

VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Daniel K. Arbough**, being duly sworn, deposes and says that he is Treasurer for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of 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.



Daniel K. Arbough

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14th day of February 2019.



Notary Public

My Commission Expires:

Judy Schooler

Notary Public, ID No. 603967

State at Large, Kentucky

Commission Expires 7/11/2022

VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Robert M. Conroy**, being duly sworn, deposes and says that he is Vice President, State Regulation and Rates, for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of 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.


Robert M. Conroy

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14th day of February 2019.


Notary Public

My Commission Expires:

Judy Schooler

Notary Public, ID No. 603967

State at Large, Kentucky

Commission Expires 7/11/2022

VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Christopher M. Garrett**, being duly sworn, deposes and says that he is Controller for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of 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.


Christopher M. Garrett

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14th day of February 2019.


Notary Public

My Commission Expires:

Judy Schooler

Notary Public, ID No. 603967

State at Large, Kentucky

Commission Expires 7/11/2022

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)


Gregory J. Meiman


Notary Public

Commission Expires 7/11/2022

VERIFICATION

STATE OF NORTH CAROLINA

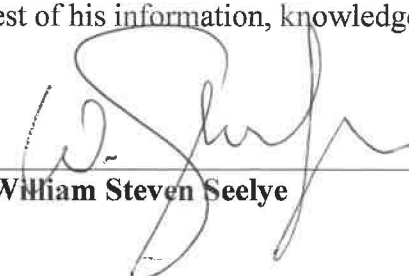
)

)

COUNTY OF BUNCOMBE

)

The undersigned, **William Steven Seelye**, being duly sworn, deposes and states that he is a Principal of The Prime Group, LLC, 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.



William Steven Seelye

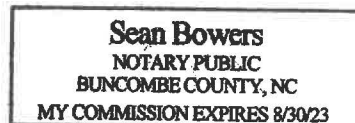
Subscribed and sworn to before me, a Notary Public in and before said County and State, this 12th day of February 2019.



Notary Public (SEAL)

My Commission Expires:

8/30/2023



Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(7)(o)
Sponsoring Witness: Daniel K. Arbough

Description of Filing Requirement:

Complete monthly budget variance reports, with narrative explanations, for the twelve (12) months immediately prior to the base period, each month of the base period, and any subsequent months, as they become available.

Response:

The Companies have only one monthly budget variance (performance) report used for management reporting to the CEO and executive officers. Certain information responsive to this request is being provided under seal pursuant to a Petition for Confidential Protection.

See attached for the monthly reports for:

- The twelve months prior to the base period - January 2017 through December 2017.
- Each month of the base period - As of the date of the filing only the months of January 2018 through July 2018 are available. The Company will provide this data for the remaining periods requested in the upcoming months as it becomes available.

Base Period Update Response:

See attached for the monthly reports for August 2018 through December 2018. The Company will provide this data for the remaining periods requested in the upcoming months as it becomes available.



PPL companies

Performance Report

August 2018

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Kentucky Regulated Dashboard

August 2018

	Current Month		YTD		Full Year	
Safety	<u>Actual</u>	<u>PY</u>	<u>Actual</u>	<u>PY</u>	<u>Forecast</u>	<u>PY</u>
TCIR - Employees ⁽¹⁾	1.05	0.37	1.36	1.04	1.30	0.97
Employee lost-time incidents	0	0	2	6	5	9
Reliability	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Generation Volumes	3,214	3,283	23,551	23,075	34,180	33,704
Utility EFOR	2.0%	5.0%	2.5%	5.0%	N/A	5.0%
Utility EAF	95.6%	92.9%	85.7%	85.1%	N/A	83.7%
Combined SAIFI	0.12	0.07	0.64	0.73	N/A	0.99
Combined SAIDI (minutes)	9.86	7.02	66.68	68.36	N/A	91.90
GwH Sales	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Residential	1,069	1,080	7,706	7,318	10,830	10,502
Commercial	799	750	5,508	5,312	8,069	7,815
Industrial	811	854	6,132	6,279	9,162	9,321
Municipals	169	167	1,223	1,211	1,811	1,778
Other	270	261	1,890	1,901	2,754	2,822
Off-System Sales	29	4	445	115	626	150
Total	3,147	3,116	22,904	22,136	33,252	32,389
Weather-Normalized Sales Growth			<u>TTM</u>			
Residential			-0.24%			
Commercial			-0.89%			
Industrial			-1.18%			
Municipal			-4.66%			
Other			-0.86%			
Total			-0.97%			

Variance Explanations

Higher YTD margins primarily due to higher sales volumes from favorable weather, resulting in higher retail electric base energy revenue of \$23 million partially offset by lower demand revenue of \$6 million, lower gas margins of \$5 million and other margin components of \$4 million.

Lower YTD O&M primarily due to the timing of plant maintenance costs (\$5m), labor costs (\$5m), materials (\$2m), and other (\$2m); partially offset by higher storm restoration costs (\$8m).

Lower YTD financing costs, primarily due to lower than anticipated interest rates.

(1) Full year forecast amount shown represents target.

(2) Net of cost recovery mechanisms and variable costs of production.

(3) Includes Management O&M, variable cost of production and mechanism operation and maintenance expenses

(4) The possible violation issues for YTD Actual is believed to be minimal risk.

Note: Schedules may not sum due to rounding.

	Current Month		YTD		Full Year	
Margins (\$ millions)	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Electric Margins	\$171	\$174	\$1,255	\$1,242	\$1,826	\$1,831
Gas Margins	\$10	\$9	\$121	\$125	\$181	\$185
Capital Expenditures (\$ millions)	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Total	\$94	\$119	\$620	\$757	\$1,215	\$1,277
O&M (\$ millions)	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
O&M – Management View ⁽²⁾	\$63	\$62	\$497	\$503	\$757	\$752
O&M – GAAP View ⁽³⁾	\$72	\$73	\$562	\$578	\$860	\$869
Head Count	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Full-time Employees	3,476	3,603	3,476	3,603	3,588	3,597
Other Metrics	<u>Actual</u>	<u>PY</u>	<u>Actual</u>	<u>PY</u>	<u>Forecast</u>	<u>PY</u>
Environmental Events	1	0	1	5	N/A	8
NERC Possible Violations ⁽⁴⁾	1	2	8	6	N/A	8

	<u>TTM</u>	<u>Full Year</u>	
Financial Metrics	<u>Actual</u>	<u>Forecast</u>	<u>Budget</u>
Utility ROE ⁽⁵⁾	10.5%	9.8%	9.6%
Average Utility Capitalization (\$ millions)	\$9,244	\$9,463	\$9,527

Major Developments

LG&E and KU announced its plans to file requests with the KPSC for a \$172 million (5.5%) rate increase premised upon an 10.42% return on equity. LG&E is requesting a 3.0%, or \$35 million, electric rate increase and a 7.5%, or \$25 million, natural gas rate increase. KU is requesting a 6.9%, or \$112 million, electric rate increase. The application will be submitted electronically to the KPSC on September 28.

The KPSC issued an Order denying LG&E and KU's request for a Certificate of Public Convenience and Necessity for full deployment of advanced metering systems. Although the Company does not agree with the Order or certain statements by the KPSC, the Company will not contest the Order at this time but rather will develop additional support for the project and likely pursue it again at an appropriate time.

LG&E and KU filed an application with the KPSC requesting permission to establish a \$35 million regulatory liability for excess accumulated deferred income taxes resulting from a reduction in the state corporate income tax rate. The filing also requested approval to create a \$7.1 million regulatory asset associated with Company expenses incurred during a July storm event.

Local newspaper Business First honored the Company with a Partners in Philanthropy Award for being an outstanding corporate citizen. LKE has been ranked among the top five business philanthropists in the region each year since it began competing for the designation in 2012.

Representatives from across LKE participated in EarthEx (Emergency All-sector Response Transnational Hazard Exercise) 2018, a web-based, interactive, all-sector, all-nation, virtual tabletop exercise involving a "Black Sky" event resulting from a cyber-attack. The exercise was created and coordinated by the Electric Infrastructure Security Council. This is the first year the Company has participated in the event which started in 2017. It was considered highly worthwhile and beneficial by our participants.

Significant Future Events

The Company continues to wait on Orders from the KPSC on its Tax Act rehearing and its DSM/Energy Efficiency Programs.

Income Statement: Actual vs. Budget (Month) - LKE Consolidated
August 2018

(\$ Millions)

	MTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 262	\$ 270	\$ (8)	Due primarily to lower demand revenue, lower fuel prices, lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	12	12	0	
Total Revenues	274	282	(8)	
Cost of Sales:				
Fuel Electric Costs	71	74	3	
Gas Supply Expenses	2	2	(0)	
Purchased Power	5	6	0	
Other Cost of Production	3	3	0	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	6	7	2	
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	6	6	0	
Total Cost of Sales	94	99	5	
Gross Margin:				
Electric Margin	171	174	(3)	
Gas Margin	10	9	0	
Total Gross Margin	180	183	(3)	
O&M	63	62	(1)	
Depreciation & Amortization	34	34	1	
Taxes, Other than Income	6	6	(0)	
Other income (expense)	0	(1)	1	
EBIT	78	81	(3)	
Interest Expense	20	20	1	
Income from Ongoing Operations before income taxes	58	61	(2)	
Income Tax Expense	12	15	3	
Net Income (loss) from ongoing operations	46	45	1	
Special Item - (Non Operating Income)	0	0	0	
Discontinued Operations	(0)	0	(0)	
Net Income (loss)	\$ 46	\$ 45	\$ 1	
KY Regulated Financing Costs	(3)	(3)	1	
KY Regulated Net Income	\$ 44	\$ 42	\$ 2	
Earnings Per Share - Ongoing	\$ 0.06	\$ 0.06	\$ 0.00	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - LKE Consolidated
August 2018

(\$ Millions)

	YTD				Comments
	Actual	Budget	Variance		
Revenues:					
Electric Revenues	\$ 1,955	\$ 1,926	\$ 28		Due primarily to higher sales volumes from favorable weather, partially offset by lower demand, lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	209	221	(12)		Due primarily to lower sales volumes as a result of unfavorable weather in February and lower than budgeted YTD gas cost recovery.
Total Revenues	2,164	2,148	16		
Cost of Sales:					
Fuel Electric Costs	549	524	(25)		Due primarily to higher fuel costs related to higher sales volumes from favorable weather.
Gas Supply Expenses	85	90	6		Due primarily to lower gas volumes as a result of unfavorable weather in February and lower than budgeted YTD gas prices.
Purchased Power	41	42	1		
Other Cost of Production	25	25	0		
Mechanism - ECR, DSM & GLT - Operation and Maintenance	40	50	9		Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	48	49	1		
Total Cost of Sales	788	781	(8)		
Gross Margin:					
Electric Margin	1,255	1,242	13		See explanations above.
Gas Margin	121	125	(5)		See explanations above.
Total Gross Margin	1,375	1,367	8		
O&M	497	503	6		Lower primarily due to the timing of plant maintenance costs, labor costs, materials, and other; partially offset by higher storm restoration costs.
Depreciation & Amortization	269	271	3		
Taxes, Other than Income	44	45	1		
Other income (expense)	(4)	(7)	4		
EBIT	562	540	21		
Interest Expense	152	159	6		Lower primarily due to lower than anticipated interest rates.
Income from Ongoing Operations before income taxes	409	382	27		
Income Tax Expense	83	87	4		
Net Income (loss) from ongoing operations	326	295	32		
Special Item - (Non Operating Income)	(9)	0	(9)		Due to Kentucky state tax reform resulting in a reduction of the Kentucky Corporate income tax, a \$9 million deferred tax expense was recorded related to the revaluing of non-utility deferred taxes.
Discontinued Operations	0	0	0		
Net Income (loss)	\$ 317	\$ 295	\$ 22		
KY Regulated Financing Costs	(23)	(26)	2		
KY Regulated Net Income	294	\$ 269	\$ 25		
Earnings Per Share - Ongoing	\$ 0.43	\$ 0.37	\$ 0.06		

Note: Schedules may not sum due to rounding.

Case Nos. 2018-00294 and 2018-00295
Attachment to Filing Requirement 807 KAR 5:001 Sec. 16(7)(o)
Page 5 of 68
Arbough

Income Statement: Actual vs. Budget (YTD) - LG&E
August 2018

(\$ Millions)

	YTD			
	Actual	Budget	Variance	Comments
Revenues:				
Electric Revenues	\$ 793	\$ 778	\$ 15	Due primarily to higher sales volumes from favorable weather, partially offset by lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	209	221	(12)	Due primarily to lower sales volumes as a result of unfavorable weather in February and lower than budgeted YTD gas cost recovery.
Total Revenues	1,002	999	3	
Cost of Sales:				
Fuel Electric Costs	218	206	(11)	Due primarily to higher fuel costs related to higher sales volumes from favorable weather.
Gas Supply Expenses	85	90	6	Due primarily to lower gas volumes as a result of unfavorable weather in February and lower than budgeted YTD gas prices.
Purchased Power	32	35	3	
Other Cost of Production	10	11	1	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	15	20	5	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	22	22	0	
Total Cost of Sales	381	384	4	
Gross Margin:				
Electric Margin	501	490	11	See explanations above.
Gas Margin	121	125	(5)	See explanations above.
Total Gross Margin	621	615	6	
O&M	221	220	(1)	
Depreciation & Amortization	109	111	1	
Taxes, Other than Income	23	23	1	
Other income (expense)	(4)	(5)	1	
EBIT	264	256	8	
Interest Expense	50	53	2	
Income from Ongoing Operations before income taxes	214	203	10	
Income Tax Expense	47	48	1	
Net Income (loss) from ongoing operations	\$ 166	\$ 155	\$ 11	

Note: Schedules may not sum due to rounding and exclude purchase accounting adjustments and corresponding goodwill.

Income Statement: Actual vs. Budget (YTD) - KU
August 2018

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 1,190	\$ 1,180	\$ 10	Due primarily to higher sales volumes from favorable weather, partially offset by lower demand, lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	0	0	0	
Total Revenues	1,190	1,180	10	
Cost of Sales:				
Fuel Electric Costs	339	319	(20)	Due primarily to higher fuel costs related to higher sales volumes from favorable weather.
Gas Supply Expenses	0	0	0	
Purchased Power	30	37	6	
Other Cost of Production	14	15	1	Due primarily to lower than anticipated intercompany expense for native load fuel.
Mechanism - ECR, DSM & GLT - Operation and Maintenance	26	30	4	
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	27	27	1	
Total Cost of Sales	436	428	(8)	
Gross Margin:				
Electric Margin	754	752	2	
Gas Margin	0	0	0	
Total Gross Margin	754	752	2	
O&M	255	261	6	Primarily due to lower labor and burdens and lower outside service expense.
Depreciation & Amortization	159	160	1	
Taxes, Other than Income	21	21	0	
Other income (expense)	(0)	(3)	2	
EBIT	318	306	12	
Interest Expense	66	68	2	
Income from Ongoing Operations before income taxes	252	238	14	
Income Tax Expense	54	55	0	
Net Income (loss) from ongoing operations	\$ 198	\$ 184	\$ 14	

Note: Schedules may not sum due to rounding and exclude purchase accounting adjustments and corresponding goodwill.

(\$ Millions)										
	MTD									
	Actual	Budget	Total Variance	Labor & Burdens	Supplemental Contractors	Other Outside Services	Materials	Other		
Generation	17	16	(1)	1	(0)	(1)	(1)	1		
Project Engineering	0	0	0	(0)	0	(0)	0	0		
Transmission	3	3	0	0	0	0	0	0		
Energy Supply and Analysis	1	1	(0)	0	0	0	(0)	(0)		
Electric Distribution	7	6	(1)	(0)	0	(2)	1	(0)		
Gas Distribution	4	3	(1)	(0)	(1)	(0)	(0)	0		
Safety and Technical Training	0	1	0	(0)	(0)	0	(0)	0		
Environmental	1	1	0	0	0	0	0	0		
Customer Services	9	9	(0)	0	0	0	0	(1)		
Chief Operating Officer Total	42	40	(2)	1	(0)	(3)	(0)	0		
Audit Services	0	0	0	(0)	0	0	0	0		
Controller	1	1	0	0	0	0	(0)	0		
Supply Chain	0	0	(0)	0	0	(0)	(0)	(0)		
Information Technology	5	5	0	0	(0)	(0)	(0)	(0)		
Treasurer	2	2	(0)	0	0	0	(0)	(0)		
State Regulation and Rates	0	0	0	0	0	0	(0)	0		
Other	0	0	0	0	0	(0)	0	0		
Chief Financial Officer Total	9	9	0	0	(0)	(0)	(0)	0		
General Counsel	1	2	0	0	0	0	0	0		
Human Resources	1	1	(0)	0	0	(0)	(0)	0		
Corporate	8	8	(0)	(0)	0	0	(0)	0		
Communication	0	1	0	0	0	(0)	0	0		
Utility Total	62	60	(2)	1	(0)	(3)	(0)	1		
Nonutility	2	2	0	0	0	(0)	0	0		
O&M Total MTD	63	62	(1)	1	(0)	(3)	(0)	1		

	YTD									
	Actual	Budget	Total Variance	Labor & Burdens	Supplemental Contractors	Other Outside Services	Materials	Other		
Generation	133	140	7	1	1	9	1	(4)		
Project Engineering	0	0	0	(0)	(0)	(0)	0	0		
Transmission	26	27	1	(0)	3	(1)	(0)	(0)		
Energy Supply and Analysis	9	9	0	0	0	0	0	(0)		
Electric Distribution	58	49	(8)	(2)	(1)	(6)	1	(1)		
Gas Distribution	29	26	(3)	0	(4)	1	(0)	(0)		
Safety and Technical Training	3	4	1	0	0	0	(0)	0		
Environmental	4	5	1	(0)	0	0	0	1		
Customer Services	66	66	(0)	(0)	0	0	0	(1)		
Chief Operating Officer Total	328	327	(1)	(1)	(1)	4	2	(5)		
Audit Services	1	1	0	0	0	0	0	0		
Controller	6	6	0	0	0	0	(0)	0		
Supply Chain	3	3	0	0	(0)	(0)	(0)	0		
Information Technology	37	40	3	3	(1)	1	0	0		
Treasurer	16	16	0	(0)	0	0	0	0		
State Regulation and Rates	3	3	(0)	0	0	0	(0)	0		
Other	1	1	0	0	0	(1)	0	1		
Chief Financial Officer Total	67	70	3	3	(1)	(0)	(0)	2		
General Counsel	11	11	0	0	0	(2)	0	2		
Human Resources	4	5	0	0	(0)	(0)	0	0		
Corporate	62	63	2	2	0	0	(0)	(0)		
Communication	4	5	1	0	0	(0)	1	0		
Utility Total	476	481	5	4	(2)	2	2	(1)		
Nonutility	21	22	1	(0)	(0)	(1)	0	2		
O&M Total YTD	497	503	6	4	(2)	1	2	0		

Note: Schedules may not sum due to rounding.

Financing Activities
August 2018
(\$ Millions)

Balance Sheet	YTD		
	Actual	Budget	Variance
PCB			
Beg Bal	\$ 890.0	\$ 890.0	\$ 0.0
End Bal	881.1	890.0	8.9
Ave Bal	\$ 888.0	\$ 890.0	\$ 1.98
Interest Exp	\$ 10.4	\$ 12.1	\$ 1.7
Rate	1.73%	2.01%	0.29%
FMB/Sr Nts/Loan with PPL			
Beg Bal	\$ 4,310.0	\$ 4,310.0	\$ 0.0
End Bal	4,660.0	4,570.1	(89.9)
Ave Bal	\$ 4,510.0	\$ 4,457.0	\$ (53.05)
Interest Exp	\$ 128.3	\$ 127.1	\$ (1.2)
Rate	4.21%	4.23%	0.01%
Short-term Debt			
Beg Bal	\$ 468.9	\$ 468.9	\$ 0.0
End Bal	338.6	534.9	196.3
Ave Bal ⁽¹⁾	\$ 376.0	\$ 504.6	\$ 128.6
Interest Exp	\$ 6.8	\$ 11.9	\$ 5.2
Rate	2.66%	3.50%	0.83%
Unamortized Debt Expense Bonds			
Beg Bal	\$ (41.6)	\$ (41.6)	\$ 0.0
End Bal	(39.4)	(39.8)	(0.4)
Ave Bal	\$ (40.6)	\$ (40.8)	\$ (0.2)
Total End Bal	\$ 5,840.2	\$ 5,955.2	\$ 115.0
Total Average Bal	\$ 5,733.4	\$ 5,810.8	\$ 77.4
Total Expense Excl I/C ⁽²⁾	\$ 152.4	\$ 158.5	\$ 6.1
Rate	3.91%	4.01%	0.10%

⁽¹⁾ Short-term Debt YTD actual reflects average daily balances. All other average balances use an average monthly balance.

⁽²⁾ Total expense line includes additional revolving credit items. Total will not match sum of PCB, FMB, and STD.

Credit Facilities (\$ Millions)	Committed		Letters of Credit Issued	Unused Capacity	Money Pool Loans
	Capacity	Borrowed ⁽³⁾			
LKE	\$ 375	\$ 101		\$ 274	
LG&E	700	344		356	\$ 0
KU	598	94	\$ 198	306	0
TOTAL	\$ 1,673	\$ 539	\$ 198	\$ 936	\$ 0

⁽³⁾ LG&E borrowed amount includes commercial paper issuances and \$200M Term Loan. KU borrowed amount represent commercial paper issuances. LKE borrowed amount includes bank revolver and debt with PPL.

Credit Metrics ⁽¹⁾	LKE 2018		LG&E 2018		KU 2018	
Moody's	Actual YTD	Budget YTD	Actual YTD	Budget YTD	Actual YTD	Budget YTD
CFO pre-WC / Debt	16%	16%	26%	25%	25%	23%
CFO pre-WC + Interest / Interest	5.2	5.0	7.8	7.5	7.1	6.8
CFO pre-WC - Dividends / Debt	11%	10%	18%	18%	14%	14%
Debt to Capitalization	52%	52%	38%	38%	37%	37%

Credit Metrics	LKE 2018 BP		LG&E 2018 BP		KU 2018 BP	
Moody's	2019	2020	2019	2020	2019	2020
CFO pre-WC / Debt	14%	14%	19%	19%	19%	20%
CFO pre-WC + Interest / Interest	4.4	4.4	5.8	5.6	5.7	5.7
CFO pre-WC - Dividends / Debt	10%	10%	11%	10%	10%	11%
Debt to Capitalization	53%	52%	38%	38%	38%	38%

⁽¹⁾ Actuals represent a trailing 12 months.

Financial Strength Factor (40% Weighting) -- Standard Business Risk Grid:

Moody's Thresholds	Sub-Factor Weighting	A	Baa	Ba
CFO pre-WC / Debt	15.0%	22% - 30%	13% - 22%	5% - 13%
CFO pre-WC + Interest / Interest	7.5%	4.5x - 6x	3x - 4.5x	2x - 3x
CFO pre-WC - Dividends / Debt	10.0%	17% - 25%	9% - 17%	0% - 9%
Debt / Capitalization	7.5%	35% - 45%	45% - 55%	55% - 65%

As of December 31, 2017	Senior Unsecured	Senior Secured	Commercial Paper
Issuer	Moody's	Moody's	Moody's
LKE	Baa1		
LG&E		A1	P-2
KU		A1	P-2

Definitions

Issuers assessed **A** are judged to have upper-medium-grade intrinsic, or standalone, financial strength, and thus subject to low credit risk absent any possibility of extraordinary support from an affiliate or a government.

Obligations rated **Baa** are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

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Balance Sheet - LKE Consolidated
August 2018
(\$ Millions)

	8/31/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 27	\$ 16	\$ 11	Increase primarily due to timing of cash receipts at the utilities.
Accounts Receivable (Trade)	399	471	(72)	Due primarily to differences in actual vs. budget accounts receivable lag factors. The lag factors have been updated in the forecast.
Inventory	243	222	21	
Deferred Income Taxes	0	0	0	
Regulatory Assets Current	10	1	9	
Prepayments and other current assets	74	77	(3)	
Total Current Assets	753	786	(33)	
Property, Plant, and Equipment	12,365	12,515	(150)	
Intangible Assets	80	81	(0)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	793	787	6	
Goodwill	997	997	0	
Other Long-term Assets	74	77	(2)	
Total Assets	\$ 15,064	\$ 15,243	\$ (180)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 298	\$ 336	\$ (38)	Primarily due to lower capital expenditures and timing of actuals.
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	60	58	2	
Derivative Liability	4	4	(1)	
Accrued Taxes	80	100	(20)	Primarily due to the timing of accruals versus payments.
Regulatory Liabilities Current	75	88	(12)	Primarily due to ECR regulatory liability budgeted as a negative regulatory asset.
Other Current Liabilities	273	296	(22)	
Total Current Liabilities	790	881	(91)	
Debt - Affiliated Company	751	785	(35)	
Debt ⁽¹⁾	5,090	5,170	(80)	
Total Debt	5,840	5,955	(115)	
Deferred Tax Liabilities	874	901	(28)	
Investment Tax Credit	127	127	(0)	
Accum Provision for Pension & Related Benefits	263	251	12	
Asset Retirement Obligation	237	237	0	
Regulatory Liabilities Non Current	2,054	2,011	43	
Derivative Liability	16	19	(3)	
Other Liabilities	142	150	(8)	
Total Deferred Credits and Other Liabilities	3,712	3,697	15	
Equity	4,721	4,710	11	
Total Liabilities and Equity	\$ 15,064	\$ 15,243	\$ (180)	

⁽¹⁾ Includes all ST and LT debt. See Financing Activities page for details.

Note: Schedules may not sum due to rounding.

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Balance Sheet - LG&E
August 2018
(\$ Millions)

	8/31/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 11	\$ 5	\$ 6	Due primarily to differences in actual vs. budget accounts receivable lag factors. The lag factors have been updated in the forecast.
Accounts Receivable (Trade)	171	210	(40)	
Inventory	112	107	5	
Regulatory Assets Current	10	5	5	
Prepayments and other current assets	51	49	2	
Total Current Assets	355	377	(21)	
Property, Plant, and Equipment	5,474	5,554	(79)	
Intangible Assets	6	6	0	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	404	402	2	
Goodwill	0	0	0	
Other Long-term Assets	22	14	8	
Total Assets	\$ 6,262	\$ 6,353	\$ (91)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 164	\$ 195	\$ (31)	Primarily due to lower capital expenditures and timing of actuals.
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	29	27	1	
Derivative Liability	4	4	(1)	
Accrued Taxes	44	41	3	
Regulatory Liabilities Current	33	39	(6)	
Other Current Liabilities	85	93	(8)	
Total Current Liabilities	359	400	(41)	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	1,952	1,986	(34)	
Total Debt	1,952	1,986	(34)	
Deferred Tax Liabilities	581	594	(13)	
Investment Tax Credit	35	35	(0)	
Accum Provision for Pension & Related Benefits	0	(19)	19	Difference due to reclassification of the prepaid pension balance to other long term assets.
Asset Retirement Obligation	91	90	2	
Regulatory Liabilities Non Current	878	861	18	
Derivative Liability	16	19	(3)	
Other Liabilities	82	85	(3)	
Total Deferred Credits and Other Liabilities	1,683	1,664	19	
Equity	2,267	2,302	(35)	
Total Liabilities and Equity	\$ 6,262	\$ 6,353	\$ (91)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding and excludes purchase accounting adjustments.

