant	53,308,519	96,353
Pollution Control Deferred Income Taxes	238,414,684	1,247,644
Subtotal	291,723,203	1,343,997
Environmental Compliance Rate Base	\$ 937,831,407	\$ 51,743,674

Determination of Pollution Control Operating Expenses

	Pre-2016 Environmental Compliance Plan	2016 Environmental Compliance Plan
Monthly Operations & Maintenance Expense	\$ 451,440	\$ 291,656
Monthly Depreciation & Amortization Expense	2,318,236	16,400
less investment tax credit amortization	-	-
Monthly Taxes Other Than Income Taxes - Eligible Plant	137,864	1,406
Monthly Taxes Other Than Income Taxes - Closure Costs		-
Amortization of Monthly Closure Costs		29,748
Monthly Emission Allowance Expense from ES Form 2.31, 2.32, 2.33, and 2.34	-	
Monthly Surcharge Consulting Fees	-	-
Construction Monitoring Consultant Fee	-	-
Total Pollution Control Operations Expense	\$ 2,907,540	\$ 339,210

Determination of Beneficial Reuse Operating Expenses

	Environmental Compliance Plan
Total Monthly Beneficial Reuse Expense	\$ 108,075
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)	(282)
Net Beneficial Reuse Operations Expense	\$ 107,792

Proceeds From By-Product and Allowance Sales

	Total Proceeds	Amount in Base Rates	Net Proceeds
	(1)	(2)	(1) - (2)
Allowance Sales	\$ 0	\$ -	\$ 0
Scrubber By-Products Sales	-	-	-
Total Proceeds from Sales	\$ 0	\$ -	\$ 0

Note 1: The net unamortized closure cost balance is comprised of CCR closure cost expenditures less accumulated amortization, accumulated deferred income taxes and amount in base rates.

**LOUISVILLE GAS AND ELECTRIC COMPANY
ENVIRONMENTAL SURCHARGE REPORT
Plant, CWIP & Depreciation Expense**

For the Month Ended: August 31, 2017

(1) Description	(2) Eligible Plant In Service	(3) Eligible Accumulated Depreciation	(4) CWIP Amount Excluding AFUDC	(5) Eligible Net Plant In Service	(6) Deferred Tax Balance as of 8/31/2017	(7) Monthly ITC Amortization Credit	(8) Monthly Depreciation Expense	(9) Monthly Property Tax Expense
				(2)-(3)+(4)				
2009 Plan:								
Project 22 - Cane Run CCP Storage (Landfill - Phase I) [CANCELLED]								
Project 23 - Trimble County Ash Treatment Basin (BAP/GSP)	\$ 9,599,354	\$ 1,316,493	\$ -	\$ 8,282,861	\$ 909,485		\$ 10,336	\$ 1,053
Project 24 - Trimble County CCP Storage (Landfill - Phase 1)	\$ 4,067,717	\$ 246,852	\$ 79,131,030	\$ 82,951,896	\$ 750,058		\$ 9,249	\$ 487
Project 25 - Beneficial Reuse	\$ 7,413,755	\$ 540,129	\$ -	\$ 6,873,626	\$ 1,136,390		\$ 14,253	\$ 603
Subtotal	\$ 21,080,826	\$ 2,103,474	\$ 79,131,030	\$ 98,108,383	\$ 2,795,932	\$ -	\$ 33,837	\$ 2,142
Less Retirements and Replacement resulting from implementation of 2009 Plan	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Net Total - 2009 Plan:	\$ 21,080,826	\$ 2,103,474	\$ 79,131,030	\$ 98,108,383	\$ 2,795,932	\$ -	\$ 33,837	\$ 2,142
2011 Plan:								
Project 26 - Mill Creek Station Air Compliance	\$ 1,019,573,876	\$ 46,876,474	\$ 8,081,527	\$ 980,778,930	\$ 215,234,211		\$ 2,054,347	\$ 123,442
Project 27 - Trimble County Unit 1 Air Compliance	\$ 100,846,405	\$ 4,328,571	\$ -	\$ 96,517,834	\$ 20,384,540		\$ 230,052	\$ 12,279
Subtotal	\$ 1,120,420,281	\$ 51,205,045	\$ 8,081,527	\$ 1,077,296,763	\$ 235,618,751	\$ -	\$ 2,284,399	\$ 135,721
Less Retirements and Replacement resulting from implementation of 2011 Plan	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Net Total - 2011 Plan:	\$ 1,120,420,281	\$ 51,205,045	\$ 8,081,527	\$ 1,077,296,763	\$ 235,618,751	\$ -	\$ 2,284,399	\$ 135,721
2016 Plan:								
Project 28 - Supplemental Mercury Control	\$ 1,186,620	\$ 22,825	\$ 2,724,338	\$ 3,888,133	\$ 225,773		\$ 2,393	\$ 312
Project 29 - Mill Creek New Process Water Systems	\$ 8,756,574	\$ 67,521	\$ 26,859,408	\$ 35,548,461	\$ 977,989		\$ 13,141	\$ 1,046
Project 30 - Trimble County New Process Water Systems	\$ 379,213	\$ 6,007	\$ 7,687,876	\$ 8,061,081	\$ 43,883		\$ 866	\$ 47
Subtotal	\$ 10,322,407	\$ 96,353	\$ 37,271,621	\$ 47,497,675	\$ 1,247,644	\$ -	\$ 16,400	\$ 1,406
Less Retirements and Replacement resulting from implementation of 2016 Plan	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Net Total - 2016 Plan:	\$ 10,322,407	\$ 96,353	\$ 37,271,621	\$ 47,497,675	\$ 1,247,644	\$ -	\$ 16,400	\$ 1,406
Net Total - All Plans:	\$ 1,151,823,514	\$ 53,404,873	\$ 124,484,179	\$ 1,222,902,821	\$ 239,662,328	\$ -	\$ 2,334,636	\$ 139,269

Note 1: Trimble County projects for the 2009 Plan are proportionately shared by KU at 48% and LG&E at 52%.

Note 2: Effective with the September 2012 expense month, Project 22 is cancelled and the previous CWIP balance is included on ES Form 2.50 as an expense for the September 2012 expense month.