

LOUISVILLE GAS & ELECTRIC COMPANY

Exhibit 1

Tariff Sheet

Adjustment Clause

**GLT
Gas Line Tracker**

APPLICABLE

Applicable to all customers receiving service under the Company's Rate Schedules RGS, VFD, CGS, IGS, AAGS, FT, SGSS, DGGs, and LGDS.

CALCULATION OF THE GAS LINE TRACKER REVENUE REQUIREMENT

The GLT Revenue Requirement includes the following:

- a. GLT related Plant In-Service not included in base gas rates minus the associated GLT related accumulated depreciation and accumulated deferred income taxes;
- b. Retirement and removal of plant related to GLT construction;
- c. The rate of return on the net rate base is the overall rate of return on capital authorized in the Company's latest base gas rate case, grossed up for federal and state income taxes;
- d. Depreciation expense on the GLT-related Plant In-Service less retirement and removals;
- e. Incremental Operation and Maintenance; and
- f. Property Taxes

GLT PROGRAM FACTORS

After the Company replaces a gas service riser or a gas service line under this program, it will assume ownership and responsibility for the plant and equipment. The allocation of the program cost to customers will be in proportion to their relative base revenue share approved in the Company's most recent general rate case.

A filing to update the projected program costs will be submitted annually. The filing will reflect the anticipated impact on the Company's revenue requirements of net plant additions expected during the current year. At the same time, the Company will submit a balancing adjustment to true up the actual costs with the projected program costs for the preceding year. Such adjustment to the GLT will become effective for services rendered on and after the first day of the following month after the effective date of such change.

RATES

The charges for the respective gas service schedules are:

	Distribution Projects (\$/delivery point)	Transmission Projects (\$/Ccf)	
RGS, VFD	\$ 0.60	\$0.00547	T/R/I
CGS, SSGS	2.99	0.00444	T/R/I
IGS, AAGS, DGGs	37.67	0.00266	T/R/I
FT, LGDS	0.00	0.00031	T/I

DATE OF ISSUE: February 28, 2018

DATE EFFECTIVE: May 1, 2018

ISSUED BY: /s/ Robert M. Conroy, Vice President
State Regulation and Rates
Louisville, Kentucky

**Issued by Authority of an Order of the
Public Service Commission in Case No.
2018-00057 dated _____**

LOUISVILLE GAS & ELECTRIC COMPANY

Exhibit 2

Class Allocation and Bill Impact Summary

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
CLASS ALLOCATION AND BILL IMPACT**

Line No.	Rate Schedule - Distribution	Total Forecasted Revenue in Case No. 2016-00371	Allocation Percent	Revenue Requirement	Number of Bills	Monthly Rate Per Bill	2017 True-up Monthly Rate Per Bill	Net Monthly Rate Per Bill Reflecting True-up
2018 - Forecasted								
1	Residential Gas Service - Rates RGS, VFD	\$218,889,573	67.58%	\$3,583,618	3,556,511	\$1.01	(\$0.41)	\$0.60
2	Commercial Gas Service - Rates CGS, SSGS	\$92,279,395	28.49%	\$1,510,781	299,360	\$5.05	(\$2.05)	\$2.99
3	Industrial Gas Service - Rates IGS, AAGS, DGGGS	\$12,726,688	3.93%	\$208,359	3,282	\$63.49	(\$25.82)	\$37.67
4	Total	\$323,895,656	100.00%	\$5,302,757	3,859,153			

Line No.	Rate Schedule - Transmission	Total Forecasted Revenue in Case No. 2016-00371	Allocation Percent	Revenue Requirement	Mcf	Rate Per Mcf	2017 Recovery True-up Rate Per Mcf	Net Monthly Rate per Mcf Reflecting True-up
2018 - Forecasted								
5	Residential Gas Service - Rates RGS, VFD	\$218,889,573	65.96%	\$1,084,751	19,516,322	\$0.0556	(\$0.0009)	\$0.0547
6	Commercial Gas Service - Rates CGS, SSGS	\$92,279,395	27.81%	\$457,309	10,137,906	\$0.0451	(\$0.0007)	\$0.0444
7	Industrial Gas Service - Rates IGS, AAGS, DGGGS	\$12,726,688	3.84%	\$63,070	2,332,857	\$0.0270	(\$0.0004)	\$0.0266
8	Firm Transportation Service - Rates FT, LGDS	\$7,941,387	2.39%	\$39,355	12,313,888	\$0.0032	(\$0.0001)	\$0.0031
9	Total	\$331,837,043	100.00%	\$1,644,485	44,300,973			

Line No.	Rate Schedule - Distribution	Total Forecasted Revenue in Case No. 2016-00371	Allocation Percent	Revenue Requirement	Number of Bills	2017 True-up Monthly Rate Per Bill
2017 - (Over)/Under recovery						
10	Residential Gas Service - Rates RGS, VFD	\$218,889,573	67.58%	(\$1,457,241)	3,556,511	(\$0.41)
11	Commercial Gas Service - Rates CGS, SSGS	\$92,279,395	28.49%	(\$614,343)	299,360	(\$2.05)
12	Industrial Gas Service - Rates IGS, AAGS, DGGGS	\$12,726,688	3.93%	(\$84,727)	3,282	(\$25.82)
13	Total	\$323,895,656	100.00%	(\$2,156,311)	3,859,153	

Line No.	Rate Schedule - Transmission	Total Forecasted Revenue in Case No. 2016-00371	Allocation Percent	Revenue Requirement	Mcf	2017 Recovery True-up Rate Per Mcf
2017 - (Over)/Under recovery						
14	Residential Gas Service - Rates RGS, VFD	\$218,889,573	65.96%	(\$17,164)	19,516,322	(\$0.0009)
15	Commercial Gas Service - Rates CGS, SSGS	\$92,279,395	27.81%	(\$7,236)	10,137,906	(\$0.0007)
16	Industrial Gas Service - Rates IGS, AAGS, DGGGS	\$12,726,688	3.84%	(\$998)	2,332,857	(\$0.0004)
17	Firm Transportation Service - Rates FT, LGDS	\$7,941,387	2.39%	(\$623)	12,313,888	(\$0.0001)
18	Total	\$331,837,043	100.00%	(\$26,021)	44,300,973	

LOUISVILLE GAS & ELECTRIC COMPANY

Exhibit 3

Supporting Calculations for the

**GLT Adjustment Clause
True-up of the Actual Costs**

**Twelve-Month Period Beginning January 1, 2017
and Ending December 31, 2017**

LOUISVILLE GAS AND ELECTRIC COMPANY
GLT (Over)/Under Recovery Calculation
As of December 2017