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Balance Sheet - KU
August 2018
(\$ Millions)

	8/31/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 15	\$ 5	\$ 10	Increase primarily due to timing of cash receipts.
Accounts Receivable (Trade)	228	259	(32)	Due primarily to differences in actual vs. budget accounts receivable lag factors. The lag factors have been updated in the forecast.
Inventory	131	115	16	Primarily due to the higher coal purchase, offset partially by higher coal usage
Regulatory Assets Current	0	(4)	4	
Prepayments and other current assets	44	51	(7)	
Total Current Assets	418	426	(8)	
Property, Plant, and Equipment	6,881	6,953	(73)	
Intangible Assets	12	13	(0)	
Other Property and Investments	0	0	0	
Regulatory Assets Non Current	387	385	1	
Goodwill	0	0	0	
Other Long-term Assets	75	60	15	Primarily due to the reclassification of the prepaid pension balance from Accum Provision for Pension & Related Benefits.
Total Assets	\$ 7,773	\$ 7,838	\$ (65)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 176	\$ 184	\$ (7)	
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	31	31	0	
Derivative Liability	0	0	0	
Accrued Taxes	45	40	5	
Regulatory Liabilities Current	42	48	(7)	
Other Current Liabilities	134	135	(2)	
Total Current Liabilities	428	438	(10)	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	2,413	2,459	(47)	
Total Debt	2,413	2,459	(47)	
Deferred Tax Liabilities	690	709	(19)	
Investment Tax Credit	92	93	(0)	
Accum Provision for Pension & Related Benefits	0	(14)	14	Difference due to reclassification of the prepaid pension balance to other long term assets.
Asset Retirement Obligation	146	147	(2)	
Regulatory Liabilities Non Current	1,112	1,088	24	
Derivative Liability	0	0	0	
Other Liabilities	37	39	(2)	
Total Deferred Credits and Other Liabilities	2,076	2,061	15	
Equity	2,856	2,879	(23)	
Total Liabilities and Equity	\$ 7,773	\$ 7,838	\$ (65)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding and excludes purchase accounting adjustments.

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PPL companies

Performance Report

September 2018

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Kentucky Regulated Dashboard

September 2018

	Current Month		YTD		Full Year	
Safety	Actual	PY	Actual	PY	Forecast	PY
TCIR - Employees ⁽¹⁾	0.38	1.11	1.26	1.05	1.30	0.97
Employee lost-time incidents	0	2	2	8	4	9
Reliability	Actual	Budget	Actual	Budget	Forecast	Budget
Generation Volumes	2,879	2,657	26,430	25,732	34,403	33,704
Utility EFOR	2.6%	5.0%	2.5%	5.0%	N/A	5.0%
Utility EAF	92.3%	90.0%	86.5%	85.6%	N/A	83.7%
Combined SAIFI	0.07	0.07	0.71	0.79	N/A	0.99
Combined SAIDI (minutes)	7.57	5.70	74.26	74.06	N/A	91.90
GwH Sales	Actual	Budget	Actual	Budget	Forecast	Budget
Residential	813	776	8,519	8,094	10,826	10,502
Commercial	698	648	6,206	5,960	8,123	7,815
Industrial	786	747	6,918	7,026	9,245	9,321
Municipals	149	139	1,372	1,351	1,806	1,778
Other	255	232	2,145	2,132	2,779	2,822
Off-System Sales	66	8	511	123	650	150
Total	2,767	2,550	25,671	24,686	33,429	32,389
Weather-Normalized Sales Growth			TTM			
Residential			-0.17%			
Commercial			-0.28%			
Industrial			-1.54%			
Municipal			-4.50%			
Other			0.00%			
Total			-0.82%			

Variance Explanations

Higher MTD margins from favorable weather and outcome of the KPSC TCJA rehearing.

Higher YTD margins primarily due to higher sales volumes from favorable weather of \$26 million and a favorable TCJA revenue variance of \$3 million, partially offset by lower demand revenue of \$7 million, lower gas margins of \$3 million and lower other margin components of \$3 million.

Lower YTD O&M primarily due to the timing of plant maintenance costs of \$4m, lower labor costs of \$6m, lower materials costs of \$2m, and other lower costs of \$2m, partially offset by higher storm restoration costs of \$8m.

(1) Full year forecast amount shown represents target.

(2) Net of cost recovery mechanisms and variable costs of production.

(3) Includes Management O&M, variable cost of production and mechanism operation and maintenance expenses

(4) The possible violation issues for YTD Actual is believed to be minimal risk.

(5) Excludes goodwill and other purchase accounting adjustments.

Note: Schedules may not sum due to rounding.

	Current Month		YTD		Full Year	
Margins (\$ millions)	Actual	Budget	Actual	Budget	Forecast	Budget
Electric Margins	\$157	\$151	\$1,412	\$1,393	\$1,845	\$1,831
Gas Margins	\$11	\$9	\$132	\$135	\$182	\$185
Capital Expenditures (\$ millions)	Actual	Budget	Actual	Budget	Forecast	Budget
Total	\$88	\$108	\$804	\$982	\$1,210	\$1,277
O&M (\$ millions)	Actual	Budget	Actual	Budget	Forecast	Budget
O&M – Management View ⁽²⁾	\$60	\$60	\$558	\$563	\$756	\$752
O&M – GAAP View ⁽³⁾	\$69	\$70	\$632	\$647	\$856	\$869
Head Count	Actual	Budget	Actual	Budget	Forecast	Budget
Full-time Employees	3,501	3,603	3,501	3,603	3,589	3,597
Other Metrics	Actual	PY	Actual	PY	Forecast	PY
Environmental Events	2	0	3	5	N/A	8
NERC Possible Violations ⁽⁴⁾	0	1	8	7	N/A	8

	TTM	Full Year	
Financial Metrics	Actual	Forecast	Budget
Utility ROE ⁽⁵⁾	10.6%	10.2%	9.6%
Average Utility Capitalization (\$ millions)	\$9,289	\$9,450	\$9,527

Major Developments

The KPSC accepted LG&E and KU's rate case applications as filed with no deficiencies. This is a significant first step in the rate case process and starts the timeline for consideration of the case.

The KPSC issued an Order on reconsideration in LG&E and KU's Tax Cuts and Jobs Act proceeding. LG&E and KU had filed for reconsideration and a hearing due to the KPSC's modifications to the TCJA settlement agreement. Those modifications had increased amounts to be returned to customers by \$27 million. The Order on reconsideration reduced those modifications to \$14 million. LG&E and KU had implemented interim partial rate reductions since April 2018, as authorized by the KPSC, while recording reserves up to the higher reduction amounts originally approved in the March 20th Order.

The KPSC issued its Order on LG&E and KU's 2019-2023 demand side management/energy efficiency program proposal. The Order generally accepted the Companies' position on all issues, only reiterating its finding in the AMS CPCN case that the Companies should double the size of its smart meter pilot program. It also provided for a 10.2 percent return on equity on capital investments associated with these DSM programs, maintaining a position from prior DSM cases authorizing a ROE 50 basis points higher than that awarded in the utilities' most recent base rate cases.

Regarding the Clean Water Act (CWA) claim against our Brown Generating Station, the Court affirmed the dismissal in KU's favor, agreeing with the lower court that the CWA does not impose liability for discharges to groundwater under the "hydrologic connection" theory. On the Resource Conservation and Recovery Act (RCRA) claim also against Brown, however, the Court unanimously reversed the lower court's dismissal therefore, allowing the Sierra Club the ability to file a citizen suit. This is a procedural ruling not a ruling on the merits of the claim. Under the Court's ruling, the RCRA claim will go back to the trial court to start discovery and, possibly, lead to a trial on the issues if the case is not otherwise resolved. KU intends to petition for rehearing of the RCRA portion of the case en banc, which would be a review by the full Sixth Circuit rather than just the three-judge panel that previously considered the case.

LKE was one of only three companies to receive a Honorable Mention designation for the C. Everett Koop National Health Award, which is among the most prestigious awards for workplace health programs. The Company was recognized for the following strengths in our wellness program: strong correlation between safety and health, inclusion of all employees and spouses, tie to core values, incorporation of mental, financial and other aspects of well-being, and high leadership support. This was the first time that the Company participated in the award program.

The KPSC issued the procedural schedule for the 2018 rate case proceedings and it is consistent with LG&E and KU's expectations.

Significant Future Events

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Income Statement: Actual vs. Budget (Month) - LKE Consolidated
September 2018

(\$ Millions)

	MTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 242	\$ 230	\$ 11	Due primarily to higher sales volumes from favorable weather and the outcome of the KPSC TCJA rehearing.
Gas Revenues	15	12	2	
Total Revenues	256	243	14	
Cost of Sales:				
Fuel Electric Costs	65	59	(6)	Due primarily to higher sales volumes from favorable weather.
Gas Supply Expenses	3	2	(1)	
Purchased Power	5	5	(0)	
Other Cost of Production	4	3	(1)	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	5	6	1	
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	6	7	0	
Total Cost of Sales	88	82	(6)	
Gross Margin:				
Electric Margin	157	151	6	See explanations above.
Gas Margin	11	9	2	
Total Gross Margin	169	161	8	
O&M	60	60	(0)	
Depreciation & Amortization	34	34	1	
Taxes, Other than Income	6	6	0	
Other income (expense)	1	(0)	2	
EBIT	70	60	10	
Interest Expense	20	20	1	
Income from Ongoing Operations before income taxes	51	40	11	
Income Tax Expense	12	6	(6)	Due primarily to additional taxes and an unfavorable variance due to the effective tax rate adjustment being recorded monthly in actuals and quarterly in the budget.
Net Income (loss) from ongoing operations	39	34	5	
Special Item - (Non Operating Income)	2	0	2	
Discontinued Operations	(0)	0	(0)	
Net Income (loss)	\$ 41	\$ 34	\$ 7	
KY Regulated Financing Costs	(3)	(3)	1	
KY Regulated Net Income	\$ 38	\$ 31	\$ 7	
Earnings Per Share - Ongoing	\$ 0.05	\$ 0.04	\$ 0.01	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - LKE Consolidated
September 2018

(\$ Millions)

	YTD				Comments
	Actual	Budget	Variance		
Revenues:					
Electric Revenues	\$ 2,197	\$ 2,157	\$ 40		Due primarily to higher sales volumes from favorable weather, partially offset by lower demand, lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	224	233	(10)		Due primarily to lower sales volumes as a result of unfavorable weather in February and lower than budgeted YTD gas cost recovery.
Total Revenues	2,420	2,390	30		
Cost of Sales:					
Fuel Electric Costs	614	583	(31)		Due primarily to higher fuel costs related to higher sales volumes from favorable weather.
Gas Supply Expenses	87	92	5		Due primarily to lower gas volumes as a result of unfavorable weather in February and lower than budgeted YTD gas prices.
Purchased Power	46	47	1		
Other Cost of Production	29	28	(0)		
Mechanism - ECR, DSM & GLT - Operation and Maintenance	45	56	11		Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	55	56	1		
Total Cost of Sales	876	862	(14)		
Gross Margin:					
Electric Margin	1,412	1,393	19		See explanations above.
Gas Margin	132	135	(3)		
Total Gross Margin	1,544	1,528	16		
O&M	558	563	5		Lower primarily due to the timing of plant maintenance costs, lower labor costs, lower materials costs, and other lower costs, partially offset by higher storm restoration costs.
Depreciation & Amortization	302	306	3		
Taxes, Other than Income	50	50	1		
Other income (expense)	(2)	(8)	6		Due primarily to lower Pension non-service cost expense in the updated disclosures from Willis Towers Watson.
EBIT	632	601	31		
Interest Expense	172	179	7		Lower primarily due to lower than anticipated interest rates.
Income from Ongoing Operations before income taxes	460	422	38		
Income Tax Expense	95	93	(2)		
Net Income (loss) from ongoing operations	365	329	36		
Special Item - (Non Operating Income)	(7)	0	(7)		Due to Kentucky state tax reform resulting in a reduction of the Kentucky Corporate income tax, a \$9 million deferred tax expense was recorded related to the revaluing of non-utility deferred taxes offset by \$1.9 million adjustment due to the KPSC TCJA outcome.
Discontinued Operations	0	0	0		
Net Income (loss)	\$ 358	\$ 329	\$ 29		
KY Regulated Financing Costs	(26)	(29)	3		
KY Regulated Net Income	332	\$ 300	\$ 32		
Earnings Per Share - Ongoing	\$ 0.48	\$ 0.41	\$ 0.07		

Note: Schedules may not sum due to rounding.

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Income Statement: Actual vs. Budget (YTD) - LG&E
September 2018

(\$ Millions)

	YTD			
	Actual	Budget	Variance	Comments
Revenues:				
Electric Revenues	\$ 894	\$ 874	\$ 20	Due primarily to higher sales volumes from favorable weather, partially offset by lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	224	233	(10)	Due primarily to lower sales volumes as a result of unfavorable weather in February and lower than budgeted YTD gas cost recovery.
Total Revenues	1,118	1107	10	
Cost of Sales:				
Fuel Electric Costs	244	230	(14)	Due primarily to higher fuel costs related to higher sales volumes from favorable weather.
Gas Supply Expenses	87	92	5	Due primarily to lower gas volumes as a result of unfavorable weather in February and lower than budgeted YTD gas prices.
Purchased Power	36	39	3	
Other Cost of Production	12	12	0	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	17	23	6	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	24	25	1	
Total Cost of Sales	421	421	1	
Gross Margin:				
Electric Margin	565	552	14	See explanations above.
Gas Margin	132	135	(3)	
Total Gross Margin	697	686	11	
O&M	248	247	(1)	
Depreciation & Amortization	123	125	2	
Taxes, Other than Income	26	26	1	
Other income (expense)	(4)	(5)	1	
EBIT	296	283	13	
Interest Expense	57	59	3	
Income from Ongoing Operations before income taxes	239	224	15	
Income Tax Expense	51	51	(0)	
Net Income (loss) from ongoing operations	\$ 188	\$ 173	\$ 15	

Note: Schedules may not sum due to rounding and exclude purchase accounting adjustments and corresponding goodwill.

Income Statement: Actual vs. Budget (YTD) - KU
September 2018

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 1,334	\$ 1,318	\$ 16	Due primarily to higher sales volumes from favorable weather, partially offset by lower demand, lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	0	0	0	
Total Revenues	1,334	1,318	16	
Cost of Sales:				
Fuel Electric Costs	378	354	(24)	Due primarily to higher fuel costs related to higher sales volumes from favorable weather.
Gas Supply Expenses	0	0	0	
Purchased Power	33	41	7	
Other Cost of Production	16	17	1	Due primarily to lower than anticipated intercompany expense for native load fuel.
Mechanism - ECR, DSM & GLT - Operation and Maintenance	29	33	5	
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	30	31	1	
Total Cost of Sales	486	476	(10)	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Gross Margin:				
Electric Margin	847	842	5	
Gas Margin	0	0	0	See explanations above.
Total Gross Margin	847	842	5	
O&M	286	293	7	Primarily due to lower labor and burdens and lower outside service expense offset by storm restoration.
Depreciation & Amortization	179	181	2	
Taxes, Other than Income	24	24	0	
Other income (expense)	1	(3)	4	
EBIT	359	341	18	
Interest Expense	74	77	2	
Income from Ongoing Operations before income taxes	285	264	20	
Income Tax Expense	59	59	(0)	
Net Income (loss) from ongoing operations	\$ 226	\$ 206	\$ 20	

Note: Schedules may not sum due to rounding and exclude purchase accounting adjustments and corresponding goodwill.

Income Statement: Forecast vs. Budget - LKE Consolidated
September 2018

(\$ Millions)

	Full Year			Comments
	Q3 Forecast	Budget	Variance	
Revenues:				
Electric Revenues	\$ 2,868	\$ 2,840	\$ 28	Due primarily to higher sales volumes from favorable weather, partially offset by lower demand, lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	312	323	(10)	Due primarily to lower sales volumes as a result of unfavorable weather in February and lower than budgeted YTD gas cost recovery.
Total Revenues	3,181	3,163	18	
Cost of Sales:				
Fuel Electric Costs	790	762	(29)	Due primarily to higher fuel costs related to higher sales volumes from favorable weather.
Gas Supply Expenses	124	128	4	
Purchased Power	64	62	(2)	
Other Cost of Production	42	40	(3)	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	58	78	20	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	75	77	2	
Total Cost of Sales	1,153	1,146	(7)	
Gross Margin:				
Electric Margin	1,845	1,831	13	See explanations above.
Gas Margin	182	185	(3)	
Total Gross Margin	2,027	2,017	10	
O&M	756	752	(4)	
Depreciation & Amortization	407	410	3	
Taxes, Other than Income	66	67	1	
Other income (expense)	(4)	(10)	7	Due primarily to lower Pension non-service cost expense in the updated disclosures from Willis Towers Watson.
EBIT	795	778	17	
Interest Expense	232	241	9	Primarily due to lower debt balances and lower interest rates.
Income from Ongoing Operations before income taxes	563	537	26	
Income Tax Expense	116	117	1	
Net Income (loss) from ongoing operations	447	420	\$ 27	
Special Item - (Non Operating Income)	(7)	0	(7)	Due to Kentucky state tax reform resulting in a reduction of the Kentucky Corporate income tax, a \$9 million deferred tax expense was recorded related to the revaluing of non-utility deferred taxes offset by \$1.9 million adjustment due to the KPSC TCJA outcome.
Discontinued Operations	0	0	0	
Net Income (loss)	\$ 439	\$ 420	\$ 20	
KY Regulated Financing Costs	(37)	(40)	3	
KY Regulated Net Income	\$ 403	\$ 380	\$ 23	
Earnings Per Share - Ongoing	\$ 0.55	\$ 0.52	\$ 0.03	

Note: Schedules may not sum due to rounding.

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(\$ Millions)									
	MTD			Labor & Burdens	Supplemental Contractors	Other Outside Services	Materials	Other	
	Actual	Budget	Total Variance						
Generation	17	16	(1)	(0)	0	1	(0)		(1)
Project Engineering	0	0	0	0	0	(0)	0		0
Transmission	3	3	0	0	0	0	(0)		(0)
Energy Supply and Analysis	1	1	0	0	0	0	(0)		(0)
Electric Distribution	7	6	(0)	(0)	1	(1)	0		(0)
Gas Distribution	4	3	(1)	(0)	(0)	0	(0)		(0)
Safety and Technical Training	1	0	(0)	(0)	0	0	0		(0)
Environmental	1	1	0	0	0	0	0		0
Customer Services	9	8	(1)	(0)	0	0	0		(1)
Chief Operating Officer Total	41	39	(2)	(0)	1	0	(0)		(3)
Audit Services	0	0	0	0	0	0	0		0
Controller	1	1	0	0	0	0	0		0
Supply Chain	0	0	0	0	(0)	(0)	0		0
Information Technology	4	5	0	0	(0)	0	0		0
Treasurer	2	2	0	0	0	0	0		0
State Regulation and Rates	0	0	0	0	0	0	0		0
Other	0	0	0	(0)	0	(0)	0		0
Chief Financial Officer Total	8	8	1	0	(0)	0	0		0
General Counsel	1	2	1	0	0	1	(0)		0
Human Resources	1	1	0	0	0	(0)	0		(0)
Corporate	6	8	2	1	0	0	(0)		0
Communication	1	1	0	0	(0)	(0)	0		0
Utility Total	58	58	1	1	1	1	(0)		(2)
Nonutility	3	2	(1)	0	(0)	(0)	0		(1)
O&M Total MTD	60	60	(0)	2	1	1	(0)		(3)

	YTD			Labor & Burdens	Supplemental Contractors	Other Outside Services	Materials	Other	
	Actual	Budget	Total Variance						
Generation	150	157	6	1	1	9	1		(5)
Project Engineering	0	0	0	(0)	(0)	(0)	0		0
Transmission	29	30	1	(0)	3	(1)	(0)		(0)
Energy Supply and Analysis	10	10	0	0	0	0	0		(0)
Electric Distribution	64	56	(9)	(2)	0	(7)	1		(1)
Gas Distribution	33	29	(3)	0	(4)	1	(0)		(1)
Safety and Technical Training	4	4	0	0	0	0	(0)		0
Environmental	5	6	1	(0)	0	0	0		1
Customer Services	75	74	(1)	(0)	0	1	0		(2)
Chief Operating Officer Total	369	366	(3)	(1)	0	4	1		(8)
Audit Services	1	1	0	0	0	0	0		0
Controller	6	7	0	0	0	0	(0)		0
Supply Chain	3	3	0	0	(0)	(0)	(0)		0
Information Technology	42	44	3	3	(1)	1	0		1
Treasurer	17	18	0	(0)	0	0	0		0
State Regulation and Rates	3	3	0	0	0	0	(0)		0
Other	2	2	0	0	0	(1)	0		1
Chief Financial Officer Total	75	78	4	3	(1)	(0)	(0)		2
General Counsel	13	13	1	0	0	(1)	0		2
Human Resources	5	5	0	0	(0)	(0)	0		0
Corporate	68	71	3	3	0	1	(0)		(0)
Communication	5	5	1	0	0	(0)	1		0
Utility Total	534	540	6	6	(1)	3	2		(4)
Nonutility	24	23	(0)	0	(0)	(1)	0		1
O&M Total YTD	558	563	5	6	(1)	2	2		(3)

	Full Year			Labor & Burdens	Supplemental Contractors	Other Outside Services	Materials	Other	
	Forecast	Budget	Total Variance						
Generation	210	216	6	0	1	3	3		(0)
Project Engineering	0	0	0	0	(0)	(0)	0		0
Transmission	39	38	(0)	(0)	2	(2)	(0)		(0)
Energy Supply and Analysis	13	13	0	0	0	0	0		(0)
Electric Distribution	83	75	(9)	(2)	2	(8)	1		(1)
Gas Distribution	47	39	(8)	0	(6)	(1)	(0)		(1)
Safety and Technical Training	6	6	0	0	0	(0)	0		(0)
Environmental	7	8	1	(0)	0	0	0		1
Customer Services	102	97	(4)	(1)	1	1	0		(5)
Other	1	1	0	0	0	(0)	0		(0)
Chief Operating Officer Total	506	493	(14)	(3)	(1)	(7)	3		(7)
Audit Services	2	2	0	0	0	(0)	0		0
Controller	9	9	0	0	0	0	(0)		0
Supply Chain	4	4	0	0	(0)	(0)	(0)		0
Information Technology	56	58	2	3	(2)	0	0		0
Treasurer	23	23	0	(0)	0	(0)	0		1
State Regulation and Rates	5	5	0	0	0	0	(0)		0
Other	2	2	0	0	0	(1)	0		1
Chief Financial Officer Total	100	103	3	3	(2)	(1)	(0)		2
General Counsel	17	18	0	0	0	(1)	0		1
Human Resources	7	7	0	0	(0)	(0)	0		(0)
Corporate	88	95	7	7	0	0	(0)		(0)
Communication	7	7	0	0	0	(0)	0		0
Utility Total	726	723	(3)	8	(2)	(8)	3		(3)
Nonutility Total	30	29	(1)	0	(0)	(0)	0		(0)
O&M Total YTD	756	752	(4)	8	(2)	(9)	3		(3)

Note: Schedules may not sum due to rounding.

Financing Activities	September 2018
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(\$ Millions)

Balance Sheet	YTD			Full Year		
	Actual	Budget	Variance	Forecast	Budget	Variance
PCB						
Beg Bal	\$ 890.0	\$ 890.0	\$ 0.0	\$ 890.0	\$ 890.0	\$ 0.0
End Bal	881.1	890.0	8.9	881.1	890.0	8.9
Ave Bal	\$ 887.3	\$ 890.0	\$ 2.68	\$ 885.9	\$ 890.0	\$ 4.12
Interest Exp	\$ 11.8	\$ 13.7	\$ 1.8	\$ 16.0	\$ 18.3	\$ 2.4
Rate	1.76%	2.02%	0.27%	1.78%	2.03%	0.25%
FMB/Sr Nts/Loan with PPL						
Beg Bal	\$ 4,310.0	\$ 4,310.0	\$ 0.0	\$ 4,310.0	\$ 4,310.0	\$ 0.0
End Bal	4,660.0	4,533.3	(126.7)	4,660.0	4,643.2	(16.8)
Ave Bal	\$ 4,525.0	\$ 4,464.6	\$ (60.42)	\$ 4,556.2	\$ 4,488.9	\$ (67.26)
Interest Exp	\$ 144.8	\$ 143.3	\$ (1.5)	\$ 194.2	\$ 191.9	\$ (2.3)
Rate	4.22%	4.23%	0.01%	4.20%	4.22%	0.01%
Short-term Debt						
Beg Bal	\$ 468.9	\$ 468.9	\$ 0.0	\$ 468.9	\$ 468.9	\$ 0.0
End Bal	383.7	618.0	234.3	685.7	722.7	37.0
Ave Bal ⁽¹⁾	\$ 370.7	\$ 516.0	\$ 145.3	\$ 443.9	\$ 563.2	\$ 119.3
Interest Exp	\$ 7.5	\$ 13.6	\$ 6.1	\$ 11.0	\$ 19.5	\$ 8.5
Rate	2.67%	3.47%	0.80%	2.44%	3.41%	0.98%
Unamortized Debt Expense Bonds						
Beg Bal	\$ (41.6)	\$ (41.6)	\$ 0.0	\$ (41.6)	\$ (41.6)	\$ 0.0
End Bal	(39.4)	(39.5)	(0.1)	(38.2)	(38.3)	(0.1)
Ave Bal	\$ (40.5)	\$ (40.6)	\$ (0.2)	\$ (40.0)	\$ (40.2)	\$ (0.2)
Total End Bal	\$ 5,885.4	\$ 6,001.8	\$ 116.5	\$ 6,188.5	\$ 6,217.6	\$ 29.1
Total Average Bal	\$ 5,742.5	\$ 5,829.9	\$ 87.4	\$ 5,845.9	\$ 5,901.9	\$ 56.0
Total Expense Excl I/C ⁽²⁾	\$ 172.0	\$ 178.8	\$ 6.8	\$ 231.9	\$ 240.8	\$ 8.9
Rate	3.92%	4.02%	0.09%	3.89%	4.00%	0.11%

⁽¹⁾ Short-term Debt YTD actual reflects average daily balances. All other average balances use an average monthly balance.

⁽²⁾ Total expense line includes additional revolving credit items. Total will not match sum of PCB, FMB, and STD.

Credit Facilities (\$ Millions)	Committed Capacity	Borrowed ⁽³⁾	Letters of Credit Issued	Unused Capacity	Money Pool Loans
LKE	\$ 375	\$ 80		\$ 295	
LG&E	700	376		324	\$ 0
KU	598	128	\$ 198	272	0
TOTAL	\$ 1,673	\$ 584	\$ 198	\$ 891	\$

⁽³⁾ LG&E borrowed amount includes commercial paper issuances and \$200M Term Loan. KU borrowed amount represent commercial paper issuances. LKE borrowed amount includes bank revolver and debt with PPL.

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Credit Metrics ⁽¹⁾	LKE 2018		LG&E 2018		KU 2018	
Moody's	Actual YTD	Budget YTD	Actual YTD	Budget YTD	Actual YTD	Budget YTD
CFO pre-WC / Debt	15%	14%	25%	23%	24%	21%
CFO pre-WC + Interest / Interest	5.0	4.6	7.6	7.0	6.9	6.3
CFO pre-WC - Dividends / Debt	11%	9%	17%	16%	14%	12%
Debt to Capitalization	52%	52%	38%	38%	37%	37%

Credit Metrics	LKE 2018 BP		LG&E 2018 BP		KU 2018 BP	
Moody's	2019	2020	2019	2020	2019	2020
CFO pre-WC / Debt	14%	14%	19%	19%	19%	20%
CFO pre-WC + Interest / Interest	4.4	4.4	5.8	5.6	5.7	5.7
CFO pre-WC - Dividends / Debt	10%	10%	11%	10%	10%	11%
Debt to Capitalization	53%	52%	38%	38%	38%	38%

⁽¹⁾ Actuals represent a trailing 12 months.