Distribution	(A)	(B)	(C)	(D)	(E)	(F)
Expense Month	Revenue Requirement	Collections / (Refunds) for Prior Year	Adjusted Revenue Requirement	Billed GLT Revenues	Unbilled GLT Revenues	Total (Over)/Under Collection
A + B						C - D - E
Jan-2017	\$ 2,491,365	\$ 112,973	\$ 2,604,338	\$ 2,478,137	\$ 0	\$ 126,201
Feb-2017	\$ 2,436,373	\$ 112,973	\$ 2,549,345	\$ 2,299,533	\$ 0	\$ 249,812
Mar-2017	\$ 2,451,110	\$ 112,973	\$ 2,564,083	\$ 2,839,370	\$ 0	\$ (275,287)
Apr-2017	\$ 2,345,200	\$ 112,973	\$ 2,458,172	\$ 2,830,770	\$ 0	\$ (372,598)
May-2017	\$ 2,481,386	\$ 87,068	\$ 2,568,454	\$ 2,762,273	\$ 0	\$ (193,819)
Jun-2017	\$ 2,511,309	\$ 61,163	\$ 2,572,472	\$ 2,797,015	\$ 0	\$ (224,543)
Jul-2017	\$ 137,886	\$ 61,163	\$ 199,048	\$ 1,365,987	\$ 0	\$ (1,166,939)
Aug-2017	\$ 195,754	\$ 61,163	\$ 256,916	\$ 311,699	\$ 0	\$ (54,783)
Sep-2017	\$ 155,478	\$ 61,163	\$ 216,641	\$ 302,416	\$ 0	\$ (85,775)
Oct-2017	\$ 206,060	\$ 61,163	\$ 267,223	\$ 308,282	\$ 0	\$ (41,059)
Nov-2017	\$ 184,559	\$ 61,163	\$ 245,722	\$ 311,557	\$ 0	\$ (65,835)
Dec-2017	\$ 199,885	\$ 61,163	\$ 261,048	\$ 312,735	\$ 0	\$ (51,686)
TOTAL for Year, 01/17 - 12/17						<u>\$ (2,156,311)</u>

Transmission	(G)	(H)	(I)	(J)	(K)	(L)
Expense Month	Revenue Requirement	Collections / (Refunds) for Prior Year	Adjusted Revenue Requirement	Billed GLT Revenues	Unbilled GLT Revenues	Total (Over)/Under Collection
G + H						I - J - K
Jan-2017			\$ 0			\$ 0
Feb-2017			\$ 0			\$ 0
Mar-2017			\$ 0			\$ 0
Apr-2017			\$ 0			\$ 0
May-2017			\$ 0			\$ 0
Jun-2017			\$ 0			\$ 0
Jul-2017	\$ 8,195	\$ 0	\$ 8,195	\$ 2,090	\$ 2,000	\$ 4,105
Aug-2017	\$ 8,195	\$ 0	\$ 8,195	\$ 3,693	\$ 92	\$ 4,410
Sep-2017	\$ 8,195	\$ 0	\$ 8,195	\$ 4,490	\$ 211	\$ 3,493
Oct-2017	\$ 8,195	\$ 0	\$ 8,195	\$ 4,774	\$ 3,077	\$ 343
Nov-2017	\$ 8,195	\$ 0	\$ 8,195	\$ 13,276	\$ 6,138	\$ (11,219)
Dec-2017	\$ 8,195	\$ 0	\$ 8,195	\$ 25,309	\$ 10,038	\$ (27,153)
TOTAL for Year, 01/17 - 12/17						<u>\$ (26,021)</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
GLT Calculation of Revenue Requirement
As of December 2017

Distribution	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Expense Month	End of Month Net Assets on which to Recover	YTD Average Net GLT Assets	YTD Average Net Assets Applied to Year	YTD Average Net Assets Applied to Year / 12	Rate of Return	Return on Net Assets	Operating Expenses (OE)	Revenue Requirement	Collections / (Refunds) for Prior Years	Adjusted Revenue Requirement
				C / 12		D x E		F + G		H + I
Start of Period Rate Base, 12/16										
Dec-2016	\$ 175,200,265	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jan-2017	\$ 178,147,850	\$ 176,674,058	\$ 183,845,254	\$ 15,320,438	10.44%	\$ 1,599,454	\$ 891,911	\$ 2,491,365	\$ 112,973	\$ 2,604,338
Feb-2017	\$ 181,196,821	\$ 178,181,646	\$ 183,845,254	\$ 15,320,438	10.44%	\$ 1,599,454	\$ 836,919	\$ 2,436,373	\$ 112,973	\$ 2,549,345
Mar-2017	\$ 184,387,619	\$ 179,733,139	\$ 183,845,254	\$ 15,320,438	10.44%	\$ 1,599,454	\$ 851,656	\$ 2,451,110	\$ 112,973	\$ 2,564,083
Apr-2017	\$ 186,981,714	\$ 181,182,854	\$ 183,845,254	\$ 15,320,438	10.44%	\$ 1,599,454	\$ 745,746	\$ 2,345,200	\$ 112,973	\$ 2,458,172
May-2017	\$ 189,570,066	\$ 182,580,723	\$ 183,845,254	\$ 15,320,438	10.44%	\$ 1,599,454	\$ 881,932	\$ 2,481,386	\$ 87,068	\$ 2,568,454
Jun-2017	\$ 191,432,445	\$ 183,845,254	\$ 183,845,254	\$ 15,320,438	10.44%	\$ 1,599,454	\$ 911,856	\$ 2,511,309	\$ 61,163	\$ 2,572,472
Jul-2017	\$ 3,057,295	\$ 1,528,648	\$ 8,468,905	\$ 705,742	10.25%	\$ 72,339	\$ 65,547	\$ 137,886	\$ 61,163	\$ 199,048
Aug-2017	\$ 6,062,604	\$ 3,039,966	\$ 8,468,905	\$ 705,742	10.25%	\$ 72,339	\$ 123,415	\$ 195,754	\$ 61,163	\$ 256,916
Sep-2017	\$ 8,741,615	\$ 4,465,379	\$ 8,468,905	\$ 705,742	10.25%	\$ 72,339	\$ 83,139	\$ 155,478	\$ 61,163	\$ 216,641
Oct-2017	\$ 12,148,235	\$ 6,001,950	\$ 8,468,905	\$ 705,742	10.25%	\$ 72,339	\$ 133,722	\$ 206,060	\$ 61,163	\$ 267,223
Nov-2017	\$ 14,136,968	\$ 7,357,786	\$ 8,468,905	\$ 705,742	10.25%	\$ 72,339	\$ 112,221	\$ 184,559	\$ 61,163	\$ 245,722
Dec-2017	\$ 15,135,621	\$ 8,468,905	\$ 8,468,905	\$ 705,742	10.25%	\$ 72,339	\$ 127,547	\$ 199,885	\$ 61,163	\$ 261,048
TOTAL for Year, 01/17 - 12/17						\$ 10,030,754	\$ 5,765,611	\$ 15,796,365	\$ 967,097	\$ 16,763,462

Transmission	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)
Expense Month	End of Month Net Assets on which to Recover	YTD Average Net GLT Assets	YTD Average Net Assets Applied to Year	YTD Average Net Assets Applied to Year / 12	Rate of Return	Return on Net Assets	Operating Expenses (OE)	Revenue Requirement	Collections / (Refunds) for Prior Years	Adjusted Revenue Requirement
				M / 12		N x O		P + Q		R + S
Start of Period Rate Base, 12/16										
Dec-2016		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jan-2017				\$ 0		\$ 0		\$ 0		\$ 0
Feb-2017				\$ 0		\$ 0		\$ 0		\$ 0
Mar-2017				\$ 0		\$ 0		\$ 0		\$ 0
Apr-2017				\$ 0		\$ 0		\$ 0		\$ 0
May-2017				\$ 0		\$ 0		\$ 0		\$ 0
Jun-2017				\$ 0		\$ 0		\$ 0		\$ 0
Jul-2017	\$ 239,723	\$ 119,862	\$ 959,363	\$ 79,947	10.25%	\$ 8,195	\$ 0	\$ 8,195	\$ 0	\$ 8,195
Aug-2017	\$ 310,104	\$ 183,276	\$ 959,363	\$ 79,947	10.25%	\$ 8,195	\$ 0	\$ 8,195	\$ 0	\$ 8,195
Sep-2017	\$ 616,593	\$ 291,605	\$ 959,363	\$ 79,947	10.25%	\$ 8,195	\$ 0	\$ 8,195	\$ 0	\$ 8,195
Oct-2017	\$ 1,046,534	\$ 442,591	\$ 959,363	\$ 79,947	10.25%	\$ 8,195	\$ 0	\$ 8,195	\$ 0	\$ 8,195
Nov-2017	\$ 1,439,946	\$ 608,817	\$ 959,363	\$ 79,947	10.25%	\$ 8,195	\$ 0	\$ 8,195	\$ 0	\$ 8,195
Dec-2017	\$ 3,062,641	\$ 959,363	\$ 959,363	\$ 79,947	10.25%	\$ 8,195	\$ 0	\$ 8,195	\$ 0	\$ 8,195
TOTAL for Year, 01/17 - 12/17						\$ 49,167	\$ 0	\$ 49,167	\$ 0	\$ 49,167

LOUISVILLE GAS AND ELECTRIC COMPANY
GLT Calculation of Net Assets
As of December 2017

Distribution	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Expense Month	End of Month Rate Base - Gross (RB)	End of Month Acc. Depreciation (AD)	End of Month Cost of Removal (CoR)	End of Month Deferred Tax on GLT RB & CoR	End of Month Retirements from Base Rates	End of Month Acc. Depreciation on Retirements	End of Month Deferred Tax on Retirements	End of Month Net Assets on which to Recover
A + B + C + D - E - F - G								
Start of Period Rate Base, 12/16								
Dec-2016	\$ 223,092,597	\$ (14,352,041)	\$ 4,464,380	\$ (36,256,615)	\$ 7,090,840	\$ (4,889,167)	\$ (453,617)	\$ 175,200,265
Jan-2017	\$ 226,727,802	\$ (14,977,062)	\$ 4,531,082	\$ (36,385,915)	\$ 7,090,840	\$ (4,889,167)	\$ (453,617)	\$ 178,147,850
Feb-2017	\$ 230,465,770	\$ (15,611,327)	\$ 4,763,777	\$ (36,673,343)	\$ 7,090,840	\$ (4,889,167)	\$ (453,617)	\$ 181,196,821
Mar-2017	\$ 234,537,476	\$ (16,255,223)	\$ 4,884,911	\$ (37,031,490)	\$ 7,090,840	\$ (4,889,167)	\$ (453,617)	\$ 184,387,619
Apr-2017	\$ 238,184,140	\$ (16,908,738)	\$ 4,936,468	\$ (37,482,101)	\$ 7,090,840	\$ (4,889,167)	\$ (453,617)	\$ 186,981,714
May-2017	\$ 241,878,075	\$ (17,571,754)	\$ 5,120,795	\$ (38,108,994)	\$ 7,090,840	\$ (4,889,167)	\$ (453,617)	\$ 189,570,066
Jun-2017	\$ 244,926,833	\$ (18,243,773)	\$ 5,308,417	\$ (38,810,975)	\$ 7,090,840	\$ (4,889,167)	\$ (453,617)	\$ 191,432,445
Jul-2017	\$ 3,037,430	\$ (3,483)	\$ 203,542	\$ (180,193)	\$ 0	\$ 0	\$ 0	\$ 3,057,295
Aug-2017	\$ 6,302,967	\$ (41,624)	\$ 354,601	\$ (553,340)	\$ 0	\$ 0	\$ 0	\$ 6,062,604
Sep-2017	\$ 9,459,921	\$ (60,027)	\$ 502,268	\$ (1,160,547)	\$ 0	\$ 0	\$ 0	\$ 8,741,615
Oct-2017	\$ 13,359,776	\$ (86,151)	\$ 903,421	\$ (2,028,812)	\$ 0	\$ 0	\$ 0	\$ 12,148,235
Nov-2017	\$ 16,010,269	\$ (119,678)	\$ 1,192,483	\$ (2,946,107)	\$ 0	\$ 0	\$ 0	\$ 14,136,968
Dec-2017	\$ 17,681,980	\$ (158,385)	\$ 1,643,717	\$ (4,031,691)	\$ 0	\$ 0	\$ 0	\$ 15,135,621

TOTAL for Year, 01/17 - 12/17

Transmission	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)
Expense Month	End of Month Rate Base - Gross (RB)	End of Month Acc. Depreciation (AD)	End of Month Cost of Removal (CoR)	End of Month Deferred Tax on GLT RB & CoR	End of Month Retirements from Base Rates	End of Month Acc. Depreciation on Retirements	End of Month Deferred Tax on Retirements	End of Month Net Assets on which to Recover
I + J + K + L - M - N - O								
Start of Period Rate Base, 12/16								
Dec-2016								\$ 0
Jan-2017								\$ 0
Feb-2017								\$ 0
Mar-2017								\$ 0
Apr-2017								\$ 0
May-2017								\$ 0
Jun-2017								\$ 0
Jul-2017	\$ 239,723	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 239,723
Aug-2017	\$ 310,104	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 310,104
Sep-2017	\$ 616,593	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 616,593
Oct-2017	\$ 1,046,534	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,046,534
Nov-2017	\$ 1,439,946	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,439,946
Dec-2017	\$ 3,062,641	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,062,641

TOTAL for Year, 01/17 - 12/17

LOUISVILLE GAS AND ELECTRIC COMPANY
GLT Calculation of Operating Expenses
As of December 2017

Distribution	(A)	(B)	(C)	(D)	(E)
Expense Month	Incremental O&M Expense	Depreciation Expense	Depreciation Savings from Retirements	Property Tax Expense	Operating Expenses (OE)
					A + B + C + D
Jan-2017	\$ 73,315	\$ 625,021	\$ (22,305)	\$ 215,880	\$ 891,911
Feb-2017	\$ 9,079	\$ 634,265	\$ (22,305)	\$ 215,880	\$ 836,919
Mar-2017	\$ 14,186	\$ 643,896	\$ (22,305)	\$ 215,880	\$ 851,656
Apr-2017	\$ (101,344)	\$ 653,515	\$ (22,305)	\$ 215,880	\$ 745,746
May-2017	\$ 25,341	\$ 663,017	\$ (22,305)	\$ 215,880	\$ 881,932
Jun-2017	\$ 46,262	\$ 672,019	\$ (22,305)	\$ 215,880	\$ 911,856
Jul-2017	\$ 62,064	\$ 3,483	\$ 0	\$ 0	\$ 65,547
Aug-2017	\$ 85,274	\$ 38,141	\$ 0	\$ 0	\$ 123,415
Sep-2017	\$ 64,736	\$ 18,403	\$ 0	\$ 0	\$ 83,139
Oct-2017	\$ 107,598	\$ 26,124	\$ 0	\$ 0	\$ 133,722
Nov-2017	\$ 78,694	\$ 33,527	\$ 0	\$ 0	\$ 112,221
Dec-2017	\$ 88,839	\$ 38,708	\$ 0	\$ 0	\$ 127,547
TOTAL for Year, 01/17 - 12/17	\$ 554,044	\$ 4,050,117	\$ (133,830)	\$ 1,295,280	\$ 5,765,611

Transmission	(F)	(G)	(H)	(I)	(J)
Expense Month	Incremental O&M Expense	Depreciation Expense	Depreciation Savings from Retirements	Property Tax Expense	Operating Expenses (OE)
					F + G + H + I
Jan-2017					\$ 0
Feb-2017					\$ 0
Mar-2017					\$ 0
Apr-2017					\$ 0
May-2017					\$ 0
Jun-2017					\$ 0
Jul-2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aug-2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sep-2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Oct-2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Nov-2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Dec-2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL for Year, 01/17 - 12/17	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