Financial Strength Factor (40% Weighting) -- Standard Business Risk Grid:

Moody's Thresholds	Sub-Factor Weighting	A	Baa	Ba
CFO pre-WC / Debt	15.0%	22% - 30%	13% - 22%	5% - 13%
CFO pre-WC + Interest / Interest	7.5%	4.5x - 6x	3x - 4.5x	2x - 3x
CFO pre-WC - Dividends / Debt	10.0%	17% - 25%	9% - 17%	0% - 9%
Debt / Capitalization	7.5%	35% - 45%	45% - 55%	55% - 65%

As of December 31, 2017	Senior Unsecured	Senior Secured	Commercial Paper
Issuer	Moody's	Moody's	Moody's
LKE	Baa1		
LG&E		A1	P-2
KU		A1	P-2

Definitions

Issuers assessed **A** are judged to have upper-medium-grade intrinsic, or standalone, financial strength, and thus subject to low credit risk absent any possibility of extraordinary support from an affiliate or a government.

Obligations rated **Baa** are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

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Balance Sheet - LKE Consolidated
September 2018
(\$ Millions)

	9/30/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 29	\$ 14	\$ 15	Increase primarily due to timing of cash receipts at the utilities.
Accounts Receivable (Trade)	387	439	(52)	Due primarily to differences in actual vs. budget accounts receivable lag factors. The lag factors have been updated in the forecast.
Inventory	238	230	8	
Deferred Income Taxes	0	0	0	
Regulatory Assets Current	11	5	5	
Prepayments and other current assets	77	76	0	
Total Current Assets	742	765	(23)	
Property, Plant, and Equipment	12,407	12,573	(165)	
Intangible Assets	80	80	(0)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	787	786	1	
Goodwill	997	997	0	
Other Long-term Assets	74	77	(3)	
Total Assets	\$ 15,088	\$ 15,279	\$ (190)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 285	\$ 331	\$ (46)	Primarily due to lower capital expenditures and timing of actuals.
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	60	58	2	
Derivative Liability	4	4	(1)	
Accrued Taxes	55	81	(25)	Primarily due to the timing of accruals versus payments.
Regulatory Liabilities Current	64	99	(34)	Primarily ECR regulatory liability budgeted as a negative regulatory asset.
Other Current Liabilities	286	312	(26)	
Total Current Liabilities	755	885	(130)	
Debt - Affiliated Company	730	748	(19)	
Debt ⁽¹⁾	5,156	5,253	(98)	
Total Debt	5,885	6,002	(116)	
Deferred Tax Liabilities	922	919	3	
Investment Tax Credit	127	127	(0)	
Accum Provision for Pension & Related Benefits	256	250	6	
Asset Retirement Obligation	231	232	(1)	
Regulatory Liabilities Non Current	2,053	2,003	49	
Derivative Liability	15	19	(4)	
Other Liabilities	137	147	(10)	
Total Deferred Credits and Other Liabilities	3,740	3,697	44	
Equity	4,707	4,695	12	
Total Liabilities and Equity	\$ 15,088	\$ 15,279	\$ (190)	

⁽¹⁾ Includes all ST and LT debt. See Financing Activities page for details.

Note: Schedules may not sum due to rounding.

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Balance Sheet - LG&E
September 2018
(\$ Millions)

	9/30/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 11	\$ 5	\$ 6	Due primarily to differences in actual vs. budget accounts receivable lag factors. The lag factors have been updated in the forecast.
Accounts Receivable (Trade)	168	196	(28)	
Inventory	123	115	8	
Regulatory Assets Current	10	6	4	
Prepayments and other current assets	49	50	(1)	
Total Current Assets	360	372	(12)	
Property, Plant, and Equipment	5,497	5,577	(80)	Primarily due to the reclassification of the prepaid pension balance from Accum Provision for Pension & Related Benefits.
Intangible Assets	6	6	(0)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	399	401	(3)	
Goodwill	0	0	0	
Other Long-term Assets	27	14	12	
Total Assets	\$ 6,289	\$ 6,372	\$ (83)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 174	\$ 191	\$ (17)	Primarily ECR regulatory liability budgeted as a negative regulatory asset. Higher than budgeted Customer advance for construction and ARO liability
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	29	27	1	
Derivative Liability	4	4	(1)	
Accrued Taxes	29	31	(2)	
Regulatory Liabilities Current	27	44	(18)	
Other Current Liabilities	84	99	(15)	
Total Current Liabilities	345	396	(51)	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	1,984	2,017	(33)	
Total Debt	1,984	2,017	(33)	
Deferred Tax Liabilities	611	605	6	Difference due to reclassification of the prepaid pension balance to other long term assets.
Investment Tax Credit	34	35	(0)	
Accum Provision for Pension & Related Benefits	(0)	(20)	20	
Asset Retirement Obligation	86	89	(3)	
Regulatory Liabilities Non Current	878	859	18	
Derivative Liability	15	19	(4)	
Other Liabilities	80	83	(3)	
Total Deferred Credits and Other Liabilities	1,703	1,670	33	
Equity	2,256	2,288	(32)	
Total Liabilities and Equity	\$ 6,289	\$ 6,372	\$ (83)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding and excludes purchase accounting adjustments.

Balance Sheet - KU
September 2018
(\$ Millions)

	9/30/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 18	\$ 5	\$ 13	Increase primarily due to timing of cash receipts.
Accounts Receivable (Trade)	219	243	(24)	Due primarily to differences in actual vs. budget accounts receivable lag factors. The lag factors have been updated in the forecast.
Inventory	116	115	0	
Regulatory Assets Current	0	(1)	1	
Prepayments and other current assets	41	50	(10)	
Total Current Assets	394	413	(19)	
Property, Plant, and Equipment	6,899	6,987	(88)	
Intangible Assets	12	13	(0)	
Other Property and Investments	0	0	0	
Regulatory Assets Non Current	386	386	(0)	
Goodwill	0	0	0	
Other Long-term Assets	77	61	16	Primarily due to the reclassification of the prepaid pension balance from Accum Provision for Pension & Related Benefits.
Total Assets	\$ 7,768	\$ 7,859	\$ (91)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 152	\$ 184	\$ (32)	Primarily due to lower capital expenditures and timing of actuals.
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	32	31	1	
Derivative Liability	0	0	0	
Accrued Taxes	30	27	2	
Regulatory Liabilities Current	38	55	(17)	Primarily ECR regulatory liability budgeted as a negative regulatory asset.
Other Current Liabilities	144	143	1	
Total Current Liabilities	395	440	(44)	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	2,447	2,512	(65)	
Total Debt	2,447	2,512	(65)	
Deferred Tax Liabilities	719	718	2	
Investment Tax Credit	92	92	(0)	
Accum Provision for Pension & Related Benefits	0	(14)	14	Difference due to reclassification of the prepaid pension balance to other long term assets.
Asset Retirement Obligation	145	143	3	
Regulatory Liabilities Non Current	1,110	1,082	28	
Derivative Liability	0	0	0	
Other Liabilities	35	38	(3)	
Total Deferred Credits and Other Liabilities	2,102	2,058	44	
Equity	2,824	2,849	(25)	
Total Liabilities and Equity	\$ 7,768	\$ 7,859	\$ (91)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding and excludes purchase accounting adjustments.

KU and LG&E Combined
Reconciliation of Allowed Return to
12 months ended September 2018 Regulatory Return
and ROE from Ongoing Operations

Allowed Return ⁽¹⁾	9.70%	
Adjustments (net tax):		
Change in capitalization - non mechanism	0.05%	Growth in capitalization (rate base) between rate cases does not earn a return
Change in ROE from average mechanism rate base growth	0.00%	Mechanisms have a real-time return
Change in weighted cost of debt	-0.03%	
Change in margins	0.08%	Slightly higher revenue
Change in allowed expenses	0.82%	Lower expense
	<u>0.92%</u>	
Actual Regulated ROE	10.62%	

⁽¹⁾ Based on the most recent base rate filings for a test year ending 6/30/18 for the KPSC and a test year ending 12/31/16 (with adjustments for year ending 12/31/2018) for VA and FERC Formula Rate Filing 12/31/17.
The KPSC authorized ROE is 9.7% after 7/1/17.



PPL companies

Performance Report

October 2018

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Kentucky Regulated Dashboard

October 2018

	Current Month		YTD		Full Year	
Safety	<u>Actual</u>	<u>PY</u>	<u>Actual</u>	<u>PY</u>	<u>Forecast</u>	<u>PY</u>
TCIR - Employees ⁽¹⁾	3.22	0.37	1.45	0.98	1.30	0.97
Employee lost-time incidents	2	0	6	8	8	9
Reliability	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Generation Volumes	2,667	2,419	29,097	28,151	34,651	33,704
Utility EFOR	1.0%	5.0%	2.4%	5.0%	N/A	5.0%
Utility EAF	72.4%	71.1%	85.0%	84.2%	N/A	83.7%
Combined SAIFI	0.06	0.07	0.77	0.87	N/A	0.99
Combined SAIDI (minutes)	6.43	5.52	80.91	79.58	N/A	91.90
GwH Sales	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Residential	704	625	9,223	8,719	10,892	10,502
Commercial	676	609	6,882	6,568	8,188	7,815
Industrial	787	750	7,705	7,776	9,298	9,321
Municipals	137	133	1,509	1,483	1,803	1,778
Other	241	224	2,386	2,356	2,812	2,822
Off-System Sales	63	11	574	134	662	150
Total	2,609	2,351	28,279	27,037	33,655	32,389
Weather-Normalized Sales Growth			<u>TTM</u>			
Residential			0.62%			
Commercial			0.18%			
Industrial			-1.02%			
Municipal			-4.18%			
Other			0.69%			
Total			-0.23%			

Variance Explanations
Higher MTD adjusted gross margins primarily due to higher sales volumes from favorable weather.
Higher YTD adjusted gross margins primarily due to higher sales volumes from favorable weather of \$31 million and a favorable TCJA revenue variance of \$3 million, partially offset by lower demand revenue of \$7 million, lower gas margins of \$2 million and lower other margin components of \$3 million.
Lower YTD O&M primarily due to the timing of plant maintenance costs of \$5 million, lower labor costs of \$6 million, and lower materials costs of \$2 million, partially offset by higher storm restoration costs of \$8 million.
Lower YTD financing costs, primarily due to lower than anticipated interest rates.

(1) Full year forecast amount shown represents target.

(2) Net of cost recovery mechanisms and variable costs of production.

(3) Includes Management O&M, variable cost of production and mechanism operation and maintenance expenses

(4) The possible violation issues for YTD Actual is believed to be minimal risk.

(5) Excludes goodwill and other purchase accounting adjustments.

Note: Schedules may not sum due to rounding.

	Current Month		YTD		Full Year	
Margins (\$ millions)	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Electric Margins	\$143	\$137	\$1,555	\$1,530	\$1,848	\$1,831
Gas Margins	\$12	\$11	\$143	\$146	\$186	\$185
Capital Expenditures (\$ millions)	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Total	\$110	\$114	\$914	\$1,096	\$1,172	\$1,277
O&M (\$ millions)	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
O&M – Management View ⁽²⁾	\$72	\$72	\$630	\$635	\$758	\$752
O&M – GAAP View ⁽³⁾	\$80	\$82	\$712	\$729	\$857	\$869
Head Count	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Full-time Employees	3,495	3,601	3,495	3,601	3,579	3,597
Other Metrics	<u>Actual</u>	<u>PY</u>	<u>Actual</u>	<u>PY</u>	<u>Forecast</u>	<u>PY</u>
Environmental Events	2	0	5	5	N/A	8
NERC Possible Violations ⁽⁴⁾	2	0	10	7	N/A	8

	<u>TTM</u>	<u>Full Year</u>	
Financial Metrics	<u>Actual</u>	<u>Forecast</u>	<u>Budget</u>
Utility ROE ⁽⁵⁾	10.5%	10.2%	9.6%
Average Utility Capitalization (\$ millions)	\$9,330	\$9,435	\$9,527

Major Developments
The KPSC issued an Order in the rate case proceeding that established a procedural schedule. The schedule begins with the second round of discovery requests (first for intervenors) due to LG&E and KU on November 13 and continues through the filing of LG&E and KU's rebuttal testimony on February 26, 2019. A formal hearing has not been scheduled but would be expected in March 2019. An Order in the proceeding is expected at the end of April 2019.
LKE has once again been honored for its health and well-being efforts as the American Heart Association awarded the Company with a Gold Level Recognition, as referenced in a recent issue of Forbes magazine. Only 15 percent of organizations that applied received the Gold Level designation.
The Company filed its Integrated Resource Plan, which is required by the KPSC every three years. The Companies' forecasted reserve margin after planned retirements and expiration of Bluegrass agreement is within the new target reserve margin range of 17 to 25%, which reflects an increase from the previous range of 16 to 21% that is driven by increasing winter load volatility.

Significant Future Events
There are no major future events to report at this time.

Income Statement: Actual vs. Budget (Month) - LKE Consolidated
October 2018

(\$ Millions)

	MTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 220	\$ 212	\$ 8	Due primarily to higher sales volumes from favorable weather.
Gas Revenues	19	16	4	
Total Revenues	240	228	12	
Cost of Sales:				
Fuel Electric Costs	59	54	(5)	Due primarily to higher fuel costs related to higher sales volumes from favorable weather.
Gas Supply Expenses	7	4	(3)	
Purchased Power	5	5	(0)	
Other Cost of Production	4	4	0	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	5	6	2	
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	6	7	0	
Total Cost of Sales	85	80	(6)	
Gross Margin:				
Electric Margin	143	137	5	See explanations above.
Gas Margin	12	11	1	
Total Gross Margin	154	148	6	
O&M	72	72	(0)	
Depreciation & Amortization	34	34	1	
Taxes, Other than Income	6	6	0	
Other income (expense)	(1)	(1)	(0)	
EBIT	42	36	6	
Interest Expense	20	20	1	
Income from Ongoing Operations before income taxes	22	15	7	
Income Tax Expense	5	4	(2)	
Net Income (loss) from ongoing operations	17	11	6	
Special Item - (Non Operating Income)	0	0	0	
Discontinued Operations	(0)	0	(0)	
Net Income (loss)	\$ 17	\$ 11	\$ 6	
KY Regulated Financing Costs	(3)	(3)	1	
KY Regulated Net Income	\$ 14	\$ 8	\$ 6	
Earnings Per Share - Ongoing	\$ 0.02	\$ 0.01	\$ 0.01	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - LKE Consolidated
October 2018

(\$ Millions)

	YTD				Comments
	Actual	Budget	Variance		
Revenues:					
Electric Revenues	\$ 2,417	\$ 2,369	\$ 48		Due primarily to higher sales volumes from favorable weather, partially offset by lower demand, lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	243	249	(6)		Due primarily to lower sales volumes as a result of unfavorable weather in February and lower than budgeted YTD gas cost recovery.
Total Revenues	2,660	2,618	42		
Cost of Sales:					
Fuel Electric Costs	672	637	(36)		Due primarily to higher fuel costs related to higher sales volumes from favorable weather.
Gas Supply Expenses	94	96	2		
Purchased Power	52	52	1		
Other Cost of Production	32	32	(0)		
Mechanism - ECR, DSM & GLT - Operation and Maintenance	50	62	12		Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	61	63	2		
Total Cost of Sales	962	942	(20)		
Gross Margin:					
Electric Margin	1,555	1,530	25		See explanations above.
Gas Margin	143	146	(2)		
Total Gross Margin	1,698	1,676	22		
O&M	630	635	5		Lower primarily due to the timing of plant maintenance costs, lower labor costs, and lower materials costs, partially offset by higher storm restoration costs.
Depreciation & Amortization	336	340	4		
Taxes, Other than Income	55	56	1		
Other income (expense)	(3)	(9)	6		Due primarily to lower Pension non-service cost expense in the updated disclosures from Willis Towers Watson.
EBIT	674	636	38		
Interest Expense	192	199	8		Lower primarily due to lower than anticipated interest rates.
Income from Ongoing Operations before income taxes	482	437	45		
Income Tax Expense	100	96	(4)		
Net Income (loss) from ongoing operations	382	340	42		
Special Item - (Non Operating Income)	(7)	0	(7)		Due to Kentucky state tax reform resulting in a reduction of the Kentucky Corporate income tax, a \$9 million deferred tax expense was recorded related to the revaluing of non-utility deferred taxes offset by \$1.9 million adjustment due to the KPSC TCJA outcome.
Discontinued Operations	0	0	0		
Net Income (loss)	\$ 375	\$ 340	\$ 35		
KY Regulated Financing Costs	(29)	(33)	4		
KY Regulated Net Income	346	\$ 308	\$ 38		
Earnings Per Share - Ongoing	\$ 0.50	\$ 0.42	\$ 0.08		

Note: Schedules may not sum due to rounding.

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Income Statement: Actual vs. Budget (YTD) - LG&E
October 2018

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 985	\$ 959	\$ 26	Due primarily to higher sales volumes from favorable weather, partially offset by lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	243	249	(6)	Due primarily to lower sales volumes as a result of unfavorable weather in February and lower than budgeted YTD gas cost recovery.
Total Revenues	1,228	1208	20	
Cost of Sales:				
Fuel Electric Costs	268	251	(17)	Due primarily to higher fuel costs related to higher sales volumes from favorable weather.
Gas Supply Expenses	94	96	2	
Purchased Power	41	43	2	
Other Cost of Production	13	14	0	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	18	25	7	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	27	28	1	
Total Cost of Sales	461	457	(5)	
Gross Margin:				
Electric Margin	623	605	18	See explanations above.
Gas Margin	143	146	(2)	
Total Gross Margin	766	751	15	
O&M	281	279	(2)	
Depreciation & Amortization	137	139	2	
Taxes, Other than Income	29	29	1	
Other income (expense)	(6)	(6)	(0)	
EBIT	314	299	16	
Interest Expense	63	66	3	
Income from Ongoing Operations before income taxes	251	232	18	
Income Tax Expense	54	53	(1)	
Net Income (loss) from ongoing operations	\$ 197	\$ 179	\$ 18	

Note: Schedules may not sum due to rounding and exclude purchase accounting adjustments and corresponding goodwill.

Income Statement: Actual vs. Budget (YTD) - KU
October 2018

(\$ Millions)

	YTD			
	Actual	Budget	Variance	Comments
Revenues:				
Electric Revenues	\$ 1,466	\$ 1,448	\$ 18	Due primarily to higher sales volumes from favorable weather, partially offset by lower demand, lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	0	0	0	
Total Revenues	1,466	1,448	18	
Cost of Sales:				
Fuel Electric Costs	414	388	(26)	Due primarily to higher fuel costs related to higher sales volumes from favorable weather.
Gas Supply Expenses	0	0	0	
Purchased Power	36	45	8	
Other Cost of Production	18	19	1	Due primarily to lower than anticipated intercompany expense for native load fuel.
Mechanism - ECR, DSM & GLT - Operation and Maintenance	32	37	5	
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	34	35	1	
Total Cost of Sales	534	523	(11)	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Gross Margin:				
Electric Margin	932	925	7	
Gas Margin	0	0	0	See explanations above.
Total Gross Margin	932	925	7	
O&M	323	330	7	Primarily due to lower labor and burdens and lower outside service expense.
Depreciation & Amortization	199	201	2	
Taxes, Other than Income	27	27	0	
Other income (expense)	2	(3)	5	Due primarily to lower Pension non-service cost expense in the updated disclosures from Willis Towers Watson.
EBIT	385	364	21	
Interest Expense	83	86	3	
Income from Ongoing Operations before income taxes	302	278	24	
Income Tax Expense	63	62	(1)	
Net Income (loss) from ongoing operations	\$ 239	\$ 216	\$ 23	

Note: Schedules may not sum due to rounding and exclude purchase accounting adjustments and corresponding goodwill.

(\$ Millions)										
	MTD									
	Actual	Budget	Total Variance	Labor & Burdens	Supplemental Contractors	Other Outside Services	Materials	Other		
Generation	24	27	3	0	0	(1)	0	3		
Project Engineering	0	0	0	0	0	(0)	0	0		
Transmission	3	3	(0)	0	(0)	(0)	(0)	0		
Energy Supply and Analysis	1	1	0	0	0	0	0	0		
Electric Distribution	8	7	(1)	(0)	1	(0)	0	(2)		
Gas Distribution	5	3	(1)	0	(0)	(1)	(0)	0		
Safety and Technical Training	0	1	0	0	(0)	0	0	0		
Environmental	1	1	0	(0)	0	0	(0)	0		
Customer Services	9	8	(1)	(0)	0	0	0	(1)		
Chief Operating Officer Total	51	51	(0)	0	1	(3)	0	1		
Audit Services	0	0	0	0	0	(0)	0	(0)		
Controller	1	1	0	0	0	(0)	(0)	(0)		
Supply Chain	0	0	0	0	0	0	0	(0)		
Information Technology	5	4	(1)	(1)	(0)	(0)	(0)	0		
Treasurer	2	2	0	0	(0)	0	0	0		
State Regulation and Rates	0	0	0	0	0	0	0	(0)		
Other	0	0	(0)	0	0	(0)	(0)	0		
Chief Financial Officer Total	9	8	(1)	(0)	(0)	(0)	(0)	0		
General Counsel	1	1	0	0	0	(0)	(0)	0		
Human Resources	1	1	0	0	0	(0)	0	0		
Corporate	8	8	0	0	0	0	(0)	0		
Communication	1	1	(0)	0	0	(0)	(0)	0		
Utility Total	70	70	(1)	0	1	(3)	0	1		
Nonutility	2	2	0	0	0	(0)	0	0		
O&M Total MTD	72	72	(0)	1	1	(3)	0	2		

	YTD									
	Actual	Budget	Total Variance	Labor & Burdens	Supplemental Contractors	Other Outside Services	Materials	Other		
Generation	174	184	9	1	1	8	1	(2)		
Project Engineering	0	0	0	(0)	(0)	(0)	0	0		
Transmission	32	33	1	(0)	3	(1)	(0)	(0)		
Energy Supply and Analysis	11	11	0	0	0	0	0	(0)		
Electric Distribution	72	62	(10)	(2)	1	(7)	1	(2)		
Gas Distribution	38	33	(5)	0	(4)	(0)	(0)	(1)		
Safety and Technical Training	5	5	1	0	0	0	(0)	0		
Environmental	5	6	1	(0)	0	0	0	1		
Customer Services	84	82	(2)	(0)	0	1	0	(3)		
Chief Operating Officer Total	421	417	(4)	(1)	1	1	2	(7)		
Audit Services	1	1	0	0	0	0	0	0		
Controller	7	8	0	0	0	0	(0)	0		
Supply Chain	3	3	0	0	(0)	(0)	(0)	0		
Information Technology	47	49	2	2	(1)	1	0	1		
Treasurer	19	20	0	(0)	(0)	0	0	1		
State Regulation and Rates	4	4	(0)	0	0	0	(0)	0		
Other	2	2	0	0	0	(1)	0	1		
Chief Financial Officer Total	83	87	3	3	(1)	(0)	(0)	2		
General Counsel	14	15	1	0	0	(1)	0	2		
Human Resources	5	6	0	0	(0)	(0)	0	0		
Corporate	76	79	3	3	0	1	(0)	(0)		
Communication	5	6	1	0	0	(0)	1	0		
Utility Total	604	610	5	6	0	(0)	2	(2)		
Nonutility	25	25	0	0	(0)	(1)	0	1		
O&M Total YTD	630	635	5	6	0	(1)	2	(1)		

Note: Schedules may not sum due to rounding.

Financing Activities
October 2018
(\$ Millions)

Balance Sheet	YTD		
	Actual	Budget	Variance
PCB			
Beg Bal	\$ 890.0	\$ 890.0	\$ 0.0
End Bal	881.1	890.0	8.9
Ave Bal	\$ 886.7	\$ 890.0	\$ 3.25
Interest Exp	\$ 13.2	\$ 15.2	\$ 2.1
Rate	1.76%	2.03%	0.27%
FMB/Sr Nts/Loan with PPL			
Beg Bal	\$ 4,310.0	\$ 4,310.0	\$ 0.0
End Bal	4,660.0	4,533.3	(126.7)
Ave Bal	\$ 4,537.3	\$ 4,470.8	\$ (66.44)
Interest Exp	\$ 161.3	\$ 159.4	\$ (1.9)
Rate	4.21%	4.22%	0.01%
Short-term Debt			
Beg Bal	\$ 468.9	\$ 468.9	\$ 0.0
End Bal	378.5	686.1	307.6
Ave Bal ⁽¹⁾	\$ 371.8	\$ 531.4	\$ 159.7
Interest Exp	\$ 8.4	\$ 15.4	\$ 7.0
Rate	2.69%	3.44%	0.75%
Unamortized Debt Expense Bonds			
Beg Bal	\$ (41.6)	\$ (41.6)	\$ 0.0
End Bal	(39.1)	(39.1)	0.1
Ave Bal	\$ (40.3)	\$ (40.5)	\$ (0.2)
Total End Bal	\$ 5,880.5	\$ 6,070.3	\$ 189.9
Total Average Bal	\$ 5,755.5	\$ 5,851.7	\$ 96.3
Total Expense Excl I/C ⁽²⁾	\$ 191.7	\$ 199.3	\$ 7.6
Rate	3.92%	4.01%	0.09%

⁽¹⁾ Short-term Debt YTD actual reflects average daily balances. All other average balances use an average monthly balance.

⁽²⁾ Total expense line includes additional revolving credit items. Total will not match sum of PCB, FMB, and STD.

Credit Facilities (\$ Millions)	Committed Capacity	Borrowed ⁽³⁾	Letters of Credit Issued	Unused Capacity	Money Pool Loans
LKE	\$ 375	\$ 92		\$ 283	
LG&E	700	389		311	\$ 0
KU	598	98	\$ 198	302	0
TOTAL	\$ 1,673	\$ 579	\$ 198	\$ 896	\$ 0

⁽³⁾ LG&E borrowed amount includes commercial paper issuances and \$200M Term Loan. KU borrowed amount represent commercial paper issuances. LKE borrowed amount includes bank revolver and debt with PPL.

Credit Metrics ⁽¹⁾	LKE 2018		LG&E 2018		KU 2018	
Moody's	Actual YTD	Budget YTD	Actual YTD	Budget YTD	Actual YTD	Budget YTD
CFO pre-WC / Debt	15%	14%	25%	22%	24%	21%
CFO pre-WC + Interest / Interest	4.9	4.6	7.6	6.9	6.9	6.2
CFO pre-WC - Dividends / Debt	10%	9%	17%	15%	14%	12%
Debt to Capitalization	52%	53%	38%	39%	37%	38%

Credit Metrics	LKE 2018 BP		LG&E 2018 BP		KU 2018 BP	
Moody's	2019	2020	2019	2020	2019	2020
CFO pre-WC / Debt	14%	14%	19%	19%	19%	20%
CFO pre-WC + Interest / Interest	4.4	4.4	5.8	5.6	5.7	5.7
CFO pre-WC - Dividends / Debt	10%	10%	11%	10%	10%	11%
Debt to Capitalization	53%	52%	38%	38%	38%	38%

⁽¹⁾ Actuals represent a trailing 12 months.

Financial Strength Factor (40% Weighting) -- Standard Business Risk Grid:

Moody's Thresholds	Sub-Factor Weighting	A	Baa	Ba
CFO pre-WC / Debt	15.0%	22% - 30%	13% - 22%	5% - 13%
CFO pre-WC + Interest / Interest	7.5%	4.5x - 6x	3x - 4.5x	2x - 3x
CFO pre-WC - Dividends / Debt	10.0%	17% - 25%	9% - 17%	0% - 9%
Debt / Capitalization	7.5%	35% - 45%	45% - 55%	55% - 65%

As of December 31, 2017	Senior Unsecured	Senior Secured	Commercial Paper
Issuer	Moody's	Moody's	Moody's
LKE	Baa1		
LG&E		A1	P-2
KU		A1	P-2

Definitions

Issuers assessed **A** are judged to have upper-medium-grade intrinsic, or standalone, financial strength, and thus subject to low credit risk absent any possibility of extraordinary support from an affiliate or a government.

Obligations rated **Baa** are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

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Balance Sheet - LKE Consolidated
October 2018
(\$ Millions)

	10/31/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 14	\$ 14	\$ 0	Due primarily to differences in actual vs. budget accounts receivable lag factors. The lag factors have been updated in the forecast.
Accounts Receivable (Trade)	357	414	(57)	
Inventory	245	246	(1)	
Deferred Income Taxes	0	0	0	
Regulatory Assets Current	12	9	3	
Prepayments and other current assets	74	75	(0)	
Total Current Assets	702	758	(56)	
Property, Plant, and Equipment	12,467	12,636	(169)	
Intangible Assets	79	79	(0)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	787	788	(1)	
Goodwill	997	997	0	
Other Long-term Assets	74	77	(3)	
Total Assets	\$ 15,107	\$ 15,337	\$ (229)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 312	\$ 333	\$ (21)	Lower than budgeted KPSC TCJA due to the refund timing
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	61	58	3	
Derivative Liability	4	4	(1)	
Accrued Taxes	63	64	(1)	
Regulatory Liabilities Current	60	107	(47)	
Other Current Liabilities	271	304	(33)	Primarily due to decrease in customer advances and credit cash adjustment for outstanding checks not yet funded versus the budget which assumed static balances as of December 2017 when the budget was finalized and settlement of WKE indemnification partially offset by an increase in accrued salary and benefits clearing accounts versus budget which also assumed a static balance as of December 2017.
Total Current Liabilities	770	871	(100)	
Debt - Affiliated Company	742	759	(18)	
Debt ⁽¹⁾	5,139	5,311	(172)	
Total Debt	5,880	6,070	(190)	
Deferred Tax Liabilities	922	919	3	
Investment Tax Credit	126	127	(0)	
Accum Provision for Pension & Related Benefits	259	249	9	
Asset Retirement Obligation	226	227	(1)	
Regulatory Liabilities Non Current	2,049	2,000	49	
Derivative Liability	14	19	(5)	
Other Liabilities	137	148	(11)	
Total Deferred Credits and Other Liabilities	3,732	3,688	44	
Equity	4,724	4,708	17	
Total Liabilities and Equity	\$ 15,107	\$ 15,337	\$ (229)	

⁽¹⁾ Includes all ST and LT debt. See Financing Activities page for details.

Note: Schedules may not sum due to rounding.

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Balance Sheet - LG&E
October 2018
(\$ Millions)

	10/31/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 6	\$ 5	\$ 1	Due primarily to differences in actual vs. budget accounts receivable lag factors. The lag factors have been updated in the forecast. Higher actual coal purchase, shifted from KU due to Ghent barge unloader outage
Accounts Receivable (Trade)	154	183	(29)	
Inventory	140	128	12	
Regulatory Assets Current	10	8	2	
Prepayments and other current assets	51	50	1	
Total Current Assets	360	373	(12)	
Property, Plant, and Equipment	5,530	5,609	(79)	Primarily due to the reclassification of the prepaid pension balance from Accum Provision for Pension & Related Benefits.
Intangible Assets	6	6	(0)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	397	401	(4)	
Goodwill	0	0	0	
Other Long-term Assets	26	14	12	
Total Assets	\$ 6,320	\$ 6,404	\$ (84)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 195	\$ 197	\$ (2)	Primarily due to timing of property tax payments expected to occur during the month in the budget. Lower than budgeted KPSC TCJA due to the refund timing
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	29	27	1	
Derivative Liability	4	4	(1)	
Accrued Taxes	35	24	10	
Regulatory Liabilities Current	21	48	(27)	Primarily due to a decrease in credit cash adjustment for outstanding checks not yet funded and a decrease in customer advances versus the budget which assumed a static balance as of December 2017 when the budget was finalized.
Other Current Liabilities	74	93	(19)	
Total Current Liabilities	357	395	(38)	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	1,998	2,046	(49)	
Total Debt	1,998	2,046	(49)	
Deferred Tax Liabilities	611	605	6	Difference due to reclassification of the prepaid pension balance to other long term assets.
Investment Tax Credit	34	34	(0)	
Accum Provision for Pension & Related Benefits	(0)	(21)	21	
Asset Retirement Obligation	85	89	(4)	
Regulatory Liabilities Non Current	875	858	17	
Derivative Liability	14	19	(5)	
Other Liabilities	81	84	(2)	
Total Deferred Credits and Other Liabilities	1,700	1,668	32	
Equity	2,265	2,295	(30)	
Total Liabilities and Equity	\$ 6,320	\$ 6,404	\$ (84)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding and excludes purchase accounting adjustments.

Balance Sheet - KU
October 2018
(\$ Millions)

	10/31/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 8	\$ 5	\$ 3	Due primarily to differences in actual vs. budget accounts receivable lag factors. The lag factors have been updated in the forecast. Lower actual coal purchase, shifted to LG&E due to Ghent barge unloader outage
Accounts Receivable (Trade)	203	230	(28)	
Inventory	105	119	(13)	
Regulatory Assets Current	1	1	0	
Prepayments and other current assets	40	49	(9)	
Total Current Assets	358	405	(47)	
Property, Plant, and Equipment	6,926	7,019	(93)	Primarily due to the reclassification of the prepaid pension balance from Accum Provision for Pension & Related Benefits.
Intangible Assets	12	13	(0)	
Other Property and Investments	0	0	0	
Regulatory Assets Non Current	387	388	(1)	
Goodwill	0	0	0	
Other Long-term Assets	76	61	15	
Total Assets	\$ 7,760	\$ 7,885	\$ (125)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 162	\$ 184	\$ (22)	Primarily due to lower capital expenditures and timing of actuals.
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	32	31	1	
Derivative Liability	0	0	0	Primarily due to timing of property tax payments expected to occur during the month in the budget. Lower than budgeted KPSC TCJA due to the refund timing
Accrued Taxes	37	18	18	
Regulatory Liabilities Current	39	59	(20)	
Other Current Liabilities	139	141	(2)	
Total Current Liabilities	408	433	(25)	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	2,417	2,540	(123)	
Total Debt	2,417	2,540	(123)	
Deferred Tax Liabilities	719	718	2	Difference due to reclassification of the prepaid pension balance to other long term assets.
Investment Tax Credit	92	92	(0)	
Accum Provision for Pension & Related Benefits	0	(15)	15	
Asset Retirement Obligation	141	138	3	
Regulatory Liabilities Non Current	1,110	1,081	29	
Derivative Liability	0	0	0	
Other Liabilities	35	38	(3)	
Total Deferred Credits and Other Liabilities	2,097	2,052	45	
Equity	2,837	2,860	(23)	
Total Liabilities and Equity	\$ 7,760	\$ 7,885	\$ (125)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding and excludes purchase accounting adjustments.

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PPL companies

Performance Report

November 2018

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Kentucky Regulated Dashboard

November 2018

	Current Month		YTD		Full Year	
Safety	<u>Actual</u>	<u>PY</u>	<u>Actual</u>	<u>PY</u>	<u>Forecast</u>	<u>PY</u>
TCIR - Employees ⁽¹⁾	1.26	0.72	1.43	0.96	1.30	0.97
Employee lost-time incidents	1	0	8	8	9	9
Reliability	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Generation Volumes	2,651	2,566	31,749	30,717	34,736	33,704
Utility EFOR	7.4%	5.0%	2.8%	5.0%	N/A	5.0%
Utility EAF	75.4%	75.3%	84.2%	83.4%	N/A	83.7%
Combined SAIFI	0.06	0.06	0.85	0.93	N/A	0.99
Combined SAIDI (minutes)	5.58	5.75	88.25	85.33	N/A	91.90
GwH Sales	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Residential	852	744	10,075	9,463	11,030	10,502
Commercial	617	600	7,499	7,168	8,168	7,815
Industrial	736	773	8,441	8,549	9,218	9,321
Municipals	138	137	1,647	1,620	1,803	1,778
Other	221	228	2,607	2,584	2,824	2,822
Off-System Sales	47	5	621	139	687	150
Total	2,612	2,486	30,891	29,523	33,730	32,389
Weather-Normalized Sales Growth			<u>TTM</u>			
Residential			0.12%			
Commercial			0.45%			
Industrial			-0.61%			
Municipal			-4.11%			
Other			1.01%			
Total			-0.17%			

Variance Explanations
Higher MTD adjusted gross margins primarily due to higher sales volumes from load supportive temperatures.
Higher YTD adjusted gross margins primarily due to higher sales volumes from load supportive temperatures of \$36 million and a favorable TCJA revenue variance of \$3 million, partially offset by lower demand revenue of \$8 million, and lower other margin components of \$2 million.
Higher MTD O&M primarily due to storm restoration costs related to the November ice storm.
Higher YTD O&M primarily due to higher storm restoration costs of \$16 million, partially offset by lower labor costs of \$9 million, and lower other costs of \$1 million.

(1) Full year forecast amount shown represents target.

(2) Net of cost recovery mechanisms and variable costs of production.

(3) Includes Management O&M, variable cost of production and mechanism operation and maintenance expenses

(4) The possible violation issues for YTD Actual is believed to be minimal risk.

(5) Excludes goodwill and other purchase accounting adjustments.

Note: Schedules may not sum due to rounding.

	Current Month		YTD		Full Year	
Margins (\$ millions)	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Electric Margins	\$145	\$141	\$1,700	\$1,672	\$1,853	\$1,831
Gas Margins	\$19	\$16	\$162	\$162	\$187	\$185
Capital Expenditures (\$ millions)	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Total	\$124	\$88	\$1,038	\$1,184	\$1,168	\$1,277
O&M (\$ millions)	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
O&M – Management View ⁽²⁾	\$73	\$61	\$702	\$696	\$767	\$752
O&M – GAAP View ⁽³⁾	\$80	\$71	\$793	\$800	\$865	\$869
Head Count	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Full-time Employees	3,494	3,601	3,494	3,601	3,550	3,597
Other Metrics	<u>Actual</u>	<u>PY</u>	<u>Actual</u>	<u>PY</u>	<u>Forecast</u>	<u>PY</u>
Environmental Events	0	2	5	7	N/A	8
NERC Possible Violations ⁽⁴⁾	0	1	10	8	N/A	8

	<u>TTM</u>	<u>Full Year</u>	
Financial Metrics	<u>Actual</u>	<u>Forecast</u>	<u>Budget</u>
Utility ROE ⁽⁵⁾	10.4%	10.2%	9.6%
Average Utility Capitalization (\$ millions)	\$9,376	\$9,431	\$9,527

Major Developments
On November 15th, an icing event across the Company's service territories produced approximately 153,000 customer outages. It resulted in 6,000 cases of trouble, 69 circuit lockouts, 26 broken poles, and nearly 2,600 wires down. All customers were restored within a few days with only one safety incident reported for the entire storm. This storm ranks in the Top 10 (#7) of storms since tracking started in 2003.
LKE filed nearly 2,300 responses to data requests in its rate cases at the KPSC. The Company will receive supplemental data requests on December 13. A formal hearing has not been scheduled but would be expected in March 2019.
A hearing was conducted in the case involving the creation of regulatory liabilities related to the changes in Kentucky state income taxes and regulatory assets connected with the July 20 storm restoration costs. Post hearing data responses have also been submitted with briefs to follow. An order has been requested by the end of the year. The outcome of this proceeding with respect to the July 20 storm will provide a strong signal as to potential regulatory asset treatment for the November 15th ice storm.
LG&E received approval from the KPSC to extend or replace its revolving line of credit and to issue up to \$600 million of first mortgage bonds. KU had previously received a similar order including a first mortgage bond issuance up to \$400 million.

Significant Future Events
There are no major future events to report at this time.

Income Statement: Actual vs. Budget (Month) - LKE Consolidated
November 2018

(\$ Millions)

	MTD				Comments
	Actual	Budget	Variance		
Revenues:					
Electric Revenues	\$ 229	\$ 218	\$ 10		Due primarily to higher sales volumes from load supportive temperatures.
Gas Revenues	39	28	11		Due primarily to higher sales volumes from load supportive temperatures.
Total Revenues	267	246	21		
Cost of Sales:					
Fuel Electric Costs	65	57	(8)		Due primarily to higher fuel costs related to higher sales volumes from load supportive temperatures.
Gas Supply Expenses	19	11	(8)		Due primarily to higher fuel costs related to higher sales volumes from load supportive temperatures.
Purchased Power	5	5	(0)		
Other Cost of Production	3	4	0		
Mechanism - ECR, DSM & GLT - Operation and Maintenance	5	6	1		
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	6	7	0		
Total Cost of Sales	103	89	(15)		
Gross Margin:					
Electric Margin	145	141	4		
Gas Margin	19	16	3		
Total Gross Margin	164	158	6		
O&M	73	61	(11)		Higher O&M primarily due to storm restoration costs related to the November ice storm.
Depreciation & Amortization	34	35	1		
Taxes, Other than Income	6	6	0		
Other income (expense)	(0)	(1)	1		
EBIT	52	55	(4)		
Interest Expense	20	21	1		
Income from Ongoing Operations before income taxes	32	35	(3)		
Income Tax Expense	8	9	1		
Net Income (loss) from ongoing operations	24	26	(2)		
Special Item - (Non Operating Income)	0	0	0		
Discontinued Operations	(0)	0	(0)		
Net Income (loss)	\$ 24	\$ 26	\$ (2)		
KY Regulated Financing Costs	(3)	(3)	1		
KY Regulated Net Income	\$ 22	\$ 23	\$ (1)		
Earnings Per Share - Ongoing	\$ 0.03	\$ 0.03	\$ (0.00)		

Note: Schedules may not sum due to rounding.

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Income Statement: Actual vs. Budget (YTD) - LKE Consolidated	November 2018
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(\$ Millions)

	YTD			
	Actual	Budget	Variance	Comments
Revenues:				
Electric Revenues	\$ 2,646	\$ 2,587	\$ 58	Due primarily to higher sales volumes from load supportive temperatures, partially offset by lower demand, lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	282	277	5	Due primarily to higher sales volumes from load supportive temperatures.
Total Revenues	2,927	2,864	63	
Cost of Sales:				
Fuel Electric Costs	737	694	(44)	Due primarily to higher fuel costs related to higher sales volumes from load supportive temperatures.
Gas Supply Expenses	113	107	(7)	Due primarily to higher fuel costs related to higher sales volumes from load supportive temperatures.
Purchased Power	57	57	1	
Other Cost of Production	36	36	(0)	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	55	68	13	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	67	70	2	
Total Cost of Sales	1,065	1,031	(34)	
Gross Margin:				
Electric Margin	1,700	1,672	28	See explanations above.
Gas Margin	162	162	0	
Total Gross Margin	1,862	1,834	29	
O&M	702	696	(6)	Higher O&M primarily due to higher storm restoration costs, partially offset by lower labor costs, and lower other costs.
Depreciation & Amortization	370	375	5	Primarily due to lower plant in service.
Taxes, Other than Income	61	62	1	
Other income (expense)	(3)	(9)	6	Due primarily to lower Pension non-service cost expense in the updated disclosures from Willis Towers Watson.
EBIT	726	692	34	
Interest Expense	211	220	8	Lower primarily due to lower than anticipated interest rates.
Income from Ongoing Operations before income taxes	514	472	43	
Income Tax Expense	108	105	(3)	
Net Income (loss) from ongoing operations	407	367	40	
Special Item - (Non Operating Income)	(7)	0	(7)	Due to Kentucky state tax reform resulting in a reduction of the Kentucky Corporate income tax, a \$9 million deferred tax expense was recorded related to the revaluing of non-utility deferred taxes offset by \$1.9 million adjustment due to the KPSC TCJA outcome.
Discontinued Operations	0	0	0	
Net Income (loss)	\$ 399	\$ 367	\$ 33	
KY Regulated Financing Costs	(31)	(36)	5	Due to lower allocated financing costs from PPL.
KY Regulated Net Income	368	\$ 331	\$ 37	
Earnings Per Share - Ongoing	\$ 0.53	\$ 0.45	\$ 0.08	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - LG&E
November 2018

(\$ Millions)

	YTD			
	Actual	Budget	Variance	Comments
Revenues:				
Electric Revenues	\$ 1,072	\$ 1,042	\$ 30	Due primarily to higher sales volumes from load supportive temperatures, partially offset by lower DSM program spend and lower ECR capital and expenses.
Gas Revenues	282	277	5	Due primarily to higher sales volumes from load supportive temperatures.
Total Revenues	1,354	1319	35	
Cost of Sales:				
Fuel Electric Costs	290	271	(19)	Due primarily to higher fuel costs related to higher sales volumes from load supportive temperatures.
Gas Supply Expenses	113	107	(7)	Due primarily to higher fuel costs related to higher sales volumes from load supportive temperatures.
Purchased Power	45	47	2	
Other Cost of Production	15	15	1	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	20	28	8	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	30	31	1	
Total Cost of Sales	513	499	(14)	
Gross Margin:				
Electric Margin	679	659	20	See explanations above.
Gas Margin	162	162	0	
Total Gross Margin	841	821	20	
O&M	318	307	(11)	Higher O&M primarily due to storm restoration costs.
Depreciation & Amortization	150	153	2	
Taxes, Other than Income	32	32	1	
Other income (expense)	(5)	(6)	1	
EBIT	336	323	13	
Interest Expense	70	73	3	
Income from Ongoing Operations before income taxes	266	250	16	
Income Tax Expense	58	58	(0)	
Net Income (loss) from ongoing operations	\$ 208	\$ 192	\$ 16	

Note: Schedules may not sum due to rounding and exclude purchase accounting adjustments and corresponding goodwill.

Income Statement: Actual vs. Budget (YTD) - KU
November 2018

(\$ Millions)

	YTD			
	Actual	Budget	Variance	Comments
Revenues:				
Electric Revenues	\$ 1,610	\$ 1,586	\$ 24	Due primarily to higher sales volumes from load supportive temperatures, partially offset by lower demand, lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	0	0	0	
Total Revenues	1,610	1,586	24	
Cost of Sales:				
Fuel Electric Costs	457	424	(33)	Due primarily to higher fuel costs related to higher sales volumes from load supportive temperatures.
Gas Supply Expenses	0	0	0	
Purchased Power	39	49	10	Due primarily to lower than anticipated intercompany expense for native load fuel.
Other Cost of Production	20	21	1	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	35	40	6	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	37	39	1	
Total Cost of Sales	588	573	(15)	
Gross Margin:				
Electric Margin	1,022	1013	8	See explanations above.
Gas Margin	0	0	0	
Total Gross Margin	1,022	1013	8	
O&M	356	362	6	Primarily due to lower labor and burdens and lower outside service expense.
Depreciation & Amortization	219	221	2	
Taxes, Other than Income	29	30	0	
Other income (expense)	1	(3)	4	
EBIT	418	397	21	
Interest Expense	91	94	3	
Income from Ongoing Operations before income taxes	327	303	24	
Income Tax Expense	69	68	(1)	
Net Income (loss) from ongoing operations	\$ 257	\$ 235	\$ 23	

Note: Schedules may not sum due to rounding and exclude purchase accounting adjustments and corresponding goodwill.

(\$ Millions)										
	MTD									
	Actual	Budget	Total Variance	Labor & Burdens	Supplemental Contractors	Other Outside Services	Materials	Other		
Generation	21	19	(2)	(0)	(0)	(3)	(1)			2
Project Engineering	0	0	0	0	(0)	(0)	0			0
Transmission	4	3	(2)	0	(0)	(1)	(0)			(0)
Energy Supply and Analysis	1	1	(0)	0	0	0	(0)			(0)
Electric Distribution	14	6	(8)	(1)	(6)	(1)	(0)			(0)
Gas Distribution	4	3	(1)	0	(1)	0	(0)			(0)
Safety and Technical Training	1	0	(0)	0	(0)	(0)	(0)			(0)
Environmental	1	1	0	(0)	0	0	0			0
Customer Services	8	8	(0)	0	(0)	0	(0)			(1)
Chief Operating Officer Total	53	41	(12)	(0)	(7)	(4)	(1)			1
Audit Services	0	0	(0)	0	0	(0)	0			(0)
Controller	1	1	0	0	0	(0)	0			(0)
Supply Chain	0	0	0	0	(0)	(0)	0			0
Information Technology	5	5	0	0	(0)	(0)	0			(0)
Treasurer	2	2	0	(0)	(0)	0	0			0
State Regulation and Rates	0	1	0	0	0	0	0			0
Other	0	0	0	0	0	(0)	0			0
Chief Financial Officer Total	8	9	0	0	(0)	(0)	0			0
General Counsel	2	1	(0)	0	0	(0)	0			(0)
Human Resources	1	1	(0)	0	(0)	(0)	0			(0)
Corporate	6	8	2	2	0	(0)	(0)			0
Communication	1	0	(1)	0	0	(0)	(0)			0
Utility Total	70	59	(11)	2	(8)	(5)	(1)			1
Nonutility	3	2	(1)	0	(0)	(0)	0			(1)
O&M Total MTD	73	61	(11)	2	(8)	(5)	(1)			1

	YTD									
	Actual	Budget	Total Variance	Labor & Burdens	Supplemental Contractors	Other Outside Services	Materials	Other		
Generation	195	203	8	1	1	6	0			(0)
Project Engineering	0	0	0	0	(0)	(0)	0			0
Transmission	36	36	(1)	(0)	3	(2)	(1)			(0)
Energy Supply and Analysis	12	12	0	0	0	0	0			(0)
Electric Distribution	86	68	(17)	(2)	(5)	(8)	0			(3)
Gas Distribution	41	36	(6)	0	(5)	0	(0)			(1)
Safety and Technical Training	5	5	0	0	0	0	(0)			0
Environmental	6	7	1	(0)	0	0	0			1
Customer Services	92	90	(2)	0	0	1	0			(3)
Chief Operating Officer Total	473	458	(16)	(1)	(6)	(3)	0			(6)
Audit Services	1	2	0	0	0	(0)	0			0
Controller	8	8	0	0	0	(0)	0			0
Supply Chain	4	4	0	0	(0)	(0)	(0)			0
Information Technology	51	54	2	2	(1)	0	0			1
Treasurer	21	22	1	(0)	(0)	0	0			1
State Regulation and Rates	4	4	0	0	0	0	(0)			0
Other	2	2	0	0	0	(1)	0			1
Chief Financial Officer Total	92	95	4	3	(1)	(1)	(0)			3
General Counsel	15	16	1	0	0	(2)	0			2
Human Resources	6	6	0	0	(0)	(0)	0			0
Corporate	82	87	5	5	0	1	(0)			0
Communication	6	6	0	0	0	(0)	0			0
Utility Total	674	669	(5)	8	(7)	(5)	0			(1)
Nonutility	28	28	(0)	0	(0)	(1)	0			0
O&M Total YTD	702	696	(6)	8	(7)	(6)	0			(1)

Note: Schedules may not sum due to rounding.

Financing Activities
November 2018
(\$ Millions)

Balance Sheet	YTD		
	Actual	Budget	Variance
PCB			
Beg Bal	\$ 890.0	\$ 890.0	\$ 0.0
End Bal	881.1	890.0	8.9
Ave Bal	\$ 886.3	\$ 890.0	\$ 3.72
Interest Exp	\$ 14.5	\$ 16.8	\$ 2.3
Rate	1.77%	2.03%	0.27%
FMB/Sr Nts/Loan with PPL			
Beg Bal	\$ 4,310.0	\$ 4,310.0	\$ 0.0
End Bal	4,660.0	4,533.3	(126.7)
Ave Bal	\$ 4,547.5	\$ 4,476.0	\$ (71.46)
Interest Exp	\$ 177.8	\$ 175.6	\$ (2.2)
Rate	4.21%	4.23%	0.01%
Short-term Debt			
Beg Bal	\$ 468.9	\$ 468.9	\$ 0.0
End Bal	455.4	753.6	298.2
Ave Bal ⁽¹⁾	\$ 377.0	\$ 550.0	\$ 173.0
Interest Exp	\$ 9.5	\$ 17.4	\$ 8.0
Rate	2.71%	3.42%	0.71%
Unamortized Debt Expense Bonds			
Beg Bal	\$ (41.6)	\$ (41.6)	\$ 0.0
End Bal	(38.7)	(38.7)	0.1
Ave Bal	\$ (40.2)	\$ (40.4)	\$ (0.1)
Total End Bal	\$ 5,957.8	\$ 6,138.2	\$ 180.5
Total Average Bal	\$ 5,770.5	\$ 5,875.6	\$ 105.1
Total Expense Excl I/C ⁽²⁾	\$ 211.4	\$ 219.9	\$ 8.5
Rate	3.92%	4.01%	0.09%

⁽¹⁾ Short-term Debt YTD actual reflects average daily balances. All other average balances use an average monthly balance.

⁽²⁾ Total expense line includes additional revolving credit items. Total will not match sum of PCB, FMB, and STD.

Credit Facilities (\$ Millions)	Committed Capacity	Borrowed ⁽³⁾	Letters of Credit Issued	Unused Capacity	Money Pool Loans
LKE	\$ 375	\$ 101		\$ 274	
LG&E	700	421		279	\$ 0
KU	598	133	\$ 198	267	0
TOTAL	\$ 1,673	\$ 655	\$ 198	\$ 820	\$ 0

⁽³⁾ LG&E borrowed amount includes commercial paper issuances and \$200M Term Loan. KU borrowed amount represent commercial paper issuances. LKE borrowed amount includes bank revolver and debt with PPL.

Credit Metrics ⁽¹⁾	LKE 2018		LG&E 2018		KU 2018	
Moody's	Actual YTD	Budget YTD	Actual YTD	Budget YTD	Actual YTD	Budget YTD
CFO pre-WC / Debt	15%	14%	24%	22%	24%	20%
CFO pre-WC + Interest / Interest	4.9	4.5	7.4	6.8	6.8	6.1
CFO pre-WC - Dividends / Debt	10%	9%	17%	15%	13%	11%
Debt to Capitalization	52%	53%	39%	39%	37%	38%

Credit Metrics	LKE 2018 BP		LG&E 2018 BP		KU 2018 BP	
Moody's	2019	2020	2019	2020	2019	2020
CFO pre-WC / Debt	14%	14%	19%	19%	19%	20%
CFO pre-WC + Interest / Interest	4.4	4.4	5.8	5.6	5.7	5.7
CFO pre-WC - Dividends / Debt	10%	10%	11%	10%	10%	11%
Debt to Capitalization	53%	52%	38%	38%	38%	38%

⁽¹⁾ Actuals represent a trailing 12 months.

Financial Strength Factor (40% Weighting) -- Standard Business Risk Grid:

Moody's Thresholds	Sub-Factor Weighting	A	Baa	Ba
CFO pre-WC / Debt	15.0%	22% - 30%	13% - 22%	5% - 13%
CFO pre-WC + Interest / Interest	7.5%	4.5x - 6x	3x - 4.5x	2x - 3x
CFO pre-WC - Dividends / Debt	10.0%	17% - 25%	9% - 17%	0% - 9%
Debt / Capitalization	7.5%	35% - 45%	45% - 55%	55% - 65%

As of December 31, 2017	Senior Unsecured	Senior Secured	Commercial Paper
Issuer	Moody's	Moody's	Moody's
LKE	Baa1		
LG&E		A1	P-2
KU		A1	P-2

Definitions

Issuers assessed **A** are judged to have upper-medium-grade intrinsic, or standalone, financial strength, and thus subject to low credit risk absent any possibility of extraordinary support from an affiliate or a government.