LOUISVILLE GAS & ELECTRIC COMPANY

Exhibit 4

Supporting Calculations for the

GLT Adjustment Clause

Forecast Filing

**Twelve-Month Period Beginning January 1, 2018
and Ending December 31, 2018**

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
REVENUE REQUIREMENT**

Line No.	Description (1)	Proposed GLT Distribution Rate Effective May 1, 2018													
		2017 December (2)	2018 January (3)	2018 February (4)	2018 March (5)	2018 April (6)	2018 May (7)	2018 June (8)	2018 July (9)	2018 August (10)	2018 September (11)	2018 October (12)	2018 November (13)	2018 December (14)	2018 Year* (15)
Rate Base															
1	Gas Plant Investment - Distribution	\$17,681,980	\$18,943,711	\$20,440,201	\$22,832,761	\$25,329,159	\$28,096,226	\$31,241,746	\$34,343,333	\$37,610,785	\$40,646,850	\$43,794,033	\$46,076,166	\$47,819,079	\$31,912,002
2	Cost of Removal	\$1,643,717	\$1,692,707	\$1,737,063	\$1,783,227	\$1,828,006	\$1,876,836	\$1,921,960	\$1,968,472	\$2,018,586	\$2,063,669	\$2,113,088	\$2,158,553	\$2,200,549	\$1,923,572
3	Accumulated Depreciation Reserve	(\$158,385)	(\$200,627)	(\$245,895)	(\$295,167)	(\$349,442)	(\$409,216)	(\$475,367)	(\$548,419)	(\$628,595)	(\$715,836)	(\$810,015)	(\$910,148)	(\$1,014,564)	(\$520,129)
4	Net Gas Plant	\$19,167,312	\$20,435,791	\$21,931,369	\$24,320,820	\$26,807,723	\$29,563,846	\$32,688,340	\$35,763,386	\$39,000,776	\$41,994,683	\$45,097,106	\$47,324,571	\$49,005,064	\$33,315,445
5	Accumulated Deferred Taxes	(\$1,730,125)	(\$4,158,868)	(\$4,256,949)	(\$4,366,967)	(\$4,453,274)	(\$4,541,107)	(\$4,609,348)	(\$4,665,427)	(\$4,715,263)	(\$4,746,288)	(\$4,770,270)	(\$4,780,391)	(\$4,780,655)	(\$4,780,655)
6	Net Rate Base	\$17,437,186	\$16,276,923	\$17,674,420	\$19,953,853	\$22,354,449	\$25,022,739	\$28,078,992	\$31,097,959	\$34,285,514	\$37,248,395	\$40,326,836	\$42,544,180	\$44,224,409	\$28,534,790
7	Rate of Return	0.85%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	8.75%
8	Return on Net Rate Base	\$148,969	\$118,729	\$128,923	\$145,550	\$163,061	\$182,524	\$204,818	\$226,839	\$250,090	\$271,702	\$294,157	\$310,331	\$322,588	\$2,497,708
Operating Expenses															
9	Depreciation	\$38,708	\$42,242	\$45,268	\$49,272	\$54,274	\$59,774	\$66,151	\$73,052	\$80,175	\$87,242	\$94,179	\$100,133	\$104,416	\$856,179
10	Incremental Operation & Maintenance	\$115,896	\$178,625	\$75,365	\$112,250	\$31,125	\$176,845	\$135,348	\$108,695	\$156,975	\$147,911	\$177,727	\$167,669	\$166,703	\$1,635,238
11	Property Taxes	\$0	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$313,632
12	Total Operating Expenses	\$154,603	\$247,003	\$146,770	\$187,658	\$111,536	\$262,755	\$227,635	\$207,884	\$263,286	\$261,289	\$298,041	\$293,938	\$297,255	\$2,805,050
13	Total Revenue Requirement	\$303,572	\$365,732	\$275,693	\$333,208	\$274,596	\$445,280	\$432,453	\$434,723	\$513,376	\$532,991	\$592,199	\$604,269	\$619,843	\$5,302,757

Note * - 2018 Year amounts based upon thirteen-month average (December 2017 - December 2018).

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
REVENUE REQUIREMENT**

Line No.	Description (1)	Proposed GLT Transmission Rate Effective May 1, 2018													
		2017 December (2)	2018 January (3)	2018 February (4)	2018 March (5)	2018 April (6)	2018 May (7)	2018 June (8)	2018 July (9)	2018 August (10)	2018 September (11)	2018 October (12)	2018 November (13)	2018 December (14)	2018 Year* (15)
Rate Base															
1	Gas Plant Investment - Transmission CWIP	\$3,062,641	\$3,643,740	\$4,381,539	\$9,176,553	\$12,587,856	\$16,489,759	\$20,542,260	\$23,099,365	\$26,702,722	\$28,157,060	\$29,575,100	\$30,474,414	\$33,866,309	\$18,596,871
2	Cost of Removal	\$0	\$0	\$0	\$0	\$37,538	\$75,075	\$112,613	\$150,151	\$187,689	\$225,226	\$262,764	\$300,302	\$337,838	\$129,938
3	Accumulated Depreciation Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Net Gas Plant	\$3,062,641	\$3,643,740	\$4,381,539	\$9,176,553	\$12,625,394	\$16,564,835	\$20,654,874	\$23,249,516	\$26,890,410	\$28,382,286	\$29,837,864	\$30,774,716	\$34,204,147	\$18,726,809
5	Accumulated Deferred Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Net Rate Base	\$3,062,641	\$3,643,740	\$4,381,539	\$9,176,553	\$12,625,394	\$16,564,835	\$20,654,874	\$23,249,516	\$26,890,410	\$28,382,286	\$29,837,864	\$30,774,716	\$34,204,147	\$18,726,809
7	Rate of Return	0.85%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	8.75%
8	Return on Net Rate Base	\$26,165	\$26,579	\$31,960	\$66,937	\$92,094	\$120,829	\$150,664	\$169,590	\$196,148	\$207,030	\$217,647	\$224,481	\$249,497	\$1,639,195
Operating Expenses															
9	Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	Incremental Operation & Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Property Taxes	\$0	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$5,289
12	Total Operating Expenses	\$0	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$5,289
13	Total Revenue Requirement	\$26,165	\$27,019	\$32,401	\$67,378	\$92,535	\$121,270	\$151,104	\$170,031	\$196,588	\$207,471	\$218,088	\$224,922	\$249,937	\$1,644,485

Note * - 2018 Year amounts based upon thirteen-month average (December 2017 - December 2018).

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
RATE OF RETURN**

Line No.	Capital Structure	Ratio	Cost	Weighted Cost	Tax Gross-up @ 25.74%	Rate of Return Adjusted for Income Taxes
1	Short term debt	3.82%	0.72%	0.03%		0.03%
2	Long term debt	42.91%	4.12%	1.77%		1.77%
3	Common equity	53.27%	9.70%	5.17%	1.79%	6.96%
4	Total	100.00%		6.96%	1.79%	8.75%

Note: Capital structure and cost rates pursuant to Case No. 2016-00371.