Obligations rated **Baa** are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

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Balance Sheet - LKE Consolidated
November 2018
(\$ Millions)

	11/30/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 14	\$ 14	\$ (1)	Due primarily to differences in actual vs. budget accounts receivable lag factors. The lag factors have been updated in the forecast.
Accounts Receivable (Trade)	380	429	(49)	
Inventory	251	257	(6)	
Deferred Income Taxes	0	0	0	
Regulatory Assets Current	15	8	8	
Prepayments and other current assets	78	73	5	
Total Current Assets	738	781	(43)	
Property, Plant, and Equipment	12,540	12,678	(137)	
Intangible Assets	78	79	(0)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	788	787	1	
Goodwill	997	997	0	
Other Long-term Assets	74	78	(4)	
Total Assets	\$ 15,216	\$ 15,399	\$ (183)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 352	\$ 320	\$ 32	Primarily due to the refund timing for KPSC TCJA.
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	61	58	3	
Derivative Liability	4	4	(1)	
Accrued Taxes	71	78	(7)	
Regulatory Liabilities Current	53	117	(64)	
Other Current Liabilities	246	265	(20)	
Total Current Liabilities	786	843	(57)	
Debt - Affiliated Company	751	768	(17)	
Debt ⁽¹⁾	5,207	5,370	(163)	
Total Debt	5,958	6,138	(180)	
Deferred Tax Liabilities	922	919	3	
Investment Tax Credit	126	126	(0)	
Accum Provision for Pension & Related Benefits	260	248	12	
Asset Retirement Obligation	218	224	(6)	
Regulatory Liabilities Non Current	2,047	1,999	48	
Derivative Liability	14	18	(4)	
Other Liabilities	137	148	(12)	
Total Deferred Credits and Other Liabilities	3,724	3,683	41	
Equity	4,749	4,735	13	
Total Liabilities and Equity	\$ 15,216	\$ 15,399	\$ (183)	

⁽¹⁾ Includes all ST and LT debt. See Financing Activities page for details.

Note: Schedules may not sum due to rounding.

Balance Sheet - LG&E
November 2018
(\$ Millions)

	11/30/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 5	\$ 5	\$ (0)	Due primarily to differences in actual vs. budget accounts receivable lag factors. The lag factors have been updated in the forecast.
Accounts Receivable (Trade)	170	191	(22)	
Inventory	143	134	9	
Regulatory Assets Current	13	8	6	
Prepayments and other current assets	57	49	8	
Total Current Assets	387	387	0	
Property, Plant, and Equipment	5,559	5,633	(74)	Primarily due to the reclassification of the prepaid pension balance from Accum Provision for Pension & Related Benefits.
Intangible Assets	6	6	(0)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	397	400	(3)	
Goodwill	0	0	0	
Other Long-term Assets	26	14	12	
Total Assets	\$ 6,376	\$ 6,441	\$ (65)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 204	\$ 192	\$ 12	Primarily due to the refund timing for KPSC TCJA.
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	29	27	1	
Derivative Liability	4	4	(1)	
Accrued Taxes	42	32	10	
Regulatory Liabilities Current	18	53	(35)	Primarily due to a decrease in customer advances versus the budget which assumed a static balance as of December 2017 when the budget was finalized.
Other Current Liabilities	74	85	(11)	
Total Current Liabilities	370	393	(22)	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	2,030	2,073	(43)	
Total Debt	2,030	2,073	(43)	
Deferred Tax Liabilities	611	605	6	Difference due to reclassification of the prepaid pension balance to other long term assets.
Investment Tax Credit	34	34	(0)	
Accum Provision for Pension & Related Benefits	(0)	(22)	22	
Asset Retirement Obligation	82	89	(6)	
Regulatory Liabilities Non Current	876	859	17	
Derivative Liability	14	18	(4)	
Other Liabilities	81	84	(3)	
Total Deferred Credits and Other Liabilities	1,699	1,667	32	
Equity	2,277	2,308	(31)	
Total Liabilities and Equity	\$ 6,376	\$ 6,441	\$ (65)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding and excludes purchase accounting adjustments.

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Balance Sheet - KU
November 2018
(\$ Millions)

	11/30/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 9	\$ 5	\$ 4	Due primarily to differences in actual vs. budget accounts receivable lag factors. The lag factors have been updated in the forecast.
Accounts Receivable (Trade)	210	237	(27)	
Inventory	108	123	(15)	
Regulatory Assets Current	2	0	2	
Prepayments and other current assets	41	48	(7)	
Total Current Assets	370	414	(43)	
Property, Plant, and Equipment	6,970	7,037	(66)	Primarily due to the reclassification of the prepaid pension balance from Accum Provision for Pension & Related Benefits.
Intangible Assets	12	13	(0)	
Other Property and Investments	0	0	0	
Regulatory Assets Non Current	388	388	(0)	
Goodwill	0	0	0	
Other Long-term Assets	77	61	15	
Total Assets	\$ 7,818	\$ 7,912	\$ (95)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 190	\$ 176	\$ 14	Primarily due to timing of property tax payments expected to occur in the budget versus actuals.
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	32	31	1	
Derivative Liability	0	0	0	
Accrued Taxes	45	27	17	
Regulatory Liabilities Current	34	64	(30)	Primarily due to the refund timing for KPSC TCJA.
Other Current Liabilities	118	116	2	
Total Current Liabilities	419	414	5	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	2,452	2,572	(120)	
Total Debt	2,452	2,572	(120)	
Deferred Tax Liabilities	719	718	2	Difference due to reclassification of the prepaid pension balance to other long term assets.
Investment Tax Credit	92	92	(0)	
Accum Provision for Pension & Related Benefits	0	(15)	15	
Asset Retirement Obligation	136	136	0	
Regulatory Liabilities Non Current	1,108	1,080	28	
Derivative Liability	0	0	0	
Other Liabilities	35	38	(3)	
Total Deferred Credits and Other Liabilities	2,090	2,048	42	
Equity	2,856	2,878	(22)	
Total Liabilities and Equity	\$ 7,818	\$ 7,912	\$ (95)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding and excludes purchase accounting adjustments.

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PPL companies

Performance Report

December 2018

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	Current Month		YTD	
	Actual	PY	Actual	PY
Safety				
TCIR - Employees	2.37	1.12	1.50	0.97
Employee lost-time incidents	1	1	9	9
Reliability	Actual	Budget	Actual	Budget
Generation Volumes	2,798	2,988	34,547	33,704
Utility EFOR	2.8%	5.0%	2.8%	5.0%
Utility EAF	89.1%	87.4%	84.6%	83.7%
Combined SAIFI	0.07	0.07	0.92	0.99
Combined SAIDI (minutes)	6.98	6.57	95.23	91.90
GwH Sales	Actual	Budget	Actual	Budget
Residential	991	1,039	11,066	10,502
Commercial	653	648	8,152	7,815
Industrial	708	772	9,150	9,321
Municipals	145	158	1,792	1,778
Other	214	239	2,821	2,822
Off-System Sales	48	10	669	150
Total	2,759	2,866	33,650	32,389
Weather-Normalized Sales Growth			TTM	
Residential			0.28%	
Commercial			0.85%	
Industrial			-0.15%	
Municipal			-3.17%	
Other			0.92%	
Total			0.16%	

	Current Month		YTD	
	Actual	Budget	Actual	Budget
Margins (\$ millions)				
Electric Margins	\$154	\$160	\$1,854	\$1,831
Gas Margins	\$25	\$24	\$187	\$185
Capital Expenditures (\$ millions)	Actual	Budget	Actual	Budget
Total	\$125	\$93	\$1,163	\$1,277
O&M (\$ millions)	Actual	Budget	Actual	Budget
O&M – Management View ⁽¹⁾	\$48	\$56	\$750	\$752
O&M – GAAP View ⁽²⁾	\$56	\$69	\$848	\$869
Head Count	Actual	Budget	Actual	Budget
Full-time Employees	3,504	3,597	3,504	3,597
Other Metrics	Actual	PY	Actual	PY
Environmental Events	0	1	5	8
NERC Possible Violations ⁽³⁾	0	0	10	8

	Full Year	
	Actual	Budget
Financial Metrics		
Utility ROE ⁽⁴⁾	10.5%	9.6%
Average Utility Capitalization (\$ millions)	\$9,436	\$9,527

Variance Explanations
Lower MTD adjusted gross margins primarily due to lower electric sales volumes from non-load supportive temperatures of \$5 million.
Higher YTD adjusted gross margins primarily due to load supportive temperatures of \$49 million, partially offset by lower peak demand of \$10 million, lower ECR revenues of \$9 million, and lower other margin items of \$6 million.
Lower MTD O&M primarily due to the reclassification of storm restoration expenses to regulatory assets.

(1) Net of cost recovery mechanisms and variable costs of production.

(2) Includes Management O&M, variable cost of production and mechanism operation and maintenance expenses

(3) The possible violation issues for YTD Actual is believed to be minimal risk.

(4) Excludes goodwill and other purchase accounting adjustments.

Note: Schedules may not sum due to rounding.

Major Developments
LG&E and KU filed nearly 1,100 responses to supplemental data requests in its rate cases at the KPSC. The next step in the proceeding is for intervenor testimony to be filed January 16. The KPSC also scheduled the formal evidentiary hearing to begin March 5th.
The KPSC issued an Order that authorized LG&E and KU to establish regulatory assets for the restoration costs (\$7.2 million) associated with a severe July storm. LG&E subsequently filed an application requesting a regulatory asset for restoration costs (\$6.3 million) associated with a severe November storm event which is expected to be approved based on the precedent established in this prior proceeding. Also, as expected, the KPSC authorized LG&E and KU to establish regulatory liabilities for the excess accumulated deferred income taxes (\$35.0 million) created by the reduction in the Kentucky corporate income tax rate.
KU filed an application with the Tennessee Public Utility Commission ("TPUC") requesting permission to abandon its service area in the state and withdraw its tariff for electric service after having acquired the four remaining residential properties served in the state. The filing also calls for an order declaring that KU is no longer a public utility under Tennessee law and is not subject to TPUC regulation.
The Company raised a record breaking \$2,028,252 for its annual Power of One employee fundraising campaign which benefits United Way agencies across the state as well as Fund for the Arts and Crusade for Children. The figure marked the second consecutive year total funds raised exceeded \$2 million. 67 percent of LKE's employees participated through payroll deduction.

Significant Future Events
Future events include the rate case items discussed in the major event section.

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Income Statement: Actual vs. Budget (Month) - LKE Consolidated
December 2018

(\$ Millions)

	MTD			
	Actual	Budget	Variance	Comments
Revenues:				
Electric Revenues	\$ 241	\$ 253	\$ (11)	Due primarily to lower sales volumes from non-load supportive temperatures and lower DSM and ECR mechanism spend.
Gas Revenues	50	46	4	
Total Revenues	291	298	(7)	
Cost of Sales:				
Fuel Electric Costs	68	68	0	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Gas Supply Expenses	24	21	(3)	
Purchased Power	6	5	(1)	
Other Cost of Production	3	4	0	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	5	10	5	
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	6	7	0	
Total Cost of Sales	112	115	3	
Gross Margin:				
Electric Margin	154	160	(6)	See explanations above.
Gas Margin	25	24	1	
Total Gross Margin	179	183	(5)	
O&M	48	56	8	Lower O&M primarily due to the reclassification of storm restoration expenses to regulatory assets.
Depreciation & Amortization	34	35	1	
Taxes, Other than Income	5	6	0	Primarily due to a contribution to the LG&E and KU Foundation.
Other income (expense)	(12)	(1)	(11)	
EBIT	80	86	(6)	
Interest Expense	20	21	1	
Income from Ongoing Operations before income taxes	59	65	(6)	
Income Tax Expense	14	12	(2)	
Net Income (loss) from ongoing operations	46	53	(7)	
Special Item - (Non Operating Income)	0	0	0	
Discontinued Operations	(0)	0	(0)	
Net Income (loss)	\$ 46	\$ 53	\$ (7)	
KY Regulated Financing Costs	(3)	\$ (3)	1	
KY Regulated Net Income	\$ 43	\$ 49	\$ (7)	
Earnings Per Share - Ongoing	\$ 0.06	\$ 0.07	\$ (0.01)	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - LKE Consolidated
December 2018

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 2,884	\$ 2,840	\$ 44	Due primarily to higher sales volumes from load supportive temperatures, partially offset by lower demand, lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	331	323	8	Due primarily to higher sales volumes from load supportive temperatures.
Total Revenues	3,216	3,163	53	
Cost of Sales:				
Fuel Electric Costs	803	762	(41)	Due primarily to higher fuel costs related to higher sales volumes from load supportive temperatures.
Gas Supply Expenses	138	128	(10)	Due primarily to higher fuel costs related to higher sales volumes from load supportive temperatures.
Purchased Power	62	62	(0)	
Other Cost of Production	39	40	0	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	59	78	19	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	74	77	3	
Total Cost of Sales	1,175	1,146	(29)	
Gross Margin:				
Electric Margin	1,854	1,831	23	See explanations above.
Gas Margin	187	185	1	
Total Gross Margin	2,041	2,017	24	
O&M	750	752	2	
Depreciation & Amortization	404	410	5	Primarily due to lower than anticipated plant in service.
Taxes, Other than Income	66	67	1	
Other income (expense)	(15)	(10)	(5)	Due to a contribution to the LG&E and KU Foundation, partially offset by lower Pension non-service cost expense in the updated disclosures from Willis Towers Watson.
EBIT	805	778	28	
Interest Expense	232	241	9	Lower primarily due to lower than anticipated interest rates.
Income from Ongoing Operations before income taxes	574	537	37	
Income Tax Expense	121	117	(4)	
Net Income (loss) from ongoing operations	452	420	33	
Special Item - (Non Operating Income)	(7)	0	(7)	Due to Kentucky state tax reform resulting in a reduction of the Kentucky Corporate income tax, a \$9 million deferred tax expense was recorded related to the revaluing of non-utility deferred taxes offset by \$1.9 million adjustment due to the KPSC TCJA outcome.
Discontinued Operations	0	0	0	
Net Income (loss)	\$ 445	\$ 420	\$ 25	
KY Regulated Financing Costs	(34)	(40)	5	Due to lower allocated financing costs from PPL.
KY Regulated Net Income	411	\$ 380	\$ 31	
Earnings Per Share - Ongoing	\$ 0.59	\$ 0.52	\$ 0.07	

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Note: Schedules may not sum due to rounding.

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Income Statement: Actual vs. Budget (YTD) - LG&E
December 2018

(\$ Millions)

	YTD			
	Actual	Budget	Variance	Comments
Revenues:				
Electric Revenues	\$ 1,167	\$ 1,141	\$ 26	Due primarily to higher sales volumes from load supportive temperatures, partially offset by lower DSM program spend and lower ECR capital and expenses.
Gas Revenues	331	323	8	Due primarily to higher sales volumes from load supportive temperatures.
Total Revenues	1,499	1,464	34	
Cost of Sales:				
Fuel Electric Costs	319	299	(20)	Due primarily to higher fuel costs related to higher sales volumes from load supportive temperatures.
Gas Supply Expenses	138	128	(10)	Due primarily to higher fuel costs related to higher sales volumes from load supportive temperatures.
Purchased Power	49	50	2	
Other Cost of Production	17	17	0	
Mechanism - ECR, DSM & GLT - Operation and Maintenance	22	32	10	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	33	34	1	
Total Cost of Sales	577	561	(15)	
Gross Margin:				
Electric Margin	735	718	18	See explanations above.
Gas Margin	187	185	1	
Total Gross Margin	922	903	19	
O&M	337	332	(5)	Primarily due to increased gas inline inspections and the line locating program, partially offset by favorable labor & burdens.
Depreciation & Amortization	164	167	3	
Taxes, Other than Income	34	35	1	
Other income (expense)	(13)	(7)	(6)	Primarily due to a contribution to the LG&E and KU Foundation.
EBIT	373	362	11	
Interest Expense	77	80	3	
Income from Ongoing Operations before income taxes	297	282	14	
Income Tax Expense	64	64	(0)	
Net Income (loss) from ongoing operations	\$ 232	\$ 218	\$ 14	

Note: Schedules may not sum due to rounding and exclude purchase accounting adjustments and corresponding goodwill.

Income Statement: Actual vs. Budget (YTD) - KU
December 2018

(\$ Millions)

	YTD			
	Actual	Budget	Variance	Comments
Revenues:				
Electric Revenues	\$ 1,759	\$ 1,745	\$ 14	Due primarily to higher sales volumes from load supportive temperatures, partially offset by lower demand, lower DSM program spend, and lower ECR capital and expenses.
Gas Revenues	0	0	0	
Total Revenues	1,759	1,745	14	
Cost of Sales:				
Fuel Electric Costs	494	464	(30)	Due primarily to higher fuel costs related to higher sales volumes from load supportive temperatures.
Gas Supply Expenses	0	0	0	
Purchased Power	46	56	10	
Other Cost of Production	22	23	1	Due primarily to elimination of some DSM programs in the 2018 filing with the KPSC and lower ECR expenses.
Mechanism - ECR, DSM & GLT - Operation and Maintenance	38	46	8	
Mechanism - ECR, DSM & GLT - Depreciation and Property Tax	41	42	1	
Total Cost of Sales	641	631	(9)	
Gross Margin:				
Electric Margin	1,119	1,114	5	See explanations above.
Gas Margin	0	0	0	
Total Gross Margin	1,119	1,114	5	
O&M	381	391	9	Primarily due to lower labor and burdens and lower outside service expense.
Depreciation & Amortization	239	242	3	
Taxes, Other than Income	32	32	0	
Other income (expense)	(4)	(4)	(0)	
EBIT	462	445	17	
Interest Expense	100	103	3	
Income from Ongoing Operations before income taxes	363	342	20	
Income Tax Expense	76	75	(0)	
Net Income (loss) from ongoing operations	\$ 287	\$ 267	\$ 20	

Note: Schedules may not sum due to rounding and exclude purchase accounting adjustments and corresponding goodwill.

(\$ Millions)										
	MTD									
	Actual	Budget	Total Variance	Labor & Burdens	Supplemental Contractors	Other Outside Services	Materials	Other		
Generation	17	14	(3)	(1)	0	(3)	(1)			2
Project Engineering	0	0	0	(0)	0	(0)	0			0
Transmission	3	3	(0)	(0)	(0)	0	(0)			(0)
Energy Supply and Analysis	1	1	(0)	(0)	0	(0)	(0)			(0)
Electric Distribution	6	6	0	(0)	2	(1)	(0)			(0)
Gas Distribution	5	3	(2)	(0)	0	(2)	(0)			0
Safety and Technical Training	1	0	(0)	(0)	(0)	(0)	(0)			(0)
Environmental	0	1	1	(0)	0	0	(0)			1
Customer Services	10	8	(2)	(1)	0	(1)	(0)			(0)
Chief Operating Officer Total	43	35	(8)	(3)	2	(7)	(2)			2
Audit Services	0	0	0	0	0	(0)	0			(0)
Controller	1	1	(0)	(0)	0	(0)	(0)			(0)
Supply Chain	0	0	(0)	(0)	0	(0)	0			(0)
Information Technology	6	5	(1)	0	(0)	(0)	(0)			(1)
Treasurer	2	2	(0)	(0)	(0)	0	0			0
State Regulation and Rates	0	0	(0)	(0)	0	0	(0)			0
Other	0	0	(0)	(0)	0	(0)	0			0
Chief Financial Officer Total	9	8	(1)	(0)	(0)	(0)	(0)			(0)
General Counsel	2	2	(0)	(0)	0	0	0			(0)
Human Resources	1	0	(0)	(0)	0	(0)	0			(0)
Corporate	(11)	8	19	7	0	11	0			1
Communication	1	0	(1)	(0)	(0)	(0)	(0)			(0)
Utility Total	45	54	9	4	2	3	(2)			2
Nonutility	3	2	(1)	(1)	(0)	(0)	0			(0)
O&M Total MTD	48	56	8	3	2	3	(2)			2

	YTD									
	Actual	Budget	Total Variance	Labor & Burdens	Supplemental Contractors	Other Outside Services	Materials	Other		
Generation	212	216	4	(0)	1	3	(1)			2
Project Engineering	0	0	0	(0)	(0)	(0)	0			0
Transmission	39	38	(1)	(0)	2	(2)	(1)			(0)
Energy Supply and Analysis	13	13	0	0	0	0	(0)			(0)
Electric Distribution	92	75	(17)	(3)	(3)	(9)	0			(3)
Gas Distribution	46	39	(7)	0	(5)	(1)	(0)			(1)
Safety and Technical Training	6	6	0	0	(0)	0	(0)			(0)
Environmental	6	8	2	(0)	0	0	0			2
Customer Services	102	97	(4)	(1)	1	(0)	0			(4)
Chief Operating Officer Total	516	493	(23)	(4)	(5)	(10)	(2)			(4)
Audit Services	2	2	0	0	0	(0)	0			0
Controller	9	9	0	0	0	(0)	(0)			0
Supply Chain	4	4	0	0	(0)	(0)	(0)			0
Information Technology	57	58	1	2	(1)	0	0			(0)
Treasurer	23	23	1	(0)	(0)	0	0			1
State Regulation and Rates	5	5	0	0	0	0	(0)			0
Other	2	2	0	0	0	(1)	0			1
Chief Financial Officer Total	101	103	3	3	(1)	(1)	(0)			2
General Counsel	17	18	1	0	0	(1)	0			2
Human Resources	7	7	0	0	(0)	(0)	0			0
Corporate	71	95	25	12	0	11	(0)			1
Communication	7	7	(0)	0	0	(1)	0			0
Utility Total	719	723	4	12	(6)	(2)	(2)			1
Nonutility	31	29	(2)	(1)	(0)	(1)	0			0
O&M Total YTD	750	752	2	11	(6)	(3)	(2)			1

Note: Schedules may not sum due to rounding.

Financing Activities
December 2018
(\$ Millions)

Balance Sheet	YTD		
	Actual	Budget	Variance
PCB			
Beg Bal	\$ 890.0	\$ 890.0	\$ 0.0
End Bal	881.1	890.0	8.9
Ave Bal	\$ 885.9	\$ 890.0	\$ 4.12
Interest Exp	\$ 15.9	\$ 18.3	\$ 2.4
Rate	1.77%	2.03%	0.26%
FMB/Sr Nts/Loan with PPL			
Beg Bal	\$ 4,310.0	\$ 4,310.0	\$ 0.0
End Bal	4,660.0	4,643.2	(16.8)
Ave Bal	\$ 4,556.2	\$ 4,488.9	\$ (67.26)
Interest Exp	\$ 194.3	\$ 191.9	\$ (2.4)
Rate	4.21%	4.22%	0.01%
Short-term Debt			
Beg Bal	\$ 468.9	\$ 468.9	\$ 0.0
End Bal	627.0	722.7	95.7
Ave Bal ⁽¹⁾	\$ 387.9	\$ 563.2	\$ 175.4
Interest Exp	\$ 10.9	\$ 19.5	\$ 8.6
Rate	2.76%	3.41%	0.65%
Unamortized Debt Expense Bonds			
Beg Bal	\$ (41.6)	\$ (41.6)	\$ 0.0
End Bal	(38.4)	(38.3)	0.1
Ave Bal	\$ (40.1)	\$ (40.2)	\$ (0.1)
Total End Bal	\$ 6,129.7	\$ 6,217.6	\$ 88.0
Total Average Bal	\$ 5,789.8	\$ 5,901.9	\$ 112.1
Total Expense Excl I/C ⁽²⁾	\$ 231.6	\$ 240.8	\$ 9.2
Rate	3.92%	4.00%	0.08%

⁽¹⁾ Short-term Debt YTD actual reflects average daily balances. All other average balances use an average monthly balance.

⁽²⁾ Total expense line includes additional revolving credit items. Total will not match sum of PCB, FMB, and STD.

Credit Facilities (\$ Millions)	Committed		Letters of Credit Issued	Unused Capacity	Money Pool Loans
	Capacity	Borrowed ⁽³⁾			
LKE	\$ 375	\$ 113		\$ 262	
LG&E	700	479		221	\$ 0
KU	598	235	\$ 198	165	0
TOTAL	\$ 1,673	\$ 827	\$ 198	\$ 648	\$ 0

⁽³⁾ LG&E borrowed amount includes commercial paper issuances and \$200M Term Loan. KU borrowed amount represent commercial paper issuances.

Case Nos. 2018-00294 and 2018-00295
Attachment to Filing Requirement 807 KAR 5:001 Sec. 16(7)(o)

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Arbough

Credit Metrics ⁽¹⁾	LKE 2018		LG&E 2018		KU 2018	
Moody's	Actual YTD	Budget YTD	Actual YTD	Budget YTD	Actual YTD	Budget YTD
CFO pre-WC / Debt	15%	13%	22%	21%	21%	19%
CFO pre-WC + Interest / Interest	4.8	4.5	7.1	6.5	6.5	5.9
CFO pre-WC - Dividends / Debt	10%	9%	15%	14%	12%	11%
Debt to Capitalization	53%	53%	39%	39%	38%	37%

Credit Metrics	LKE 2018 BP		LG&E 2018 BP		KU 2018 BP	
Moody's	2019	2020	2019	2020	2019	2020
CFO pre-WC / Debt	14%	14%	19%	19%	19%	20%
CFO pre-WC + Interest / Interest	4.4	4.4	5.8	5.6	5.7	5.7
CFO pre-WC - Dividends / Debt	10%	10%	11%	10%	10%	11%
Debt to Capitalization	53%	52%	38%	38%	38%	38%

⁽¹⁾ Actuals represent a trailing 12 months.

Financial Strength Factor (40% Weighting) -- Standard Business Risk Grid:

Moody's Thresholds	Sub-Factor Weighting	A	Baa	Ba
CFO pre-WC / Debt	15.0%	22% - 30%	13% - 22%	5% - 13%
CFO pre-WC + Interest / Interest	7.5%	4.5x - 6x	3x - 4.5x	2x - 3x
CFO pre-WC - Dividends / Debt	10.0%	17% - 25%	9% - 17%	0% - 9%
Debt / Capitalization	7.5%	35% - 45%	45% - 55%	55% - 65%

As of December 31, 2018	Senior Unsecured	Senior Secured	Commercial Paper
Issuer	Moody's	Moody's	Moody's
LKE	Baa1		
LG&E		A1	P-2
KU		A1	P-2

Definitions

Issuers assessed **A** are judged to have upper-medium-grade intrinsic, or standalone, financial strength, and thus subject to low credit risk absent any possibility of extraordinary support from an affiliate or a government.

Obligations rated **Baa** are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Case Nos. 2018-00294 and 2018-00295

Attachment to Filing Requirement 807 KAR 5:001 Sec. 16(7)(o)

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Balance Sheet - LKE Consolidated
December 2018
(\$ Millions)

	12/31/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 24	\$ 14	\$ 10	Increase primarily due to timing of cash receipts at the utilities.
Accounts Receivable (Trade)	415	473	(58)	Due primarily to differences in actual vs. budget accounts receivable lag factors.
Inventory	248	251	(2)	
Deferred Income Taxes	0	0	0	
Regulatory Assets Current	25	3	22	Higher than budgeted gas supply cost regulatory asset due to increased gas cost.
Prepayments and other current assets	81	72	9	
Total Current Assets	793	813	(19)	
Property, Plant, and Equipment	12,614	12,722	(108)	
Intangible Assets	78	78	(0)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	849	786	63	
Goodwill	997	997	0	
Other Long-term Assets	81	78	2	
Total Assets	\$ 15,412	\$ 15,474	\$ (63)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 376	\$ 328	\$ 48	Primarily due to timing of actuals.
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	61	58	3	
Derivative Liability	4	4	(0)	
Accrued Taxes	63	68	(5)	
Regulatory Liabilities Current	48	126	(78)	Primarily due to the refund timing for KPSC TCJA.
Other Current Liabilities	240	280	(40)	Primarily due to decrease in customer advances and credit cash adjustment for outstanding checks not yet funded versus the budget which assumed a static balance as of December 2017 when the budget was finalized and settlement of WKE indemnification.
Total Current Liabilities	791	864	(73)	
Debt - Affiliated Company	763	858	(95)	Lower notes payable to PPL primarily due to lower capital contributions to the Utilities.
Debt ⁽¹⁾	5,367	5,359	8	
Total Debt	6,130	6,218	(88)	
Deferred Tax Liabilities	956	936	20	
Investment Tax Credit	126	126	(0)	
Accum Provision for Pension & Related Benefits	282	247	35	Increase primarily due to negative return on investments versus budget, partially offset by an increase in the discount rate and other actuarial updates.
Asset Retirement Obligation	214	222	(9)	
Regulatory Liabilities Non Current	2,039	1,991	48	
Derivative Liability	16	18	(2)	
Other Liabilities	136	145	(9)	
Total Deferred Credits and Other Liabilities	3,768	3,685	83	
Equity	4,722	4,708	15	
Total Liabilities and Equity	\$ 15,412	\$ 15,474	\$ (63)	

⁽¹⁾ Includes all ST and LT debt. See Financing Activities page for details.

Note: Schedules may not sum due to rounding.

Case Nos. 2018-00294 and 2018-00295
Attachment to Filing Requirement 807 KAR 5:001 Sec. 16(7)(o)

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Arbough

Balance Sheet - LG&E
December 2018
(\$ Millions)

	12/31/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 10	\$ 5	\$ 5	
Accounts Receivable (Trade)	192	217	(26)	Due primarily to differences in actual vs. budget accounts receivable lag factors.
Inventory	127	125	2	
Regulatory Assets Current	21	6	15	Higher than budgeted gas supply cost regulatory asset due to increased gas cost.
Prepayments and other current assets	61	51	10	Primarily due to higher refined coal accounts receivable versus the budget which assumed a static balance as of December 2017 when the budget was finalized.
Total Current Assets	410	404	6	
Property, Plant, and Equipment	5,591	5,656	(65)	
Intangible Assets	6	6	(0)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	429	400	30	
Goodwill	0	0	0	
Other Long-term Assets	15	15	1	
Total Assets	\$ 6,453	\$ 6,481	\$ (29)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 198	\$ 195	\$ 2	
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	29	27	2	
Derivative Liability	4	4	(0)	
Accrued Taxes	26	26	(0)	
Regulatory Liabilities Current	17	57	(40)	Primarily due to the refund timing for KPSC TCJA.
Other Current Liabilities	74	88	(15)	Primarily due to a decrease in customer advances and credit cash adjustment for outstanding checks not yet funded versus the budget which assumed a static balance as of December 2017 when the budget was finalized.
Total Current Liabilities	348	399	(51)	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	2,088	2,067	21	
Total Debt	2,088	2,067	21	
Deferred Tax Liabilities	628	616	12	
Investment Tax Credit	34	34	0	
Accum Provision for Pension & Related Benefits	11	(23)	34	Increase primarily due to negative return on investments versus budget, partially offset by an increase in the discount rate and other actuarial updates.
Asset Retirement Obligation	80	88	(9)	
Regulatory Liabilities Non Current	874	857	17	
Derivative Liability	16	18	(2)	
Other Liabilities	77	83	(6)	
Total Deferred Credits and Other Liabilities	1,719	1,672	47	
Equity	2,298	2,343	(45)	
Total Liabilities and Equity	\$ 6,453	\$ 6,481	\$ (29)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding and excludes purchase accounting adjustments.

Case Nos. 2018-00294 and 2018-00295
Attachment to Filing Requirement 807 KAR 5:001 Sec. 16(7)(o)

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Arbough

Balance Sheet - KU
December 2018
(\$ Millions)

	12/31/2018	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 14	\$ 5	\$ 9	Due primarily to differences in actual vs. budget accounts receivable lag factors.
Accounts Receivable (Trade)	224	255	(32)	
Inventory	122	126	(4)	
Regulatory Assets Current	4	(2)	6	
Prepayments and other current assets	44	47	(4)	
Total Current Assets	407	431	(24)	
Property, Plant, and Equipment	7,010	7,057	(47)	
Intangible Assets	12	13	(0)	
Other Property and Investments	0	0	0	
Regulatory Assets Non Current	416	389	27	
Goodwill	0	0	0	
Other Long-term Assets	62	62	0	
Total Assets	\$ 7,908	\$ 7,952	\$ (44)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 224	\$ 183	\$ 41	Primarily due to timing of actuals.
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	32	31	1	
Derivative Liability	0	0	0	
Accrued Taxes	24	19	5	
Regulatory Liabilities Current	31	69	(38)	Primarily due to the refund timing for KPSC TCJA.
Other Current Liabilities	110	123	(12)	Primarily due to a decrease in credit cash adjustment for outstanding checks not yet funded versus the budget which assumed a static balance as of December 2017 when the budget was finalized.
Total Current Liabilities	421	424	(3)	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	2,554	2,568	(14)	
Total Debt	2,554	2,568	(14)	
Deferred Tax Liabilities	735	726	9	Increase primarily due to negative return on investments versus budget, partially offset by an increase in the discount rate and other actuarial updates.
Investment Tax Credit	92	92	(0)	
Accum Provision for Pension & Related Benefits	1	(16)	17	
Asset Retirement Obligation	134	134	0	
Regulatory Liabilities Non Current	1,100	1,075	25	
Derivative Liability	0	0	0	
Other Liabilities	35	37	(2)	
Total Deferred Credits and Other Liabilities	2,097	2,048	49	
Equity	2,835	2,912	(77)	
Total Liabilities and Equity	\$ 7,908	\$ 7,952	\$ (44)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding and excludes purchase accounting adjustments.

Case Nos. 2018-00294 and 2018-00295
Attachment to Filing Requirement 807 KAR 5:001 Sec. 16(7)(o)

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Arbough

KU and LG&E Combined
Reconciliation of Allowed Return to
12 months ended Dec-2018 Regulatory Return
and ROE from Ongoing Operations

Allowed Return ⁽¹⁾	9.70%	
Adjustments (net tax):		
Change in margins	0.31%	Favorable temperatures, partially offset by a decrease in demand and energy billing determinants since the last KPSC base rate case.
Change in operations and maintenance expense	0.49%	Lower pension expense and lower boiler plant operations and maintenance expenses.
Other	0.01%	
	<u>0.80%</u>	
Actual Regulated ROE	10.50%	

⁽¹⁾ Based on the most recent base rate filings for a test year ending 6/30/18 for the KPSC and a test year ending 12/31/16 (with adjustments for year ending 12/31/2018) for VA and FERC Formula Rate Filing 12/31/17.
The KPSC authorized ROE is 9.7% after 7/1/17.

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(a)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A jurisdictional financial summary for both the base period and the forecasted period that details how the utility derived the amount of the requested revenue increase.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE A

JURISDICTIONAL OVERALL FINANCIAL SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295 - ELECTRIC OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED APRIL 30, 2020

SCHEDULE

DESCRIPTION

A

OVERALL FINANCIAL SUMMARY

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
OVERALL FINANCIAL SUMMARY
BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
FORECAST PERIOD FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD

SCHEDULE A

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD JURISDICTIONAL REVENUE REQUIREMENT \$	FORECASTED PERIOD JURISDICTIONAL REVENUE REQUIREMENT \$
1	CAPITALIZATION ALLOCATED TO ELECTRIC OPERATIONS	J	2,448,976,190	2,575,355,911
2	ADJUSTED OPERATING INCOME	C-1	190,964,030	171,294,044
3	EARNED RATE OF RETURN (2 / 1)		7.80%	6.65%
4	REQUIRED RATE OF RETURN	J	7.34%	7.64%
5	REQUIRED OPERATING INCOME (1 x 4)		179,828,230	196,792,483
6	OPERATING INCOME DEFICIENCY (5 - 2)		(11,135,800)	25,498,439
7	GROSS REVENUE CONVERSION FACTOR	H	1.337554	1.337554
8	REVENUE DEFICIENCY (6 x 7)		(14,894,739)	34,105,552
9	REVENUE INCREASE REQUESTED	C-1		34,887,485
10	ADJUSTED OPERATING REVENUES	C-1		1,013,722,855
11	REVENUE REQUIREMENTS (9 + 10)			<u>1,048,610,340</u>

SCHEDULE A

JURISDICTIONAL OVERALL FINANCIAL SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295 - GAS OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED APRIL 30, 2020

SCHEDULE

DESCRIPTION

A

OVERALL FINANCIAL SUMMARY

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
OVERALL FINANCIAL SUMMARY
BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
FORECAST PERIOD FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD

SCHEDULE A

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD JURISDICTIONAL REVENUE REQUIREMENT \$	FORECASTED PERIOD JURISDICTIONAL REVENUE REQUIREMENT \$
1	CAPITALIZATION ALLOCATED TO GAS OPERATIONS	J	747,418,351	783,383,775
2	ADJUSTED OPERATING INCOME	C-1	49,113,456	41,388,080
3	EARNED RATE OF RETURN (2 / 1)		6.57%	5.28%
4	REQUIRED RATE OF RETURN	J	7.34%	7.64%
5	REQUIRED OPERATING INCOME (1 x 4)		54,882,901	59,861,256
6	OPERATING INCOME DEFICIENCY (5 - 2)		5,769,446	18,473,176
7	GROSS REVENUE CONVERSION FACTOR	H	1.337554	1.337554
8	REVENUE DEFICIENCY (6 x 7)		7,716,948	24,708,879
9	REVENUE INCREASE REQUESTED	C-1		24,924,874
10	ADJUSTED OPERATING REVENUES	C-1		190,548,383
11	REVENUE REQUIREMENTS (9 + 10)			<u>215,473,257</u>

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(b)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A jurisdictional rate base summary for both the base period and the forecasted period with supporting schedules, which include detailed analyses of each component of the rate base.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE B

JURISDICTIONAL RATE BASE SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295 - ELECTRIC OPERATIONS

BASE PERIOD: FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

FORECASTED TEST PERIOD: FOR THE 12 MONTHS ENDED APRIL 30, 2020

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
B-1	RATE BASE SUMMARY
B-2	PLANT IN SERVICE BY MAJOR GROUPING
B-2.1	PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
B-2.2	PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
B-2.3	GROSS ADDITIONS, RETIREMENTS AND TRANSFERS
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B-2.5	LEASED PROPERTY
B-2.6	PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
B-2.7	PROPERTY EXCLUDED FROM RATE BASE
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B-3.1	ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
B-3.2	DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
B-4	CONSTRUCTION WORK IN PROGRESS
B-4.1	ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS
B-4.2	CONSTRUCTION WORK IN PROGRESS - PERCENT COMPLETE
B-5	ALLOWANCE FOR WORKING CAPITAL
B-5.1	OTHER WORKING CAPITAL COMPONENTS
B-5.2	CASH WORKING CAPITAL COMPONENTS
B-6	DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
B-7	JURISDICTIONAL PERCENTAGES
B-7.1	JURISDICTIONAL STATISTICS - RATE BASE
B-7.2	EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES
B-8	COMPARATIVE BALANCE SHEETS

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
JURISDICTIONAL RATE BASE SUMMARY
AS OF DECEMBER 31, 2018
AS OF APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD

SCHEDULE B-1

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S): SEE BELOW

WITNESS: C. M. GARRETT

LINE NO.	RATE BASE COMPONENT	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD	13 MONTH AVG FORECAST PERIOD
			\$	\$
	ELECTRIC:			
1	Plant in Service	B-2	4,460,932,164	4,709,619,047
2	Property Held for Future Use	B-2.6	3,120,150	3,120,150
3	Accumulated Depreciation and Amortization	B-3	(1,712,787,935)	(1,768,064,904)
4	Net Plant in Service (Lines 1+2+3)		2,751,264,379	2,944,674,293
5	Construction Work in Progress	B-4	146,556,501	81,468,643
6	Net Plant (Lines 4+5)		2,897,820,879	3,026,142,936
7	Cash Working Capital Allowance	B-5	78,100,427	116,280,798
8	Other Working Capital Allowances	B-5	92,294,825	86,291,871
9	Customer Advances for Construction	B-6	(2,574,830)	(6,462,455)
10	Deferred Income Taxes	B-6	(682,325,663)	(672,124,527)
11	Investment Tax Credits	B-6	-	-
12	Other Items	B-6	-	-
13	Rate Base (Lines 6 through 12)		2,383,315,638	2,550,128,622

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
PLANT IN SERVICE BY MAJOR PROPERTY GROUPING
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	BASE PERIOD TOTAL COMPANY \$	JURIS. PERCENT	JURISDICTIONAL TOTAL \$	ADJUSTMENTS \$	ADJUSTED JURISDICTION \$
	ELECTRIC:					
1	INTANGIBLE PLANT	2,240	100.000%	2,240	-	2,240
2	STEAM PRODUCTION	3,054,008,168	100.000%	3,054,008,168	(1,268,614,345)	1,785,393,823
3	HYDO PRODUCTION	149,369,745	100.000%	149,369,745	(289,911)	149,079,834
4	OTHER PRODUCTION	398,611,461	100.000%	398,611,461	(111,984)	398,499,476
5	TRANSMISSION	464,207,838	100.000%	464,207,838	(195,962)	464,011,876
6	DISTRIBUTION	1,451,637,310	100.000%	1,451,637,310	(2,244,180)	1,449,393,130
7	GENERAL	22,496,962	100.000%	22,496,962	(6,799,491)	15,697,472
8	COMMON	<u>198,854,312</u>	100.000%	<u>198,854,312</u>	-	<u>198,854,312</u>
9	TOTAL ELECTRIC	<u><u>5,739,188,036</u></u>		<u><u>5,739,188,036</u></u>	<u><u>(1,278,255,872)</u></u>	<u><u>4,460,932,164</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED

PAGE 1 OF 6

WORKPAPER REFERENCE NO(S).:

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY \$	JURIS. PERCENT <u>100%</u>	JURISDICTIONAL TOTAL \$	ADJUSTMENTS \$	ADJUSTED JURISDICTION \$
1		<u>Electric Intangible Plant</u>					
2	301	Organization	2,240		2,240	-	2,240
3	302	Franchises and Consents	-		-	-	-
4	303	Misc Intangible Plant	-		-	-	-
5		Total Intangible Plant	2,240		2,240	-	2,240
6		<u>Electric Steam Production</u>					
7	310	Land and Land Rights	10,215,765		10,215,765	(2,949,154)	7,266,610
8	311	Structures and Improvements	311,246,025		311,246,025	(31,745,086)	279,500,939
9	312	Boiler Plant Equipment	2,212,982,515		2,212,982,515	(1,101,127,457)	1,111,855,058
10	313	Engines and engine-driven generators	-		-	-	-
11	314	Turbogenerator Units	232,333,898		232,333,898	-	232,333,898
12	315	Accessory Electric Equipment	182,029,463		182,029,463	(47,437,645)	134,591,818
13	316	Misc Power Plant Equip	20,755,764		20,755,764	(910,265)	19,845,500
14	317	ARO Cost Steam Production	84,444,738		84,444,738	(84,444,738)	-
15		Total Electric Steam Production	3,054,008,168		3,054,008,168	(1,268,614,345)	1,785,393,823
16		<u>Electric Hydro Production</u>					
17	330	Land and Land Rights	7		7	-	7
18	331	Structures and Improvements	5,762,859		5,762,859	-	5,762,859
19	332	Reservoirs, Dams, and Water	19,343,160		19,343,160	-	19,343,160
20	333	Water Wheels, Turbines, Generators	116,895,993		116,895,993	-	116,895,993
21	334	Accessory Electric Equipment	6,684,776		6,684,776	-	6,684,776
22	335	Misc Power Plant Equipment	380,921		380,921	-	380,921
23	336	Roads, Railroads, and Bridges	12,119		12,119	-	12,119
24	337	ARO Cost Hydro Production	289,911		289,911	(289,911)	0
25		Total Electric Hydro Production	149,369,745		149,369,745	(289,911)	149,079,834
26		<u>Electric Other Production</u>					
27	340	Land and Land Rights	123,878		123,878	-	123,878
28	341	Structures and Improvements	34,018,606		34,018,606	-	34,018,606
29	342	Fuel Holders, Producers, Accessories	24,662,789		24,662,789	-	24,662,789
30	343	Prime Movers	241,925,606		241,925,606	-	241,925,606

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	<u>100%</u>	\$	\$	\$
31	344	Generators	60,625,801		60,625,801	-	60,625,801
32	345	Accessory Electric Equipment	32,099,484		32,099,484	-	32,099,484
33	346	Misc Power Plant Equipment	5,043,313		5,043,313	-	5,043,313
34	347	ARO Cost Other Production	111,984		111,984	(111,984)	-
35		Total Electric Other Production	398,611,461		398,611,461	(111,984)	398,499,476
36		<u>Electric Transmission</u>					
37	350	Land and Land Rights	11,144,162		11,144,162	-	11,144,162
38	352	Structures and Improvements	17,320,389		17,320,389	-	17,320,389
39	353	Station Equipment	219,808,267		219,808,267	-	219,808,267
40	354	Towers and Fixtures	43,841,498		43,841,498	-	43,841,498
41	355	Poles and Fixtures	98,653,240		98,653,240	-	98,653,240
42	356	OH Conductors and Devices	63,913,643		63,913,643	-	63,913,643
43	357	Underground Conduit	1,804,059		1,804,059	-	1,804,059
44	358	UG Conductors and Devices	7,526,618		7,526,618	-	7,526,618
45	359	ARO Cost Elec Transmission	195,962		195,962	(195,962)	-
46		Total Electric Transmission	464,207,838		464,207,838	(195,962)	464,011,876
47		<u>Electric Distribution</u>					
48	360	Land and Land Rights	4,117,038		4,117,038	-	4,117,038
49	361	Structures and Improvements	7,203,108		7,203,108	-	7,203,108
50	362	Station Equipment	145,776,730		145,776,730	-	145,776,730
51	364	Poles, Towers, and Fixtures	206,859,611		206,859,611	-	206,859,611
52	365	OH Conductors and Devices	353,589,675		353,589,675	-	353,589,675
53	366	Underground Conduit	91,893,739		91,893,739	-	91,893,739
54	367	UG Conductors and Devices	277,208,555		277,208,555	-	277,208,555
55	368	Line Transformers	170,432,498		170,432,498	-	170,432,498
56	369	Services	37,632,709		37,632,709	-	37,632,709
57	370	Meters	42,114,013		42,114,013	(1,879,076)	40,234,936
58	371	Install on Customer Premise	-		-	-	-
59	373	Street Lighting / Signal Systems	114,444,530		114,444,530	-	114,444,530
60	374	ARO Cost Elec Distribution	365,103		365,103	(365,103)	-
61		Total Electric Distribution	1,451,637,310		1,451,637,310	(2,244,180)	1,449,393,130

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S).:

SCHEDULE B-2.1

PAGE 3 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY \$	JURIS. PERCENT <u>100%</u>	JURISDICTIONAL TOTAL \$	ADJUSTMENTS \$	ADJUSTED JURISDICTION \$
62		<u>Electric General Plant</u>					
63	389	Land and Land Rights	-		-	-	-
64	390	Structures and Improvements	-		-	-	-
65	391	Office Furniture and Equipment	-		-	-	-
66	392	Transportation Equipment	6,987,701		6,987,701	-	6,987,701
67	393	Stores Equipment	-		-	-	-
68	394	Tools, Shop, and Garage Equipment	6,481,264		6,481,264	-	6,481,264
69	395	Laboratory Equipment	-		-	-	-
70	396	Power Operated Equipment	2,228,506		2,228,506	-	2,228,506
71	397	Communication Equipment	6,799,491		6,799,491	(6,799,491)	-
72	398	Miscellaneous Equipment	-		-	-	-
73		Total Electric General Plant	22,496,962		22,496,962	(6,799,491)	15,697,472
74		<u>Common Plant (1)</u>					
75	301	Organization	57,810		57,810	-	57,810
76	302	Franchises and Consents	-		-	-	-
77	303	Misc Intangible Plant	79,400,046		79,400,046	-	79,400,046
78	389	Land and Land Rights	1,079,432		1,079,432	-	1,079,432
79	390	Structures and Improvements	58,466,985		58,466,985	-	58,466,985
80	391	Office Furniture and Equipment	29,810,761		29,810,761	-	29,810,761
81	392	Transportation Equipment	231,006		231,006	-	231,006
82	393	Stores Equipment	1,172,680		1,172,680	-	1,172,680
83	394	Tools, Shop, and Garage Equipment	2,879,764		2,879,764	-	2,879,764
84	395	Laboratory Equipment	-		-	-	-
85	396	Power Operated Equipment	398,873		398,873	-	398,873
86	397	Communication Equipment	25,356,955		25,356,955	-	25,356,955
87	398	Miscellaneous Equipment	-		-	-	-
88	399	ARO Cost Common	-		-	-	-
89		Total Common Plant allocated to Electric	198,854,312		198,854,312	-	198,854,312
90		TOTAL ELECTRIC PLANT IN SERVICE	<u>5,739,188,036</u>		<u>5,739,188,036</u>	<u>(1,278,255,872)</u>	<u>4,460,932,164</u>

(1) 69% Common Plant allocated to Electric.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.2

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
			\$		\$		
1	310	Land and Land Rights	(2,949,154)	100.000%	(2,949,154)		ECR amounts excluded from rate base
2	311	Structures and Improvements	(31,745,086)	100.000%	(31,745,086)		ECR amounts excluded from rate base
3	312	Boiler Plant Equipment	(1,101,127,457)	100.000%	(1,101,127,457)		ECR amounts excluded from rate base
4	315	Accessory Electric Equipment	(47,437,645)	100.000%	(47,437,645)		ECR amounts excluded from rate base
5	316	Misc Power Plant Equip	(910,265)	100.000%	(910,265)		ECR amounts excluded from rate base
6	317	ARO Cost Steam Production	(84,444,738)	100.000%	(84,444,738)		ARO amounts excluded from rate base
7	337	ARO Cost Hydro Production	(289,911)	100.000%	(289,911)		ARO amounts excluded from rate base
8	347	ARO Cost Other Production	(111,984)	100.000%	(111,984)		ARO amounts excluded from rate base
9	359	ARO Cost Elec Transmission	(195,962)	100.000%	(195,962)		ARO amounts excluded from rate base
10	374	ARO Cost Elec Distribution	(365,103)	100.000%	(365,103)		ARO amounts excluded from rate base
11	370	Meters	(1,879,076)	100.000%	(1,879,076)		DSM amounts excluded from rate base
12	397	Communication Equipment	(6,799,491)	100.000%	(6,799,491)		DSM amounts excluded from rate base
13		TOTAL ADJUSTMENTS	<u>(1,278,255,872)</u>		<u>(1,278,255,872)</u>		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM JANUARY 1, 2018 TO DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S).:

SCHEDULE B-2.3

PAGE 1 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD ENDING BALANCE
			\$	\$	\$	\$	\$
1		<u>Electric Intangible Plant</u>					
2	301	Organization	2,240	-	-	-	2,240
3	302	Franchises and Consents	-	-	-	-	-
4	303	Misc Intangible Plant	-	-	-	-	-
5		Total Intangible Plant	2,240	-	-	-	2,240
6		<u>Electric Steam Production</u>					
7	310	Land and Land Rights	8,872,704	1,343,061	-	-	10,215,765
8	311	Structures and Improvements	302,035,559	2,552,155	(1,021,271)	7,679,582	311,246,025
9	312	Boiler Plant Equipment	2,186,630,366	46,164,385	(13,922,341)	(5,889,895)	2,212,982,515
10	313	Engines and engine-driven generators	-	-	-	-	-
11	314	Turbogenerator Units	226,849,693	9,550,554	(2,885,905)	(1,180,444)	232,333,898
12	315	Accessory Electric Equipment	182,395,484	1,755,091	(2,119,992)	(1,121)	182,029,463
13	316	Misc Power Plant Equip	20,317,675	1,183,916	(137,705)	(608,122)	20,755,764
14	317	ARO Cost Steam Production	96,996,110	-	(2,465,169)	(10,086,202)	84,444,738
15		Total Electric Steam Production	3,024,097,591	62,549,162	(22,552,383)	(10,086,202)	3,054,008,168
16		<u>Electric Hydro Production</u>					
17	330	Land and Land Rights	7	-	-	-	7
18	331	Structures and Improvements	12,870,708	(6,350,366)	(757,484)	-	5,762,859
19	332	Reservoirs, Dams, and Water	24,492,839	(3,690,185)	(1,459,495)	-	19,343,160
20	333	Water Wheels, Turbines, Generators	91,627,246	25,687,999	(419,252)	-	116,895,993
21	334	Accessory Electric Equipment	13,070,390	(3,040,160)	(3,345,454)	-	6,684,776
22	335	Misc Power Plant Equipment	3,586,293	(3,129,613)	(75,759)	-	380,921
23	336	Roads, Railroads, and Bridges	29,931	-	(17,811)	-	12,119
24	337	ARO Cost Hydro Production	466,646	-	(176,735)	-	289,911
25		Total Electric Hydro Production	146,144,059	9,477,675	(6,251,989)	-	149,369,745
26		<u>Electric Other Production</u>					
27	340	Land and Land Rights	123,878	-	-	-	123,878
28	341	Structures and Improvements	33,615,343	403,388	(125)	-	34,018,606
29	342	Fuel Holders, Producers, Accessories	24,642,026	20,763	-	-	24,662,789
30	343	Prime Movers	244,053,094	2,055,667	(4,159,705)	(23,450)	241,925,606

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM JANUARY 1, 2018 TO DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

SCHEDULE B-2.3

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED

PAGE 2 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD ENDING BALANCE
			\$	\$	\$	\$	\$
31	344	Generators	59,025,352	1,596,919	(19,920)	23,450	60,625,801
32	345	Accessory Electric Equipment	32,064,060	52,769	(17,345)	-	32,099,484
33	346	Misc Power Plant Equipment	5,002,220	41,093	-	-	5,043,313
34	347	ARO Cost Other Production	111,984	-	-	-	111,984
35		Total Electric Other Production	398,637,956	4,170,599	(4,197,095)	-	398,611,461
36		<u>Electric Transmission</u>					
37	350	Land and Land Rights	11,144,162	-	-	-	11,144,162
38	352	Structures and Improvements	17,126,017	205,876	(11,504)	-	17,320,389
39	353	Station Equipment	196,595,056	29,393,082	(6,665,157)	485,287	219,808,267
40	354	Towers and Fixtures	43,846,469	3,434	(8,405)	-	43,841,498
41	355	Poles and Fixtures	95,073,398	3,732,652	(152,810)	-	98,653,240
42	356	OH Conductors and Devices	59,692,008	4,318,045	(96,409)	-	63,913,643
43	357	Underground Conduit	1,783,443	(95,630)	116,246	-	1,804,059
44	358	UG Conductors and Devices	7,372,066	279	154,273	-	7,526,618
45	359	ARO Cost Elec Transmission	197,171	-	(1,209)	-	195,962
46		Total Electric Transmission	432,829,790	37,557,737	(6,664,976)	485,287	464,207,838
47		<u>Electric Distribution</u>					
48	360	Land and Land Rights	4,100,654	65,061	-	(48,678)	4,117,038
49	361	Structures and Improvements	6,974,553	329,891	(63)	(101,273)	7,203,108
50	362	Station Equipment	139,539,803	7,161,946	(439,733)	(485,287)	145,776,730
51	364	Poles, Towers, and Fixtures	201,966,681	8,538,092	(3,645,162)	-	206,859,611
52	365	OH Conductors and Devices	325,928,931	30,842,751	(3,182,007)	-	353,589,675
53	366	Underground Conduit	84,150,165	7,907,393	(163,819)	-	91,893,739
54	367	UG Conductors and Devices	254,218,957	25,105,916	(2,116,318)	-	277,208,555
55	368	Line Transformers	165,811,256	4,928,117	(306,874)	-	170,432,498
56	369	Services	35,226,840	2,476,701	(70,832)	-	37,632,709
57	370	Meters	41,755,548	1,049,649	(691,184)	-	42,114,013
58	371	Install on Customer Premise	-	-	-	-	-
59	373	Street Lighting / Signal Systems	110,508,570	4,144,683	(208,723)	-	114,444,530
60	374	ARO Cost Elec Distribution	367,964	-	(2,861)	-	365,103
61		Total Electric Distribution	1,370,549,922	92,550,201	(10,827,576)	(635,237)	1,451,637,310