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
CAPITAL AND OPERATING COSTS**

Line No.	Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL 2018
1	Main-Distribution Capex	\$363,911	\$668,848	\$1,178,014	\$1,188,781	\$1,190,992	\$1,186,192	\$1,084,442	\$1,100,515	\$1,038,073	\$1,051,356	\$986,034	\$718,264	\$11,755,422
2	Main-Transmission Capex	\$581,099	\$737,798	\$4,795,014	\$3,411,304	\$3,901,903	\$4,052,501	\$2,557,105	\$3,603,357	\$1,454,338	\$1,418,041	\$899,314	\$3,391,894	\$30,803,667
3	Service Line Capex	\$236,080	\$199,265	\$211,527	\$215,741	\$258,307	\$203,234	\$212,142	\$244,825	\$203,810	\$253,415	\$212,351	\$181,096	\$2,631,795
4	Riser Capex	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Customer Service Capex	\$661,740	\$628,376	\$1,003,019	\$1,091,876	\$1,317,767	\$1,756,095	\$1,805,002	\$1,922,112	\$1,794,182	\$1,842,412	\$1,083,747	\$843,552	\$15,749,882
6	Gas Plant Investment	\$1,842,830	\$2,234,288	\$7,187,574	\$5,907,702	\$6,668,970	\$7,198,022	\$5,658,691	\$6,870,809	\$4,490,403	\$4,565,224	\$3,181,447	\$5,134,807	\$60,940,767
7	Main-Distribution Retirements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Main-Transmission Retirements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Service Line Retirements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	Riser Retirements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Total Retirements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	Reserve Retirements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Main-Distribution Cost of Removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	Main-Transmission Cost of Removal	\$0	\$0	\$0	\$37,538	\$37,538	\$37,538	\$37,538	\$37,538	\$37,538	\$37,538	\$37,538	\$37,538	\$337,838
15	Service Line Cost of Removal	\$48,990	\$44,356	\$46,163	\$44,779	\$48,830	\$45,125	\$46,512	\$50,114	\$45,083	\$49,419	\$45,465	\$41,996	\$556,832
16	Riser Cost of Removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Cost of Removal	\$48,990	\$44,356	\$46,163	\$82,317	\$86,368	\$82,662	\$84,050	\$87,652	\$82,621	\$86,956	\$83,003	\$79,533	\$894,671
18	Incremental Operation & Maintenance	\$178,625	\$75,365	\$112,250	\$31,125	\$176,845	\$135,348	\$108,695	\$156,975	\$147,911	\$177,727	\$167,669	\$166,703	\$1,635,238
19	Property Taxes - Distribution	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$313,632
20	Property Taxes - Transmission	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$5,289

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
JANUARY 2018 BOOK DEPRECIATION**

<u>Line No.</u>	<u>Description</u> (1)	<u>Account No.</u> (2)	<u>January Beginning Plant Balance</u> (3)	<u>Monthly Depr Rates</u> (4)	<u>January Depr on Beginning Balance</u> (5)=(3)*(4)	<u>January Additions and Retirements</u> (6)	<u>Current Month Depr on Adds/Ret</u> (7)=(4)*(6)*50%	<u>Current Month Book Depreciation</u> (8)=(5)+(7)	<u>January Ending Plant Balance</u> (9)=(6)+(3)
<u>Additions</u>									
1	Mains - Distribution	376	5,153,439	0.14%	6,957	363,911	246	7,203	5,517,350
2	Services-Lines	380	1,617,150	0.27%	4,366	236,080	319	4,685	1,853,230
3	Services-Risers	380	7,103,848	0.27%	19,180	0	0	19,180	7,103,848
4	Services-Customer Lines	380	3,807,543	0.27%	10,280	661,740	893	11,174	4,469,283
5	Total Additions		<u>17,681,980</u>		<u>40,784</u>	<u>1,261,731</u>	<u>1,458</u>	<u>42,242</u>	<u>18,943,711</u>
<u>Retirements</u>									
6	Mains - Distribution	376	0	0.14%	0	0	0	0	0
7	Services-Lines	380	0	0.27%	0	0	0	0	0
8	Services-Risers	380	0	0.27%	0	0	0	0	0
9	Total Retirements		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10	<u>Total Plant</u>		<u><u>17,681,980</u></u>		<u><u>40,784</u></u>	<u><u>1,261,731</u></u>	<u><u>1,458</u></u>	<u><u>42,242</u></u>	<u><u>18,943,711</u></u>
<u>Cost of Removal</u>									
11	Mains - Distribution	376	1,456,621			0			1,456,621
12	Services-Lines	380	187,096			48,990			236,086
13	Services-Risers	380	0			0			0
14	Total Cost of Removal		<u>1,643,717</u>		<u>0</u>	<u>48,990</u>	<u>0</u>	<u>0</u>	<u>1,692,707</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
FEBRUARY 2018 BOOK DEPRECIATION**

<u>Line No.</u>	<u>Description</u> (1)	<u>Account No.</u> (2)	<u>February Beginning Plant Balance</u> (3)	<u>Monthly Depr Rates</u> (4)	<u>February Depr on Beginning Balance</u> (5)=(3)*(4)	<u>February Additions and Retirements</u> (6)	<u>Current Month Depr on Adds/Ret</u> (7)=(4)*(6)*50%	<u>Current Month Book Depreciation</u> (8)=(5)+(7)	<u>February Ending Plant Balance</u> (9)=(6)+(3)
<u>Additions</u>									
1	Mains - Distribution	376	5,517,350	0.14%	7,448	668,848	451	7,900	6,186,198
2	Services-Lines	380	1,853,230	0.27%	5,004	199,265	269	5,273	2,052,495
3	Services-Risers	380	7,103,848	0.27%	19,180	0	0	19,180	7,103,848
4	Services-Customer Lines	380	4,469,283	0.27%	12,067	628,376	848	12,915	5,097,659
5	Total Additions		<u>18,943,711</u>		<u>43,700</u>	<u>1,496,490</u>	<u>1,569</u>	<u>45,268</u>	<u>20,440,201</u>
<u>Retirements</u>									
6	Mains - Distribution	376	0	0.14%	0	0	0	0	0
7	Services-Lines	380	0	0.27%	0	0	0	0	0
8	Services-Risers	380	0	0.27%	0	0	0	0	0
9	Total Retirements		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10	<u>Total Plant</u>		<u><u>18,943,711</u></u>		<u><u>43,700</u></u>	<u><u>1,496,490</u></u>	<u><u>1,569</u></u>	<u><u>45,268</u></u>	<u><u>20,440,201</u></u>
<u>Cost of Removal</u>									
11	Mains - Distribution	376	1,456,621			0			1,456,621
12	Services-Lines	380	236,086			44,356			280,443
13	Services-Risers	380	0			0			0
14	Total Cost of Removal		<u>1,692,707</u>		<u>0</u>	<u>44,356</u>	<u>0</u>	<u>0</u>	<u>1,737,063</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
MARCH 2018 BOOK DEPRECIATION**

<u>Line No.</u>	<u>Description</u> (1)	<u>Account No.</u> (2)	<u>March Beginning Plant Balance</u> (3)	<u>Monthly Depr Rates</u> (4)	<u>March Depr on Beginning Balance</u> (5)=(3)*(4)	<u>March Additions and Retirements</u> (6)	<u>Current Month Depr on Adds/Ret</u> (7)=(4)*(6)*50%	<u>Current Month Book Depreciation</u> (8)=(5)+(7)	<u>March Ending Plant Balance</u> (9)=(6)+(3)
<u>Additions</u>									
1	Mains - Distribution	376	6,186,198	0.14%	8,351	1,178,014	795	9,147	7,364,212
2	Services-Lines	380	2,052,495	0.27%	5,542	211,527	286	5,827	2,264,023
3	Services-Risers	380	7,103,848	0.27%	19,180	0	0	19,180	7,103,848
4	Services-Customer Lines	380	5,097,659	0.27%	13,764	1,003,019	1,354	15,118	6,100,678
5	Total Additions		<u>20,440,201</u>		<u>46,837</u>	<u>2,392,560</u>	<u>2,435</u>	<u>49,272</u>	<u>22,832,761</u>
<u>Retirements</u>									
6	Mains - Distribution	376	0	0.14%	0	0	0	0	0
7	Services-Lines	380	0	0.27%	0	0	0	0	0
8	Services-Risers	380	0	0.27%	0	0	0	0	0
9	Total Retirements		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10	<u>Total Plant</u>		<u>20,440,201</u>		<u>46,837</u>	<u>2,392,560</u>	<u>2,435</u>	<u>49,272</u>	<u>22,832,761</u>
<u>Cost of Removal</u>									
11	Mains - Distribution	376	1,456,621			0			1,456,621
12	Services-Lines	380	280,443			46,163			326,606
13	Services-Risers	380	0			0			0
14	Total Cost of Removal		<u>1,737,063</u>		<u>0</u>	<u>46,163</u>	<u>0</u>	<u>0</u>	<u>1,783,227</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
APRIL 2018 BOOK DEPRECIATION**