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM JANUARY 1, 2018 TO DECEMBER 31, 2018

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED X REVISED
WORKPAPER REFERENCE NO(S).:

SCHEDULE B-2.3

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD ENDING BALANCE
			\$	\$	\$	\$	\$
62	E	<u>Electric General Plant</u>					
63	389	Land and Land Rights	-	-	-	-	-
64	390	Structures and Improvements	-	-	-	-	-
65	391	Office Furniture and Equipment	-	-	-	-	-
66	392	Transportation Equipment	6,068,369	1,121,294	(201,962)	-	6,987,701
67	393	Stores Equipment	-	-	-	-	-
68	394	Tools, Shop, and Garage Equipment	6,291,795	254,086	(165,890)	101,273	6,481,264
69	395	Laboratory Equipment	-	-	-	-	-
70	396	Power Operated Equipment	1,999,075	229,431	-	-	2,228,506
71	397	Communication Equipment	6,852,293	(52,802)	-	-	6,799,491
72	398	Miscellaneous Equipment	-	-	-	-	-
73		Total Electric General Plant	21,211,532	1,552,010	(367,852)	101,273	22,496,962
74	C	<u>Common Plant (1)</u>					
75	301	Organization	57,810	-	-	-	57,810
76	302	Franchises and Consents	-	-	-	-	-
77	303	Misc Intangible Plant	78,447,969	5,677,452	(4,725,375)	-	79,400,046
78	389	Land and Land Rights	1,079,432	-	-	-	1,079,432
79	390	Structures and Improvements	56,085,703	2,742,694	(361,412)	-	58,466,985
80	391	Office Furniture and Equipment	24,420,232	8,609,420	(3,218,892)	-	29,810,761
81	392	Transportation Equipment	191,958	57,673	(18,625)	-	231,006
82	393	Stores Equipment	1,015,042	157,639	-	-	1,172,680
83	394	Tools, Shop, and Garage Equipment	2,898,038	73,268	(91,543)	-	2,879,764
84	395	Laboratory Equipment	-	-	-	-	-
85	396	Power Operated Equipment	373,784	75,077	(49,988)	-	398,873
86	397	Communication Equipment	23,523,646	1,833,309	-	-	25,356,955
87	398	Miscellaneous Equipment	-	-	-	-	-
88	399	ARO Cost Common	-	-	-	-	-
89		Total Common Plant allocated to Electric	188,093,615	19,226,531	(8,465,835)	-	198,854,312
90		TOTAL ELECTRIC PLANT IN SERVICE	5,581,566,707	227,083,915	(59,327,706)	(10,134,880)	5,739,188,036

(1) 69% Common Plant allocated to Electric.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
PROPERTY MERGED OR ACQUIRED
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S).:

SCHEDULE B-2.4

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WITNESS: C. M. GARRETT

LINE	ACCT.		ACQUISITION	COST	ACQUISITION	COMMISSION		EXPLANATION
NO.	NO.	DESCRIPTION OF PROPERTY	COST	BASIS	ADJUSTMENT	APPROVAL DATE (DOCKET NO.)	DATE OF ACQUISITION	OF TREATMENT

THE COMPANY HAS NOT MERGED OR ACQUIRED PROPERTY FROM OTHER THAN AFFILIATED COMPANIES.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
LEASED PROPERTY
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.5

PAGE 1 OF 2

WITNESS: C. M. GARRETT

IDENTIFICATION		DESCRIPTION OF TYPE AND USE OF PROPERTY	NAME OF LESSEE	FREQUENCY OF PAYMENT	AMOUNT OF LEASE PAYMENT	DOLLAR VALUE OF PROPERTY INVOLVED	EXPLANATION METHOD OF CAPITALIZATION
LINE NO.	OR REFERENCE NUMBER						

THE COMPANY DOES NOT HAVE ANY CAPITAL LEASES.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.6
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION AND LOCATION OF PROPERTY	ACQUISITION DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	NET ORIGINAL COST	REVENUE REALIZED		EXPENSES INCURRED	
						AMOUNT	ACCT NO.	AMOUNT	ACCT NO.
			\$	\$	\$	\$		\$	
1	Land (Russell Corner - Tract No. D143) located at Eastside of US Hwy 42 North of KY Highway 53 intended for Substation	1-Mar-2014	161,322	-	161,322				
2	Land (Mt. Washington - Tract No. D141) located at Lots 4 & 5, Section 1 of Larry Subdivision on Gene Street intended for Substation	19-Sep-1979	60,595	-	60,595				
3	Land (River Bluff - Tract No. D142) located at U.S. Hwy 42 and River Bluff Road intended for Substation	23-Oct-1979	49,540	-	49,540				
4	Land (Kentucky Street - Tract No. D146) located at Northwest corner of Second and Kentucky Street intended for Substation	2-May-1983	217,017	-	217,017				
5	Land (Kentucky Street - Tract No. D146) located at Northwest corner of Second and Kentucky Street intended for Substation	1-Jun-1992	8,846	-	8,846				
6	Station Equipment - Fence (Kentucky Street - Tract No. D146) located at Northwest corner of Second and Kentucky Street intended for Substation	1-Jun-1992	2,536	-	2,536				
7	Land (US 42 - Tract No. D152) located at 5901 US Highway 42 intended for Substation	31-Jan-2000	253,321	-	253,321				
8	Land (Tucker Station Distribution Substation) located at Blankenbaker Station Business Park - Tract 13 intended for Substation	17-Dec-2010	745,731	-	745,731				
9	Land (GR5) located at Green River CC GT intended for Generation	1-Sep-2014	211,410	-	211,410				
10	Land (Billtown Sub) located at 1092 Tarrence Road intended for Substation	18-Dec-2015	871,644	-	871,644				
11	Land Rights (Fegenbush Distribution Substation) located at General Electric Appliance Park Plant intended for Substation	1-May-2012	519,009	-	519,009				
12	Land (Kentucky Sub) located at Northwest corner of Second and Kentucky Street intended for Substation	1-Jun-1992	9,967	-	9,967				
13	Station Equipment - Fence (Kentucky Sub) located at Northwest corner of Second and Kentucky Street intended for Substation	1-Jun-1992	9,212	-	9,212				
14	TOTAL PLANT HELD FOR FUTURE USE		3,120,150	-	3,120,150	-		-	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
PROPERTY EXCLUDED FROM RATE BASE
(FOR REASONS OTHER THAN JURISDICTIONAL ALLOCATION)
AS OF DECEMBER 31, 2018

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED X REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.7
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR DESCRIPTION OF EXCLUDED PROPERTY	IN-SERVICE DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	NET ORIGINAL COST	PERIOD REVENUE AND EXPENSE		ACCT NO.	DESCRIPTION	REASONS FOR EXCLUSION
							AMOUNT				
				\$	\$	\$	\$				
1		Land and Land Rights:									
2	121	Former Camp Taylor Substation - Tract No. D15	17-Dec-1939	29	1	27					Non-utility property not included in rate base
3	121	West Eastwood Distribution Substation	1-Sep-1978	21,927	-	21,927					Non-utility property not included in rate base
4	121	West Eastwood Distribution Substation	5-Oct-2010	455,614	-	455,614					Non-utility property not included in rate base
5	121	West Eastwood Distribution Substation	31-Jul-2018	48,678	-	48,678					Non-utility property not included in rate base
6	121	943 Fetter Avenue - Tract No. F8-1	7-Feb-1941	332	-	332					Non-utility property not included in rate base
7	121	Former Strawberry Lane Substation - Tract No. F43	11-Jul-1955	1,074	-	1,074					Non-utility property not included in rate base
8	121	Former Plymouth Substation - Tract No. D70	26-Sep-1956	3,291	-	3,291					Non-utility property not included in rate base
9	121	Standard Avenue Substation - Tract No. D124	21-Mar-1973	5,677	-	5,677					Non-utility property not included in rate base
10	121	3842 Grand Avenue - Tract No. F19-2	30-Jun-1942	269	-	269					Non-utility property not included in rate base
11	121	10th St. & Ormsby - Tract No. F3-1	31-Mar-2001	50,000	-	50,000					Non-utility property not included in rate base
12	121	Russell Corner - Tract No. D143	23-Oct-1979	28,633	-	28,633					Non-utility property not included in rate base
13	121	Cherry Hill Coal Mine - Tract No. K2	30-Jun-1940	185	-	185					Non-utility property not included in rate base
14	121	Cherry Hill Coal Mine - Tract No. K4	30-Jun-1940	15	-	15					Non-utility property not included in rate base
15	121	Cherry Hill Coal Mine - Tract No. K5	30-Jun-1940	48	-	48					Non-utility property not included in rate base
16	121	Cherry Hill Coal Mine - Tract No. K6	30-Jun-1940	192	-	192					Non-utility property not included in rate base
17	121	Cherry Hill Coal Mine - Tract No. K12	30-Jun-1966	250	-	250					Non-utility property not included in rate base
18	121	Cherry Hill Coal Mine - Mineral Rights Tract No. K1B	17-Jun-1954	31,483	31,483	-					Non-utility property not included in rate base
19	121	Cherry Hill Coal Mine - Mineral Rights	29-Jul-1940	31,628	31,628	-					Non-utility property not included in rate base
20	121	Cherry Hill Coal Mine - Right of Way	30-Jun-1940	250	250	-					Non-utility property not included in rate base
21		TOTAL		679,575	63,362	616,213	-				Non-utility property not included in rate base

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF DECEMBER 31, 2018

DATA: __X__ BASE PERIOD ____ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3
PAGE 1 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	RESERVE BALANCES				
			BASE PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTED JURISDICTION
			\$	\$	100%	\$	\$
1		<u>Electric Intangible Plant</u>					
2	301	Organization	2,240	-		-	-
3	302	Franchises and Consents	-	-		-	-
4	303	Misc Intangible Plant	-	-		-	-
5		Total Intangible Plant	2,240	-		-	-
6		<u>Electric Steam Production</u>					
7	310	Land and Land Rights	10,215,765	832,097		832,097	832,097
8	311	Structures and Improvements	311,246,025	(172,918,550)		(172,918,550)	(171,788,371)
9	312	Boiler Plant Equipment	2,212,982,515	(484,504,436)		(484,504,436)	(395,433,207)
10	313	Engines and engine-driven generators	-	-		-	-
11	314	Turbogenerator Units	232,333,898	(98,811,099)		(98,811,099)	(98,811,099)
12	315	Accessory Electric Equipment	182,029,463	(87,039,347)		(87,039,347)	(84,838,772)
13	316	Misc Power Plant Equip	20,755,764	(6,461,245)		(6,461,245)	(6,333,742)
14	317	ARO Cost Steam Production	84,444,738	(45,711,370)		(45,711,370)	45,711,370
15		Total Electric Steam Production	3,054,008,168	(894,613,951)		(894,613,951)	138,240,857
16		<u>Electric Hydro Production</u>					
17	330	Land and Land Rights	7	-		-	-
18	331	Structures and Improvements	5,762,859	(2,578,214)		(2,578,214)	(2,578,214)
19	332	Reservoirs, Dams, and Water	19,343,160	(1,211,801)		(1,211,801)	(1,211,801)
20	333	Water Wheels, Turbines, Generators	116,895,993	(9,059,757)		(9,059,757)	(9,059,757)
21	334	Accessory Electric Equipment	6,684,776	1,949,392		1,949,392	1,949,392
22	335	Misc Power Plant Equipment	380,921	(217,316)		(217,316)	(217,316)
23	336	Roads, Railroads, and Bridges	12,119	1,579		1,579	1,579
24	337	ARO Cost Hydro Production	289,911	(21,320)		(21,320)	21,320
25		Total Electric Hydro Production	149,369,745	(11,137,436)		(11,137,436)	21,320
26		<u>Electric Other Production</u>					
27	340	Land and Land Rights	123,878	-		-	-
28	341	Structures and Improvements	34,018,606	(13,413,941)		(13,413,941)	(13,413,941)
29	342	Fuel Holders, Producers, Accessories	24,662,789	(6,701,617)		(6,701,617)	(6,701,617)
30	343	Prime Movers	241,925,606	(84,168,281)		(84,168,281)	(84,168,281)

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF DECEMBER 31, 2018

DATA: __X__ BASE PERIOD ____ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3
PAGE 2 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	RESERVE BALANCES				
			BASE PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTED JURISDICTION
			\$	\$	100%	\$	\$
31	344	Generators	60,625,801	(26,338,885)		(26,338,885)	-
32	345	Accessory Electric Equipment	32,099,484	(13,068,178)		(13,068,178)	-
33	346	Misc Power Plant Equipment	5,043,313	(2,311,805)		(2,311,805)	-
34	347	ARO Cost Other Production	111,984	(19,256)		(19,256)	19,256
35		Total Electric Other Production	398,611,461	(146,021,962)		(146,021,962)	19,256
36		<u>Electric Transmission</u>					
37	350	Land and Land Rights	11,144,162	(3,305,108)		(3,305,108)	-
38	352	Structures and Improvements	17,320,389	(2,671,319)		(2,671,319)	-
39	353	Station Equipment	219,808,267	(64,956,640)		(64,956,640)	-
40	354	Towers and Fixtures	43,841,498	(25,730,417)		(25,730,417)	-
41	355	Poles and Fixtures	98,653,240	(28,343,346)		(28,343,346)	-
42	356	OH Conductors and Devices	63,913,643	(30,220,936)		(30,220,936)	-
43	357	Underground Conduit	1,804,059	(767,496)		(767,496)	-
44	358	UG Conductors and Devices	7,526,618	(3,634,677)		(3,634,677)	-
45	359	ARO Cost Elec Transmission	195,962	(41,952)		(41,952)	41,952
46		Total Electric Transmission	464,207,838	(159,671,890)		(159,671,890)	41,952
47		<u>Electric Distribution</u>					
48	360	Land and Land Rights	4,117,038	-		-	-
49	361	Structures and Improvements	7,203,108	(2,426,924)		(2,426,924)	-
50	362	Station Equipment	145,776,730	(47,068,411)		(47,068,411)	-
51	364	Poles, Towers, and Fixtures	206,859,611	(80,917,481)		(80,917,481)	-
52	365	OH Conductors and Devices	353,589,675	(125,264,099)		(125,264,099)	-
53	366	Underground Conduit	91,893,739	(32,593,617)		(32,593,617)	-
54	367	UG Conductors and Devices	277,208,555	(62,528,722)		(62,528,722)	-
55	368	Line Transformers	170,432,498	(81,406,241)		(81,406,241)	-
56	369	Services	37,632,709	(26,116,998)		(26,116,998)	-
57	370	Meters	42,114,013	(23,963,388)		(23,963,388)	245,834
58	371	Install on Customer Premise	-	-		-	-
59	373	Street Lighting / Signal Systems	114,444,530	(43,773,946)		(43,773,946)	-
60	374	ARO Cost Elec Distribution	365,103	(55,083)		(55,083)	55,083
61		Total Electric Distribution	1,451,637,310	(526,114,910)		(526,114,910)	300,917

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3
PAGE 3 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	RESERVE BALANCES				
			BASE PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTED JURISDICTION
			\$	\$	<u>100%</u>	\$	\$
62	E	<u>Electric General Plant</u>					
63	389	Land and Land Rights	-	-		-	-
64	390	Structures and Improvements	-	-		-	-
65	391	Office Furniture and Equipment	-	-		-	-
66	392	Transportation Equipment	6,987,701	(3,066,878)		(3,066,878)	(3,066,878)
67	393	Stores Equipment	-	-		-	-
68	394	Tools, Shop, and Garage Equipment	6,481,264	(2,799,680)		(2,799,680)	(2,799,680)
69	395	Laboratory Equipment	-	-		-	-
70	396	Power Operated Equipment	2,228,506	(1,606,612)		(1,606,612)	(1,606,612)
71	397	Communication Equipment	6,799,491	(3,350,758)		(3,350,758)	3,350,758
72	398	Miscellaneous Equipment	-	-		-	-
73		Total Electric General Plant	22,496,962	(10,823,928)		(10,823,928)	3,350,758
74	C	<u>Common Plant (1)</u>					
75	301	Organization	57,810	-		-	-
76	302	Franchises and Consents	-	-		-	-
77	303	Misc Intangible Plant	79,400,046	(47,808,650)		(47,808,650)	(47,808,650)
78	389	Land and Land Rights	1,079,432	-		-	-
79	390	Structures and Improvements	58,466,985	(25,905,066)		(25,905,066)	(25,905,066)
80	391	Office Furniture and Equipment	29,810,761	(11,342,020)		(11,342,020)	(11,342,020)
81	392	Transportation Equipment	231,006	(112,962)		(112,962)	(112,962)
82	393	Stores Equipment	1,172,680	(743,472)		(743,472)	(743,472)
83	394	Tools, Shop, and Garage Equipment	2,879,764	(1,686,504)		(1,686,504)	(1,686,504)
84	395	Laboratory Equipment	-	-		-	-
85	396	Power Operated Equipment	398,873	(172,175)		(172,175)	(172,175)
86	397	Communication Equipment	25,356,955	(18,608,068)		(18,608,068)	(18,608,068)
87	398	Miscellaneous Equipment	-	-		-	-
88	399	ARO Cost Common	-	-		-	-
89		Total Common Plant allocated to Electric	198,854,312	(106,378,917)		(106,378,917)	-
90		TOTAL ELECTRIC PLANT	5,739,188,036	(1,854,762,994)		(1,854,762,994)	141,975,059

(1) 69% Common Plant allocated to Electric.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.1
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
			\$		\$		
1	311	Structures and Improvements	1,130,179	100.000%	1,130,179		ECR amounts excluded from rate base
2	312	Boiler Plant Equipment	89,071,229	100.000%	89,071,229		ECR amounts excluded from rate base
3	315	Accessory Electric Equipment	2,200,576	100.000%	2,200,576		ECR amounts excluded from rate base
4	316	Misc Power Plant Equip	127,503	100.000%	127,503		ECR amounts excluded from rate base
5	317	ARO Cost Steam Production	45,711,370	100.000%	45,711,370		ARO amounts excluded from rate base
6	337	ARO Cost Hydro Production	21,320	100.000%	21,320		ARO amounts excluded from rate base
7	347	ARO Cost Other Production	19,256	100.000%	19,256		ARO amounts excluded from rate base
8	359	ARO Cost Elec Transmission	41,952	100.000%	41,952		ARO amounts excluded from rate base
9	374	ARO Cost Elec Distribution	55,083	100.000%	55,083		ARO amounts excluded from rate base
10	370	Meters	245,834	100.000%	245,834		DSM amounts excluded from rate base
11	397	Communication Equipment	<u>3,350,758</u>	100.000%	<u>3,350,758</u>		DSM amounts excluded from rate base
12		TOTAL ADJUSTMENTS	<u>141,975,059</u>		<u>141,975,059</u>		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF DECEMBER 31, 2018

DATA: ☐ X BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☐ X UPDATED ☐ X REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.2
PAGE 1 OF 4
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR MAJOR PROPERTY GROUPING	ADJUSTED JURISDICTION		ACCRUAL RATE	CALCULATED DEPRECIATION EXPENSE (G=Dx F)	% NET SALVAGE	REMAINING SERVICE LIFE	CURVE FORM
			PLANT INVESTMENT	ACCUMULATED BALANCE					
(A)	(B)	(C)	(D)	(E)	(F)	(G=Dx F)	(H)	(I)	(J)
			\$	\$		\$			
1		<u>Electric Intangible Plant</u>							
2	301	Organization	2,240	-	0.00%	-	0%		
3	302	Franchises and Consents	-	-	0.00%	-	0%		
4	303	Misc Intangible Plant	-	-	16.18%	-	0%	3.00-3.50	5-SQ,SQUARE
5		Total Intangible Plant	2,240	-		-			
6		<u>Electric Steam Production</u>							
7	310	Land and Land Rights	7,266,610	(832,097)	0.00%	-	0%		
8	311	Structures and Improvements	279,500,939	171,788,371	1.61%	4,499,965	-10%,-16%,-25%	28.7	95-R2.5
9	312	Boiler Plant Equipment	1,111,855,058	395,433,207	2.61%	29,019,417	-10%,-16%	22.8	54-R1.5
10	313	Engines and engine-driven generators	-	-					
11	314	Turbogenerator Units	232,333,898	98,811,099	1.96%	4,553,744	-10%,-16%	24.0	60-R2.5
12	315	Accessory Electric Equipment	134,591,818	84,838,772	1.96%	2,638,000	-10%,-16%	25.4	60-R3
13	316	Misc Power Plant Equip	19,845,500	6,333,742	2.89%	573,535	-5%,-10%,-16%	27.5	50-R2.5
14	317	ARO Cost Steam (Eqp)	-	-					
15		Total Electric Steam Production	1,785,393,823	756,373,094		41,284,661			
16		<u>Electric Hydro Production</u>							
17	330	Land and Land Rights	7	-	0.00%	-	0%		
18	331	Structures and Improvements	5,762,859	2,578,214	1.59%	91,552	-2%	29.7	100-S2
19	332	Reservoirs, Dams, and Water	19,343,160	1,211,801	0.91%	176,023	-2%	93.3	100-S2.5
20	333	Water Wheels, Turbines, Generators	116,895,993	9,059,757	3.24%	3,787,430	-2%	29.6	100-R3
21	334	Accessory Electric Equipment	6,684,776	(1,949,392)	2.39%	159,766	-2%	29.6	80-R4
22	335	Misc Power Plant Equipment	380,921	217,316	3.09%	11,770	-2%	29.1	80-R2.5
23	336	Roads, Railroads, and Bridges	12,119	(1,579)	2.32%	281	-2%	16.8	80-S4
24	337	ARO Cost Hydro Prod (Eqp)	0	-	0.00%				
25		Total Electric Hydro Production	149,079,834	11,116,117		4,226,823			
26		<u>Electric Other Production</u>							
27	340	Land and Land Rights	123,878	-	0.00%	-			
28	341	Structures and Improvements	34,018,606	13,413,941	3.04%	1,035,462	9%	24.3	55-R4
29	342	Fuel Holders, Producers, Accessories	24,662,789	6,701,617	3.23%	795,948	9%	30.5	55-R2.5
30	343	Prime Movers	241,925,606	84,168,281	4.71%	11,388,397	-6%,-7%,-9%	15.9	35-R2
31	344	Generators	60,625,801	26,338,885	3.06%	1,857,724	9%	24.6	60-S3
32	345	Accessory Electric Equipment	32,099,484	13,068,178	4.89%	1,570,444	9%	15.4	45-S2.5
33	346	Misc Power Plant Equipment	5,043,313	2,311,805	4.09%	206,272	-5%,-6%,-7%,-9%	15.0	50-R4
34	347	ARO Cost Other Prod (Eqp)	-	-					
35		Total Electric Other Production	398,499,476	146,002,706		16,854,246			
36		<u>Electric Transmission</u>							
37	350	Land and Land Rights	11,144,162	3,305,108	1.14%	127,043	0%	57.4	70-R4
38	352	Structures and Improvements	17,320,389	2,671,319	1.75%	303,107	-10%	54.0	60-R1.5
39	353	Station Equipment	219,808,267	64,956,640	1.61%	3,538,913	-15%	47.8	60-R2
40	354	Towers and Fixtures	43,841,498	25,730,417	1.84%	806,684	-50%	51.2	70-R4
41	355	Poles and Fixtures	98,653,240	28,343,346	2.98%	2,939,867	-75%	48.3	59-R2
42	356	OH Conductors and Devices	63,913,643	30,220,936	3.32%	2,121,933	-75%	37.8	55-R2
43	357	Underground Conduit	1,804,059	767,496	1.83%	33,014	-5%	41.9	55-R3
44	358	UG Conductors and Devices	7,526,618	3,634,677	2.44%	183,649	-10%	29.0	40-R2.5
45	359	ARO Cost Elec Transmission	-	-					
46		Total Electric Transmission	464,011,876	159,629,938		10,054,210			

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF DECEMBER 31, 2018

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED X REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.2
PAGE 2 OF 4
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR MAJOR PROPERTY GROUPING	ADJUSTED JURISDICTION		ACCRUAL RATE	CALCULATED DEPRECIATION EXPENSE (G=DxF)	% NET SALVAGE	REMAINING SERVICE LIFE	CURVE FORM
			PLANT INVESTMENT	ACCUMULATED BALANCE					
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)	(H)	(I)	(J)
			\$	\$		\$			
47		<u>Electric Distribution</u>							
48	360	Land and Land Rights	4,117,038	-	0.00%	-	0%		
49	361	Structures and Improvements	7,203,108	2,426,924	2.05%	147,664	-10%	39.7	48-S0.5
50	362	Station Equipment	145,776,730	47,068,411	2.10%	3,061,311	-15%	39.5	50-R1
51	364	Poles, Towers, and Fixtures	206,859,611	80,917,481	3.18%	6,578,136	-80%	43.2	56-R2
52	365	OH Conductors and Devices	353,589,675	125,264,099	3.25%	11,491,664	-75%	42.1	53-R1.5
53	366	Underground Conduit	91,893,739	32,593,617	1.60%	1,470,300	-30%	58.6	75-R4
54	367	UG Conductors and Devices	277,208,555	62,528,722	2.06%	5,710,496	-40%	54.2	65-R3
55	368	Line Transformers	170,432,498	81,406,241	2.33%	3,971,077	-20%	31.5	46-R3
56	369	Services	37,632,709	26,116,998	2.91%	1,095,902	-50%,-100%	34.6-37.4	47-S1.5, 60-R2.5
57	370	Meters	40,234,936	23,717,554	2.98%	1,199,348	0%	4.3-15.7	15-S2.5, 25-L1
58	371	Install on Customer Premise	-	-	0.00%	-			
59	373	Street Lighting / Signal Systems	114,444,530	43,773,946	4.37%	5,006,230	-30%,-40%	18.7-25.8	27-S0, 38-R2.5
60	374	ARO Cost Elec Distribution	-	-		-			
61		Total Electric Distribution	1,449,393,130	525,813,993		39,732,129			
62		<u>Electric General Plant</u>							
63	389	Land and Land Rights	-	-	0.00%	-	0%		
64	390	Structures and Improvements	-	-	2.64%	-	0%	18.10-37.10	30-L0.5,40-S0.5
65	391	Office Furniture and Equipment	-	-	15.79%	-	0%	2.80-18.00	4-5-15-20-SQ
66	392	Transportation Equipment	6,987,701	3,066,878	4.31%	300,826	0%	10.7-14.4	13-R2, A4-S2, 25-L4
67	393	Stores Equipment	-	-	5.15%	-	0%	8.7	25-SQ
68	394	Tools, Shop, and Garage Equipment	6,481,264	2,799,680	4.28%	277,398	0%	14.8	25-SQ
69	395	Laboratory Equipment	-	-	0.00%	-	0%		
70	396	Power Operated Equipment	2,228,506	1,606,612	0.69%	15,477	0%	16.4-17.1	20-S1.5, SS-S1
71	397	Communication Equipment	-	-	12.28%	-	0%	6.5	10-SQ
72	398	Miscellaneous Equipment	-	-	0.00%	-	0%		
73		Total Electric General Plant	15,697,472	7,473,170		593,701			
74		<u>Common Plant (1)</u>							
75	301	Organization	57,810	-	0.00%	-			
76	302	Franchises and Consents	-	-	0.00%	-			
77	303	Misc Intangible Plant	79,400,046	47,808,650	16.18%	12,845,403	0%	3.00-3.50	5-SQ,SQUARE
78	389	Land and Land Rights	1,079,432	-	0.00%	-	0%		
79	390	Structures and Improvements	58,466,985	25,905,066	2.64%	1,543,528	-5%,-10%	18.10-37.10	30-L0.5,40-S0.5
80	391	Office Furniture and Equipment	29,810,761	11,342,020	15.79%	4,707,119	0%	2.80-18.00	4-5-15-20-SQ
81	392	Transportation Equipment	231,006	112,962	3.68%	8,501	0%,5%	6.0-9.6	9-S2.5, 12-S0.5, 23-L1.5
82	393	Stores Equipment	1,172,680	743,472	5.15%	60,393	0%	8.7	25-SQ
83	394	Tools, Shop, and Garage Equipment	2,879,764	1,686,504	4.25%	122,390	0%	11.7	25-SQ
84	395	Laboratory Equipment	-	-	0.00%	-	0%		
85	396	Power Operated Equipment	398,873	172,175	0.38%	1,516	0%,10%	3.7-10.6	22-L4, 24-L2.5
86	397	Communication Equipment	25,356,955	18,608,068	1.69%	428,533	0%	3.5-25.9	10-SQ, 22-L2
87	398	Miscellaneous Equipment	-	-	0.00%	-	0%		
88	399	ARO Cost Common	-	-		-			
89		Total Common Plant allocated to Electric	198,854,312	106,378,917		19,717,382			
90		TOTAL ELECTRIC PLANT	4,460,932,164	1,712,787,935		132,463,151			