<u>Line No.</u>	<u>Description</u> (1)	<u>Account No.</u> (2)	<u>April Beginning Plant Balance</u> (3)	<u>Monthly Depr Rates</u> (4)	<u>April Depr on Beginning Balance</u> (5)=(3)*(4)	<u>April Additions and Retirements</u> (6)	<u>Current Month Depr on Adds/Ret</u> (7)=(4)*(6)*50%	<u>Current Month Book Depreciation</u> (8)=(5)+(7)	<u>April Ending Plant Balance</u> (9)=(6)+(3)
<u>Additions</u>									
1	Mains - Distribution	376	7,364,212	0.14%	9,942	1,188,781	802	10,744	8,552,993
2	Services-Lines	380	2,264,023	0.27%	6,113	215,741	291	6,404	2,479,764
3	Services-Risers	380	7,103,848	0.27%	19,180	0	0	19,180	7,103,848
4	Services-Customer Lines	380	6,100,678	0.27%	16,472	1,091,876	1,474	17,946	7,192,554
5	Total Additions		<u>22,832,761</u>		<u>51,707</u>	<u>2,496,398</u>	<u>2,568</u>	<u>54,274</u>	<u>25,329,159</u>
<u>Retirements</u>									
6	Mains - Distribution	376	0	0.14%	0	0	0	0	0
7	Services-Lines	380	0	0.27%	0	0	0	0	0
8	Services-Risers	380	0	0.27%	0	0	0	0	0
9	Total Retirements		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10	Total Plant		<u>22,832,761</u>		<u>51,707</u>	<u>2,496,398</u>	<u>2,568</u>	<u>54,274</u>	<u>25,329,159</u>
<u>Cost of Removal</u>									
11	Mains - Distribution	376	1,456,621			0			1,456,621
12	Services-Lines	380	326,606			44,779			371,385
13	Services-Risers	380	0			0			0
14	Total Cost of Removal		<u>1,783,227</u>		<u>0</u>	<u>44,779</u>	<u>0</u>	<u>0</u>	<u>1,828,006</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
MAY 2018 BOOK DEPRECIATION**

<u>Line No.</u>	<u>Description</u> (1)	<u>Account No.</u> (2)	<u>May Beginning Plant Balance</u> (3)	<u>Monthly Depr Rates</u> (4)	<u>May Depr on Beginning Balance</u> (5)=(3)*(4)	<u>May Additions and Retirements</u> (6)	<u>Current Month Depr on Adds/Ret</u> (7)=(4)*(6)*50%	<u>Current Month Book Depreciation</u> (8)=(5)+(7)	<u>May Ending Plant Balance</u> (9)=(6)+(3)
<u>Additions</u>									
1	Mains - Distribution	376	8,552,993	0.14%	11,547	1,190,992	804	12,350	9,743,985
2	Services-Lines	380	2,479,764	0.27%	6,695	258,307	349	7,044	2,738,071
3	Services-Risers	380	7,103,848	0.27%	19,180	0	0	19,180	7,103,848
4	Services-Customer Lines	380	7,192,554	0.27%	19,420	1,317,767	1,779	21,199	8,510,322
5	Total Additions		<u>25,329,159</u>		<u>56,842</u>	<u>2,767,067</u>	<u>2,932</u>	<u>59,774</u>	<u>28,096,226</u>
<u>Retirements</u>									
6	Mains - Distribution	376	0	0.14%	0	0	0	0	0
7	Services-Lines	380	0	0.27%	0	0	0	0	0
8	Services-Risers	380	0	0.27%	0	0	0	0	0
9	Total Retirements		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10	<u>Total Plant</u>		<u>25,329,159</u>		<u>56,842</u>	<u>2,767,067</u>	<u>2,932</u>	<u>59,774</u>	<u>28,096,226</u>
<u>Cost of Removal</u>									
11	Mains - Distribution	376	1,456,621			0			1,456,621
12	Services-Lines	380	371,385			48,830			420,215
13	Services-Risers	380	0			0			0
14	Total Cost of Removal		<u>1,828,006</u>		<u>0</u>	<u>48,830</u>	<u>0</u>	<u>0</u>	<u>1,876,836</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
JUNE 2018 BOOK DEPRECIATION**

<u>Line No.</u>	<u>Description</u> (1)	<u>Account No.</u> (2)	<u>June Beginning Plant Balance</u> (3)	<u>Monthly Depr Rates</u> (4)	<u>June Depr on Beginning Balance</u> (5)=(3)*(4)	<u>June Additions and Retirements</u> (6)	<u>Current Month Depr on Adds/Ret</u> (7)=(4)*(6)*50%	<u>Current Month Book Depreciation</u> (8)=(5)+(7)	<u>June Ending Plant Balance</u> (9)=(6)+(3)
<u>Additions</u>									
1	Mains - Distribution	376	9,743,985	0.14%	13,154	1,186,192	801	13,955	10,930,177
2	Services-Lines	380	2,738,071	0.27%	7,393	203,234	274	7,667	2,941,305
3	Services-Risers	380	7,103,848	0.27%	19,180	0	0	19,180	7,103,848
4	Services-Customer Lines	380	8,510,322	0.27%	22,978	1,756,095	2,371	25,349	10,266,417
5	Total Additions		<u>28,096,226</u>		<u>62,705</u>	<u>3,145,520</u>	<u>3,446</u>	<u>66,151</u>	<u>31,241,746</u>
<u>Retirements</u>									
6	Mains - Distribution	376	0	0.14%	0	0	0	0	0
7	Services-Lines	380	0	0.27%	0	0	0	0	0
8	Services-Risers	380	0	0.27%	0	0	0	0	0
9	Total Retirements		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10	<u>Total Plant</u>		<u>28,096,226</u>		<u>62,705</u>	<u>3,145,520</u>	<u>3,446</u>	<u>66,151</u>	<u>31,241,746</u>
<u>Cost of Removal</u>									
11	Mains - Distribution	376	1,456,621			0			1,456,621
12	Services-Lines	380	420,215			45,125			465,340
13	Services-Risers	380	0			0			0
14	Total Cost of Removal		<u>1,876,836</u>		<u>0</u>	<u>45,125</u>	<u>0</u>	<u>0</u>	<u>1,921,960</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
JULY 2018 BOOK DEPRECIATION**

<u>Line No.</u>	<u>Description</u> (1)	<u>Account No.</u> (2)	<u>July Beginning Plant Balance</u> (3)	<u>Monthly Depr Rates</u> (4)	<u>July Depr on Beginning Balance</u> (5)=(3)*(4)	<u>July Additions and Retirements</u> (6)	<u>Current Month Depr on Adds/Ret</u> (7)=(4)*(6)*50%	<u>Current Month Book Depreciation</u> (8)=(5)+(7)	<u>July Ending Plant Balance</u> (9)=(6)+(3)
<u>Additions</u>									
1	Mains - Distribution	376	10,930,177	0.14%	14,756	1,084,442	732	15,488	12,014,619
2	Services-Lines	380	2,941,305	0.27%	7,942	212,142	286	8,228	3,153,447
3	Services-Risers	380	7,103,848	0.27%	19,180	0	0	19,180	7,103,848
4	Services-Customer Lines	380	10,266,417	0.27%	27,719	1,805,002	2,437	30,156	12,071,419
5	Total Additions		<u>31,241,746</u>		<u>69,597</u>	<u>3,101,586</u>	<u>3,455</u>	<u>73,052</u>	<u>34,343,333</u>
<u>Retirements</u>									
6	Mains - Distribution	376	0	0.14%	0	0	0	0	0
7	Services-Lines	380	0	0.27%	0	0	0	0	0
8	Services-Risers	380	0	0.27%	0	0	0	0	0
9	Total Retirements		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10	<u>Total Plant</u>		<u><u>31,241,746</u></u>		<u><u>69,597</u></u>	<u><u>3,101,586</u></u>	<u><u>3,455</u></u>	<u><u>73,052</u></u>	<u><u>34,343,333</u></u>
<u>Cost of Removal</u>									
11	Mains - Distribution	376	1,456,621			0			1,456,621
12	Services-Lines	380	465,340			46,512			511,852
13	Services-Risers	380	0			0			0
14	Total Cost of Removal		<u>1,921,960</u>		<u>0</u>	<u>46,512</u>	<u>0</u>	<u>0</u>	<u>1,968,472</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
AUGUST 2018 BOOK DEPRECIATION**

<u>Line No.</u>	<u>Description</u> (1)	<u>Account No.</u> (2)	<u>August Beginning Plant Balance</u> (3)	<u>Monthly Depr Rates</u> (4)	<u>August Depr on Beginning Balance</u> (5)=(3)*(4)	<u>August Additions and Retirements</u> (6)	<u>Current Month Depr on Adds/Ret</u> (7)=(4)*(6)*50%	<u>Current Month Book Depreciation</u> (8)=(5)+(7)	<u>August Ending Plant Balance</u> (9)=(6)+(3)
<u>Additions</u>									
1	Mains - Distribution	376	12,014,619	0.14%	16,220	1,100,515	743	16,963	13,115,134
2	Services-Lines	380	3,153,447	0.27%	8,514	244,825	331	8,845	3,398,272
3	Services-Risers	380	7,103,848	0.27%	19,180	0	0	19,180	7,103,848
4	Services-Customer Lines	380	12,071,419	0.27%	32,593	1,922,112	2,595	35,188	13,993,531
5	Total Additions		<u>34,343,333</u>		<u>76,507</u>	<u>3,267,452</u>	<u>3,668</u>	<u>80,175</u>	<u>37,610,785</u>
<u>Retirements</u>									
6	Mains - Distribution	376	0	0.14%	0	0	0	0	0
7	Services-Lines	380	0	0.27%	0	0	0	0	0
8	Services-Risers	380	0	0.27%	0	0	0	0	0
9	Total Retirements		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10	<u>Total Plant</u>		<u><u>34,343,333</u></u>		<u><u>76,507</u></u>	<u><u>3,267,452</u></u>	<u><u>3,668</u></u>	<u><u>80,175</u></u>	<u><u>37,610,785</u></u>
<u>Cost of Removal</u>									
11	Mains - Distribution	376	1,456,621			0			1,456,621
12	Services-Lines	380	511,852			50,114			561,965
13	Services-Risers	380	0			0			0
14	Total Cost of Removal		<u>1,968,472</u>		<u>0</u>	<u>50,114</u>	<u>0</u>	<u>0</u>	<u>2,018,586</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
SEPTEMBER 2018 BOOK DEPRECIATION**

<u>Line No.</u>	<u>Description</u> (1)	<u>Account No.</u> (2)	<u>September Beginning Plant Balance</u> (3)	<u>Monthly Depr Rates</u> (4)	<u>September Depr on Beginning Balance</u> (5)=(3)*(4)	<u>September Additions and Retirements</u> (6)	<u>Current Month Depr on Adds/Ret</u> (7)=(4)*(6)*50%	<u>Current Month Book Depreciation</u> (8)=(5)+(7)	<u>September Ending Plant Balance</u> (9)=(6)+(3)
<u>Additions</u>									
1	Mains - Distribution	376	13,115,134	0.14%	17,705	1,038,073	701	18,406	14,153,207
2	Services-Lines	380	3,398,272	0.27%	9,175	203,810	275	9,450	3,602,082
3	Services-Risers	380	7,103,848	0.27%	19,180	0	0	19,180	7,103,848
4	Services-Customer Lines	380	13,993,531	0.27%	37,783	1,794,182	2,422	40,205	15,787,714
5	Total Additions		<u>37,610,785</u>		<u>83,844</u>	<u>3,036,066</u>	<u>3,398</u>	<u>87,242</u>	<u>40,646,850</u>
<u>Retirements</u>									
6	Mains - Distribution	376	0	0.14%	0	0	0	0	0
7	Services-Lines	380	0	0.27%	0	0	0	0	0
8	Services-Risers	380	0	0.27%	0	0	0	0	0
9	Total Retirements		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10	<u>Total Plant</u>		<u><u>37,610,785</u></u>		<u><u>83,844</u></u>	<u><u>3,036,066</u></u>	<u><u>3,398</u></u>	<u><u>87,242</u></u>	<u><u>40,646,850</u></u>
<u>Cost of Removal</u>									
11	Mains - Distribution	376	1,456,621			0			1,456,621
12	Services-Lines	380	561,965			45,083			607,049
13	Services-Risers	380	0			0			0
14	Total Cost of Removal		<u>2,018,586</u>		<u>0</u>	<u>45,083</u>	<u>0</u>	<u>0</u>	<u>2,063,669</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
OCTOBER 2018 BOOK DEPRECIATION**

<u>Line No.</u>	<u>Description</u> (1)	<u>Account No.</u> (2)	<u>October Beginning Plant Balance</u> (3)	<u>Monthly Depr Rates</u> (4)	<u>October Depr on Beginning Balance</u> (5)=(3)*(4)	<u>October Additions and Retirements</u> (6)	<u>Current Month Depr on Adds/Ret</u> (7)=(4)*(6)*50%	<u>Current Month Book Depreciation</u> (8)=(5)+(7)	<u>October Ending Plant Balance</u> (9)=(6)+(3)
<u>Additions</u>									
1	Mains - Distribution	376	14,153,207	0.14%	19,107	1,051,356	710	19,816	15,204,563
2	Services-Lines	380	3,602,082	0.27%	9,726	253,415	342	10,068	3,855,497
3	Services-Risers	380	7,103,848	0.27%	19,180	0	0	19,180	7,103,848
4	Services-Customer Lines	380	15,787,714	0.27%	42,627	1,842,412	2,487	45,114	17,630,125
5	Total Additions		<u>40,646,850</u>		<u>90,640</u>	<u>3,147,183</u>	<u>3,539</u>	<u>94,179</u>	<u>43,794,033</u>
<u>Retirements</u>									
6	Mains - Distribution	376	0	0.14%	0	0	0	0	0
7	Services-Lines	380	0	0.27%	0	0	0	0	0
8	Services-Risers	380	0	0.27%	0	0	0	0	0
9	Total Retirements		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10	<u>Total Plant</u>		<u>40,646,850</u>		<u>90,640</u>	<u>3,147,183</u>	<u>3,539</u>	<u>94,179</u>	<u>43,794,033</u>
<u>Cost of Removal</u>									
11	Mains - Distribution	376	1,456,621			0			1,456,621
12	Services-Lines	380	607,049			49,419			656,467
13	Services-Risers	380	0			0			0
14	Total Cost of Removal		<u>2,063,669</u>		<u>0</u>	<u>49,419</u>	<u>0</u>	<u>0</u>	<u>2,113,088</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
NOVEMBER 2018 BOOK DEPRECIATION**

<u>Line No.</u>	<u>Description</u> (1)	<u>Account No.</u> (2)	<u>November Beginning Plant Balance</u> (3)	<u>Monthly Depr Rates</u> (4)	<u>November Depr on Beginning Balance</u> (5)=(3)*(4)	<u>November Additions and Retirements</u> (6)	<u>Current Month Depr on Adds/Ret</u> (7)=(4)*(6)*50%	<u>Current Month Book Depreciation</u> (8)=(5)+(7)	<u>November Ending Plant Balance</u> (9)=(6)+(3)
<u>Additions</u>									
1	Mains - Distribution	376	15,204,563	0.14%	20,526	986,034	666	21,192	16,190,597
2	Services-Lines	380	3,855,497	0.27%	10,410	212,351	287	10,697	4,067,849
3	Services-Risers	380	7,103,848	0.27%	19,180	0	0	19,180	7,103,848
4	Services-Customer Lines	380	17,630,125	0.27%	47,601	1,083,747	1,463	49,064	18,713,873
5	Total Additions		<u>43,794,033</u>		<u>97,718</u>	<u>2,282,133</u>	<u>2,415</u>	<u>100,133</u>	<u>46,076,166</u>
<u>Retirements</u>									
6	Mains - Distribution	376	0	0.14%	0	0	0	0	0
7	Services-Lines	380	0	0.27%	0	0	0	0	0
8	Services-Risers	380	0	0.27%	0	0	0	0	0
9	Total Retirements		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10	<u>Total Plant</u>		<u>43,794,033</u>		<u>97,718</u>	<u>2,282,133</u>	<u>2,415</u>	<u>100,133</u>	<u>46,076,166</u>
<u>Cost of Removal</u>									
11	Mains - Distribution	376	1,456,621			0			1,456,621
12	Services-Lines	380	656,467			45,465			701,932
13	Services-Risers	380	0			0			0
14	Total Cost of Removal		<u>2,113,088</u>		<u>0</u>	<u>45,465</u>	<u>0</u>	<u>0</u>	<u>2,158,553</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
DECEMBER 2018 BOOK DEPRECIATION**

<u>Line No.</u>	<u>Description</u> (1)	<u>Account No.</u> (2)	<u>December Beginning Plant Balance</u> (3)	<u>Monthly Depr Rates</u> (4)	<u>December Depr on Beginning Balance</u> (5)=(3)*(4)	<u>December Additions and Retirements</u> (6)	<u>Current Month Depr on Adds/Ret</u> (7)=(4)*(6)*50%	<u>Current Month Book Depreciation</u> (8)=(5)+(7)	<u>December Ending Plant Balance</u> (9)=(6)+(3)
<u>Additions</u>									
1	Mains - Distribution	376	16,190,597	0.14%	21,857	718,264	485	22,342	16,908,862
2	Services-Lines	380	4,067,849	0.27%	10,983	181,096	244	11,228	4,248,945
3	Services-Risers	380	7,103,848	0.27%	19,180	0	0	19,180	7,103,848
4	Services-Customer Lines	380	18,713,873	0.27%	50,527	843,552	1,139	51,666	19,557,425
5	Total Additions		46,076,166		102,548	1,742,913	1,868	104,416	47,819,079
<u>Retirements</u>									
6	Mains - Distribution	376	0	0.14%	0	0	0	0	0
7	Services-Lines	380	0	0.27%	0	0	0	0	0
8	Services-Risers	380	0	0.27%	0	0	0	0	0
9	Total Retirements		0		0	0	0	0	0
10	<u>Total Plant</u>		46,076,166		102,548	1,742,913	1,868	104,416	47,819,079
<u>Cost of Removal</u>									
11	Mains - Distribution	376	1,456,621			0			1,456,621
12	Services-Lines	380	701,932			41,996			743,929
13	Services-Risers	380	0			0			0
14	Total Cost of Removal		2,158,553		0	41,996	0	0	2,200,549

**LOUISVILLE GAS AND ELECTRIC COMPANY
ANNUAL ADJUSTMENT TO THE GAS LINE TRACKER
TAX DEPRECIATION**

Line No.	MACRS Tax Rate Life Rates	Month	2017 Year 1 Additions	2018 Year 2 Additions	Tax Depreciation	Cost of Removal	Book Depreciation	Difference	Federal Deferred Tax @ 21%	State Deferred Tax Page 2	Federal Benefit of State @ 21%	Deferred Tax on Retirements	Accumulated Deferred Taxes	Monthly Change ADIT	Monthly Proration	Prorated Accumulated Deferred Taxes
1	20-year		8,436,780	56,107,823												
2	Repairs			4,832,943												
3	Bonus			0												
<hr/>																
4	0.037500	1	50,754	480,828	531,582	48,990	42,242	538,330	113,049	32,300	(6,783)	-	4,031,691	138,566	335/365	4,031,691
5	0.072190	2	50,754	403,191	453,945	44,356	45,268	453,033	95,137	27,182	(5,708)		4,286,868	116,611	307/365	4,256,949
6	0.066770	3	50,754	517,603	568,358	46,163	49,272	565,249	118,702	33,915	(7,122)		4,432,363	145,495	276/365	4,366,967
7	0.061770	4	50,754	456,241	506,995	44,779	54,274	497,500	104,475	29,850	(6,268)		4,560,419	128,056	246/365	4,453,274
8	0.057130	5	50,754	539,493	590,247	48,830	59,774	579,303	121,654	34,758	(7,299)		4,709,532	149,113	215/365	4,541,107
9	0.052850	6	50,754	493,337	544,092	45,125	66,151	523,065	109,844	31,384	(6,591)		4,844,169	134,637	185/365	4,609,348
10	0.048880	7	50,754	492,163	542,918	46,512	73,052	516,377	108,439	30,983	(6,506)		4,977,085	132,916	154/365	4,665,427
11	0.045220	8	50,754	553,842	604,597	50,114	80,175	574,535	120,652	34,472	(7,239)		5,124,970	147,885	123/365	4,715,263
12	0.044620	9	50,754	464,466	515,220	45,083	87,242	473,062	99,343	28,384	(5,961)		5,246,736	121,766	93/365	4,746,288
13	0.044610	10	50,754	542,511	593,265	49,419	94,179	548,505	115,186	32,910	(6,911)		5,387,921	141,185	62/365	4,770,270
14	0.044620	11	50,754	452,421	503,175	45,465	100,133	448,508	94,187	26,910	(5,651)		5,503,367	115,446	32/365	4,780,391
15	0.044610	12	50,754	385,751	436,506	41,996	104,416	374,085	78,558	22,445	(4,713)		5,599,657	96,290	1/365	4,780,655
16	0.044620															
17	0.044610															
18	0.044620															
19	0.044610															
20	0.044620															
21	0.044610															
22	0.044620															
23	0.044610															
24	0.022310															
25	-															
26	-															
27	-															
28	-															
29	-															
30	-															
31			609,051	5,781,849	6,390,900	556,832	856,179	6,091,553	1,279,226	365,493	(76,754)	-	4,836,541			

(a) 2017 20-year additions at MACRS Year 2 tax rate (0.072190) plus repairs

(b) 2018 20-year additions at MACRS Year 1 tax rate (0.037500) plus repairs