(1) 69% Common Plant allocated to Electric.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
CONSTRUCTION WORK IN PROGRESS
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-4
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	ACCUMULATED COSTS			JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
		CONSTRUCTION AMOUNT	AFUDC CAPITALIZED	INDIRECT COSTS				
		\$	\$	\$		\$	\$	\$
1	ELECTRIC: INTANGIBLE	-	-	-	100.000%	-		-
2	PRODUCTION	408,558,749	-	-	100.000%	408,558,749	(317,229,948)	91,328,801
3	TRANSMISSION	14,997,979	-	-	100.000%	14,997,979		14,997,979
4	DISTRIBUTION	26,513,691	-	-	100.000%	26,513,691		26,513,691
5	GENERAL	988,611	-	-	100.000%	988,611		988,611
6	COMMON	12,727,419	-	-	100.000%	12,727,419		12,727,419
7	TOTAL ELECTRIC	463,786,449	-	-		463,786,449	(317,229,948)	146,556,501

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S).:

SCHEDULE B-4.1

PAGE 1 OF 2

WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
		\$		\$		
1	PRODUCTION	(317,229,948)	100.000%	(317,229,948)		ECR amounts excluded from rate base
2	TRANSMISSION		100.000%	-		
3	DISTRIBUTION		100.000%	-		
4	GENERAL		100.000%	-		
5	COMMON		100.000%	-		
6	TOTAL ADJUSTMENTS	<u>(317,229,948)</u>		<u>(317,229,948)</u>		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
ALLOWANCE FOR WORKING CAPITAL
FROM JANUARY 1, 2018 TO DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-5
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	WORKING CAPITAL COMPONENT	DESCRIPTION OF METHODOLOGY USED TO DETERMINE JURISDICTIONAL REQUIREMENT	WORKPAPER REFERENCE NO.	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
				\$		\$
	ELECTRIC:					
1	FUEL STOCK (a)	13 MONTH AVERAGE BALANCE	B-5.1	39,033,098	100.000%	39,033,098
2	MATERIAL AND SUPPLIES (a) (b)	13 MONTH AVERAGE BALANCE	B-5.1	40,432,126	100.000%	40,432,126
3	PREPAYMENTS (c)	13 MONTH AVERAGE BALANCE	B-5.1	12,829,602	100.000%	12,829,602
4	OTHER	13 MONTH AVERAGE BALANCE	B-5.1	-	100.000%	-
5	CASH WORKING CAPITAL	LEAD/LAG STUDY	B-5.2	<u>78,100,427</u>	100.000%	<u>78,100,427</u>
6	TOTAL WORKING CAPITAL REQUIREMENTS			<u><u>170,395,252</u></u>		<u><u>170,395,252</u></u>

(a) Excludes 25% of Trimble County inventories disallowed
(b) Includes emission allowances (ECR amounts excluded)
(c) Excludes PSC fees

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
OTHER WORKING CAPITAL COMPONENTS
FROM JANUARY 1, 2018 TO DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

SCHEDULE B-5.1

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S).:

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MONTH AVERAGE FOR PERIOD		
		TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
		\$		\$
	ELECTRIC:			
1	FUEL STOCK (a)	39,033,098	100.000%	39,033,098
2	MATERIAL AND SUPPLIES (a) (b)	40,432,126	100.000%	40,432,126
3	PREPAYMENTS (c)	12,829,602	100.000%	12,829,602
4	OTHER	-	100.000%	-
5	TOTAL OTHER WORKING CAPITAL	92,294,825		92,294,825

(a) Excludes 25% of Trimble County inventories disallowed

(b) Includes Emission Allowances (ECR amounts excluded)

(c) Excludes PSC fees

LINE NO.	DESCRIPTION	Total Company - Electric	Allocation Factor	Base Period Jurisdictional	Average Daily Amount	Revenue Lag Days	Expense (Lead)/Lag Days	Net (Lead)/Lag Days	Working Capital (Provided)/ Required
O&M Expenses:									
1	Fuel: Coal	\$ 246,052,717	100.000%	\$ 246,052,717	\$ 672,275	44.50	(24.36)	20.14	\$ 13,539,622
2	Fuel: Gas	\$ 63,869,820	100.000%	\$ 63,869,820	\$ 174,508	44.50	(38.99)	5.51	\$ 961,537
3	Fuel: Oil	\$ 7,044	100.000%	\$ 7,044	\$ 19	44.50	(8.40)	36.10	\$ 695
4	Other Non-Fuel Commodities	\$ 7,486,771	100.000%	\$ 7,486,771	\$ 20,456	44.50	(26.87)	17.63	\$ 360,633
5	Purchased Power	\$ 55,805,401	100.000%	\$ 55,805,401	\$ 152,474	44.50	(28.37)	16.13	\$ 2,459,580
6	Payroll Expense	\$ 30,784,453	100.000%	\$ 30,784,453	\$ 84,111	44.50	(12.00)	32.50	\$ 2,733,706
7	Pension Expense	\$ 159,455	100.000%	\$ 159,455	\$ 436	44.50	-	44.50	\$ 19,387
8	OPEB Expense	\$ 1,241,794	100.000%	\$ 1,241,794	\$ 3,393	44.50	-	44.50	\$ 150,983
9	Team Incentive Award Compensation	\$ 3,095,431	100.000%	\$ 3,095,431	\$ 8,457	44.50	(245.22)	(200.72)	\$ (1,697,582)
10	401k Match Expense	\$ 1,556,801	100.000%	\$ 1,556,801	\$ 4,254	44.50	(22.99)	21.51	\$ 91,504
11	Retirement Income Account Expense	\$ 700,135	100.000%	\$ 700,135	\$ 1,913	44.50	(283.50)	(239.00)	\$ (457,192)
12	Uncollectible Expense	\$ 3,118,591	100.000%	\$ 3,118,591	\$ 8,521	44.50	(174.20)	(129.70)	\$ (1,105,098)
13	Major Storm Damage Expense	\$ 3,871,053	100.000%	\$ 3,871,053	\$ 10,577	44.50	(35.32)	9.18	\$ 97,096
14	Charges from Affiliates	\$ 108,712,939	100.000%	\$ 108,712,939	\$ 297,030	44.50	(25.40)	19.10	\$ 5,674,250
15	Other O&M	\$ 117,218,226	100.000%	\$ 117,218,226	\$ 320,268	44.50	(49.19)	(4.69)	\$ (1,502,854)
16	Total O&M Expenses	\$ 643,680,631	-	\$ 643,680,631					\$ 21,326,268
17	Depreciation and Amortization Expense								
18	Depreciation and Amortization	\$ 157,363,682	100.000%	\$ 157,363,682	\$ 429,955	44.50	-	44.50	\$ 19,133,016
19	Regulatory Debits	\$ 573,607	100.000%	\$ 573,607	\$ 1,567	44.50	-	44.50	\$ 69,742
20	Amortization of Regulatory Assets	\$ 8,180,082	100.000%	\$ 8,180,082	\$ 22,350	44.50	-	44.50	\$ 994,573
21	Amortization of Regulatory Liabilities		100.000%	\$ -	\$ -	44.50	-	44.50	\$ -
22	Total Depreciation and Amortization Expense	\$ 166,117,371		\$ 166,117,371					\$ 20,197,331
23	Income Tax Expense:								
24	Current: Federal	448,968	100.000%	\$ 448,968	\$ 1,227	44.50	(37.50)	7.00	\$ 8,587
25	Current: State	\$ 3,779,110	100.000%	\$ 3,779,110	\$ 10,325	44.50	(37.50)	7.00	\$ 72,278
26	Deferred: Federal and State (Including ITC)	\$ 52,514,399	100.000%	\$ 52,514,399	\$ 143,482	44.50	-	44.50	\$ 6,384,947
27	Total Income Tax Expense	\$ 56,742,477		\$ 56,742,477					\$ 6,465,812
28	Taxes Other Than Income								
29	Property Tax Expense	\$ 25,083,161	100.000%	\$ 25,083,161	\$ 68,533	44.50	(216.26)	(171.76)	\$ (11,771,453)
30	Payroll Tax Expense	\$ 6,465,496	100.000%	\$ 6,465,496	\$ 17,665	44.50	(35.48)	9.02	\$ 159,423
31	Other Taxes	\$ 2,230,292	100.000%	\$ 2,230,292	\$ 6,094	44.50	148.70	193.20	\$ 1,177,316
32	Total Taxes Other Than Income	\$ 33,778,950		\$ 33,778,950					\$ (10,434,714)
33	AFUDC	\$ -	0.000%	\$ -	\$ -	44.50	(44.50)	-	\$ -
34	(Gain)/Loss on Disposition of Property	\$ -	0.000%	\$ -	\$ -	44.50	(44.50)	-	\$ -
35	(Gain)/Loss on Disposition of Allowances	\$ (103,081)	100.000%	\$ (103,081)	\$ (281.64)	44.50	(44.50)	-	\$ -
36	Charitable Donations	\$ 7,762,302	0.000%	\$ -	\$ -	44.50	(44.50)	-	\$ -
37	Interest on Customer Deposits	\$ 292,991	0.000%	\$ -	\$ -	-	-	-	\$ -
38	Other (Income)/Expense	\$ (795,609)	0.00						

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
CASH WORKING CAPITAL COMPONENTS
BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-5.2

PAGE 2 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION	13 MONTH AVERAGE	JURIS. PERCENT	JURISDICTIONAL AMOUNT
ADDITIONAL USES OF CASH WORKING CAPITAL:					
1	128	PREPAID PENSION	3,038,212	100.000%	3,038,212
2	182	REGULATORY ASSET - FAS 158 PENSION	102,411,194	100.000%	102,411,194
3	183	PRELIMINARY SURVEY	2,192,741	100.000%	2,192,741
4	184	CLEARING ACCTS - PENSION	77,199,728	100.000%	77,199,728
5	186	MISC DEFERRED DEBITS	3,907,287	100.000%	3,907,287
6	188	RESRCH/DEV/DEMO EXP	<u>661,064</u>	100.000%	<u>661,064</u>
7		TOTAL USES OF CASH WORKING CAPITAL	<u>189,410,226</u>		<u>189,410,226</u>

LINE NO.	ACCT. NO.	DESCRIPTION	13 MONTH AVERAGE	JURIS. PERCENT	JURISDICTIONAL AMOUNT
ADDITIONAL SOURCES OF CASH WORKING CAPITAL:					
8	228.2	MISC LONG TERM LIABILITIES	(2,687,971)	100.000%	(2,687,971)
9	228.3	ACCUMULATED PROVISION FOR POST RETIREMENT BENEFITS	(61,453,427)	100.000%	(61,453,427)
10	242	MISC LIABILITY	(12,399,833)	100.000%	(12,399,833)
11	253	OTHER DEFERRED CREDITS	(8,300,599)	100.000%	(8,300,599)
12	143/232	NET ACCRUED RETENTION/CWIP	(63,873,758)	82.000%	(52,376,481)
13	143/232	NET ACCRUED RWIP	<u>(4,813,209)</u>	82.000%	<u>(3,946,831)</u>
14		TOTAL SOURCES OF CASH WORKING CAPITAL	<u>(153,528,796)</u>		<u>(141,165,142)</u>
15		TOTAL USES / (SOURCES) OF CASH WORKING CAPITAL (LINE 7 + 14)	<u>35,881,430</u>		<u>48,245,084</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
CASH WORKING CAPITAL COMPONENTS
BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-5.2
PAGE 3 OF 6
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
1	ECR OPERATING AND MAINTENANCE EXPENSE	5,801,106	100.00%	5,801,106
2	ELECTRIC POWER PURCHASED	-	100.00%	-
3	O&M LESS PURCHASE POWER EXPENSE (LINE 1 - 2)	5,801,106		5,801,106
4	ECR CASH WORKING CAPITAL (12.5% OF LINE 3)	725,138		725,138

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S).:

SCHEDULE B-6
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$		\$	\$	\$
1	252	Customer Advances for Construction	2,574,830	100.000%	2,574,830	-	2,574,830
2	255	Deferred Investment Tax Credits	-	100.000%	-	-	-
3	190, 282, 283	Deferred Income Taxes (a)	953,806,209	100.000%	953,806,209	(271,480,546)	682,325,663
4	230	Unamortized Closure Cost (a)	(16,691,203)	100.000%	(16,691,203)	16,691,203	-

(a) Adjustment reflects applicable ECR and DSM jurisdictional amounts.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY
AS OF DECEMBER 31, 2013 - 2017 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 1 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2017	% CHANGE	2016	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013
1	<u>ASSETS</u>													
2	<u>UTILITY PLANT</u>													
3	Utility Plant	\$ 7,738,822,210	9.49%	\$ 7,068,253,818	3.24%	\$ 6,846,566,580	3.18%	\$ 6,635,369,118	8.18%	\$ 6,133,579,940	7.49%	\$ 5,706,441,994	12.55%	\$ 5,070,053,264
4	Construction Work in Progress	229,883,033	-55.27%	513,967,016	66.37%	308,930,186	131.01%	133,728,165	-65.70%	389,846,497	-42.36%	676,320,025	3.82%	651,432,116
5	Total Utility Plant	\$ 7,968,705,243	5.10%	\$ 7,582,220,835	5.96%	\$ 7,155,496,766	5.71%	\$ 6,769,097,283	3.77%	\$ 6,523,426,437	2.20%	\$ 6,382,762,019	11.56%	\$ 5,721,485,380
6	Less: Accumulated Provision for Depreciation	2,370,899,675	5.46%	2,248,094,904	4.83%	2,144,465,521	4.45%	2,053,028,397	1.84%	2,015,937,461	-16.59%	2,416,826,220	4.89%	2,304,132,232
7	Net Utility Plant	\$ 5,597,805,569	4.94%	\$ 5,334,125,931	6.45%	\$ 5,011,031,245	6.25%	\$ 4,716,068,886	4.63%	\$ 4,507,488,976	13.66%	\$ 3,965,935,799	16.05%	\$ 3,417,353,148
8	<u>OTHER PROPERTY AND INVESTMENTS</u>													
9	Nonutility Property-Less Reserve	\$ 567,537	-7.90%	\$ 616,214	8.58%	\$ 567,537	0.00%	\$ 567,537	0.00%	\$ 567,535	-0.09%	\$ 568,052	16.07%	\$ 489,421
10	Investment in Subsidiary Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
11	Other Investments	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286
12	Special Funds	23,124,970	0.00%	(0)	0.00%	-	-100.00%	3,450,337	-62.13%	9,111,614	-56.35%	20,873,650	-6.08%	22,225,512
13	Total Other Property and Investments	\$ 24,286,792	1906.34%	\$ 1,210,500	4.19%	\$ 1,161,823	-74.81%	\$ 4,612,160	-55.11%	\$ 10,273,435	-53.38%	\$ 22,035,988	-5.46%	\$ 23,309,219
14	<u>CURRENT AND ACCRUED ASSETS</u>													
15	Cash	\$ 5,000,000	-49.01%	\$ 9,806,384	22.52%	\$ 8,004,169	78.18%	\$ 4,492,085	63.38%	\$ 2,749,464	-38.51%	\$ 4,471,662	28.95%	\$ 3,467,771
16	Special Deposits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
17	Working Funds	19,790	-20.17%	24,790	100.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	20,090
18	Temporary Cash Investments	(0)	0.00%	195,522	-97.07%	6,665,308	2153.23%	295,811	-98.15%	16,031,632	192.71%	5,476,948	20.79%	4,534,363
19	Customer Accounts Receivable	118,803,774	7.02%	111,014,875	-5.19%	117,091,508	6.70%	109,743,816	18.23%	92,825,487	-14.15%	108,131,123	5.29%	102,699,350
20	Other Accounts Receivable	12,799,954	-56.82%	29,641,165	124.37%	13,210,933	14.91%	11,497,034	68.64%	6,817,320	-32.73%	10,134,328	2.03%	9,932,730
21	Less: Accum Prov. for Uncollectable Accts-Credit	1,194,743	-17.31%	1,444,910	28.24%	1,126,694	-30.54%	1,621,998	36.91%	1,184,713	-25.68%	1,594,049	-12.84%	1,828,848
22	Accounts Receivable from Associated Companies	22,754,066	-6.66%	24,378,091	-0.44%	24,486,943	-12.81%	28,083,431	71.50%	16,375,434	-83.15%	97,209,024	89299.94%	108,735
23	Fuel	34,888,884	-17.24%	42,155,676	-5.64%	44,674,354	-25.62%	60,061,204	-15.45%	71,040,238	6.72%	66,567,149	3.70%	64,191,758
24	Plant Materials and Operating Supplies	36,515,600	-4.97%	38,423,369	8.29%	35,480,555	2.25%	34,700,605	8.28%	32,048,293	-9.55%	35,430,432	-1.08%	35,816,744
25	Stores Expense Undistributed	7,888,273	61.70%	4,878,404	-36.26%	7,654,120	13.95%	6,716,994	21.10%	5,546,728	-12.69%	6,352,862	2.68%	6,186,832
26	Gas Stored Underground	21,049,082	-48.93%	41,213,192	-3.17%	42,560,968	2.06%	41,703,685	-0.87%	42,068,560	-22.31%	54,151,379	13.89%	47,546,888
27	Prepayments	17,651,352	14.04%	15,477,577	3.54%	14,947,783	-0.62%	15,041,152	132.38%	6,472,537	-15.25%	7,636,886	48.99%	5,125,670
28	Interest, Dividends, and Rents Receivable	1,344,237	201.87%	445,309	-16.96%	536,268	41.26%	379,641	-17.27%	458,910	-41.95%	790,509	40.58%	562,307
29	Accrued Utility Revenues	72,786,181	-5.76%	77,231,391	-14.92%	90,773,246	20.84%	75,119,083	12.05%	67,041,506	-12.22%	76,374,354	-10.31%	85,152,363
30	Miscellaneous Current Assets	-	0.00%	-	-100.00%	147	-2.65%	151	-73.56%	571	-90.98%	6,329	-84.84%	41,739
31	Total Current and Accrued Assets	\$ 350,306,451	-10.96%	\$ 393,440,834	-2.84%	\$ 404,959,608	4.85%	\$ 386,212,694	7.79%	\$ 358,291,967	-23.95%	\$ 471,138,936	29.59%	\$ 363,558,492
32	<u>DEFERRED DEBITS</u>													
33	Unamortized Debt Expense	\$ 17,976,816	36.29%	\$ 13,189,872	-5.41%	\$ 13,944,469	-3.52%	\$ 14,453,918	-8.99%	\$ 15,881,935	22.19%	\$ 12,997,480	-6.93%	\$ 13,965,458
34	Other Regulatory Assets	396,163,922	-10.57%	442,981,978	6.84%	414,621,892	-9.14%	456,353,743	5.05%	434,413,097	5.79%	410,620,298	31.33%	312,656,793
35	Miscellaneous Deferred Debits	15,945,452	70.79%	9,336,423	11.36%	8,383,804	5.10%	7,976,721	21.12%	6,585,819	75.52%	3,752,218	151.15%	1,493,996
36	Unamortized Loss on Re-Acquired Debt	13,781,616	-5.21%	14,538,954	-6.55%	15,557,928	-0.19%	15,588,304	-7.56%	16,863,861	-6.47%	18,031,262	-2.23%	18,442,649
37	Accumulated Deferred Income Taxes	302,999,060	8.13%	280,220,561	-12.40%	319,875,911	23.76%	258,465,335	-1.03%	261,142,312	65.41%	157,876,610	20.52%	130,998,531
38	Total Deferred Debits	\$ 746,866,866	-1.76%	\$ 760,267,788	-1.57%	\$ 772,384,004	2.60%	\$ 752,838,021	2.44%	\$ 734,887,024	21.82%	\$ 603,277,868	26.33%	\$ 477,557,427
39	Total Assets	\$ 6,719,265,677	3.55%	\$ 6,489,045,052	4.84%	\$ 6,189,536,680	5.63%	\$ 5,859,731,761	4.43%	\$ 5,610,941,402	10.84%	\$ 5,062,388,591	18.23%	\$ 4,281,778,286

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY
AS OF DECEMBER 31, 2013 - 2017 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: __ __ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 2 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2017	% CHANGE	2016	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013
1	<u>LIABILITIES & PROPRIETARY CAPITAL</u>													
2	<u>PROPRIETARY CAPITAL</u>													
3	Common Stock Issued	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424
4	Paid in Capital	700,132,748	16.48%	601,081,499	16.02%	518,081,499	6.15%	488,081,499	17.02%	417,081,499	27.52%	327,081,499	92.88%	169,581,499
5	(Less) Capital Stock Expense	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889
6	Other Comprehensive Income	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
7	Retained Earnings	1,313,236,534	3.19%	1,272,593,971	6.39%	1,196,179,718	1.88%	1,174,083,951	6.85%	1,098,854,463	6.43%	1,032,434,890	5.75%	976,302,939
8	Unappropriated Undistributed Subsidiary Earnings	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
9	Total Proprietary Capital	<u>\$ 2,437,703,817</u>	6.08%	<u>\$ 2,298,010,005</u>	7.45%	<u>\$ 2,138,595,752</u>	2.50%	<u>\$ 2,086,499,985</u>	7.54%	<u>\$ 1,940,270,497</u>	8.77%	<u>\$ 1,783,850,924</u>	13.61%	<u>\$ 1,570,218,973</u>
10	<u>LONG-TERM DEBT</u>													
11	Bonds	\$ 2,097,250,330	15.22%	\$ 1,820,175,036	5.82%	\$ 1,719,992,046	5.53%	\$ 1,629,913,008	-1.50%	\$ 1,654,729,468	22.14%	\$ 1,354,743,586	0.03%	\$ 1,354,402,769
12	Long-Term Debt to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
13	Total Long-Term Debt	<u>\$ 2,097,250,330</u>	15.22%	<u>\$ 1,820,175,036</u>	5.82%	<u>\$ 1,719,992,046</u>	5.53%	<u>\$ 1,629,913,008</u>	-1.50%	<u>\$ 1,654,729,468</u>	22.14%	<u>\$ 1,354,743,586</u>	0.03%	<u>\$ 1,354,402,769</u>
14	<u>OTHER NON-CURRENT LIABILITIES</u>													
15	Long Term Obligations Under Capital Leases	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -
16	Accumulated Provision for Postretirement Benefits	65,607,056	-14.93%	77,118,498	-36.15%	120,771,319	-6.39%	129,016,151	-2.49%	132,307,531	-7.07%	142,374,774	49.71%	95,101,935
17	Total Other Non-Current Liabilities	<u>\$ 65,607,056</u>	-14.93%	<u>\$ 77,118,498</u>	-36.15%	<u>\$ 120,771,319</u>	-6.39%	<u>\$ 129,016,151</u>	-2.49%	<u>\$ 132,307,531</u>	-7.07%	<u>\$ 142,374,774</u>	49.71%	<u>\$ 95,101,935</u>
18	<u>CURRENT AND ACCRUED LIABILITIES</u>													
19	Notes Payable	\$ 87,367,954	-68.70%	\$ 279,133,251	40.35%	\$ 198,888,138	17.88%	\$ 168,714,279	18.84%	\$ 141,969,180	-46.21%	\$ 263,956,483	1220.00%	\$ 19,996,778
20	Accounts Payable	149,671,168	-18.41%	183,437,399	-6.86%	196,952,370	23.76%	159,143,116	-7.56%	172,152,826	-29.78%	245,177,038	43.50%	170,850,243
21	Notes Payable to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
22	Accounts Payable to Associated Companies	24,971,526	-3.24%	25,807,792	14.71%	22,497,457	-12.95%	25,844,666	5.22%	24,563,440	22.72%	20,016,015	-17.61%	24,294,741
23	Customer Deposits	28,469,522	-2.08%	29,075,694	5.90%	27,456,982	2.93%	26,675,850	5.00%	25,405,488	3.70%	24,498,183	1.76%	24,075,549
24	Taxes Accrued	18,045,079	-30.02%	25,785,114	3.95%	24,804,246	-38.37%	40,246,772	101.99%	19,925,519	5.60%	18,869,565	64.45%	11,474,665
25	Interest Accrued	21,298,158	92.43%	11,067,870	4.39%	10,602,817	-0.59%	10,665,488	-2.57%	10,946,603	86.46%	5,870,903	5.21%	5,580,258
26	Tax Collections Payable	1,511,960	8.07%	1,399,039	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
27	Miscellaneous Current and Accrued Liabilities	38,589,178	-8.94%	42,378,428	-11.60%	47,939,726	-9.98%	53,252,121	-23.99%	70,058,015	-21.86%	89,656,315	272.97%	24,038,771
28	Total Current and Accrued Liabilities	<u>\$ 369,924,546</u>	-38.15%	<u>\$ 598,084,589</u>	13.03%	<u>\$ 529,141,736</u>	9.20%	<u>\$ 484,542,292</u>	4.20%	<u>\$ 465,021,071</u>	-30.39%	<u>\$ 668,044,502</u>	138.32%	<u>\$ 280,311,005</u>
29	<u>DEFERRED CREDITS</u>													
30	Customer Advances for Construction	\$ 14,129,365	40.92%	\$ 10,026,749	-41.96%	\$ 17,274,172	166.93%	\$ 6,471,505	-12.88%	\$ 7,428,646	-9.78%	\$ 8,234,051	22.02%	\$ 6,748,025
31	Accumulated Deferred Investment Tax Credits	33,268,691	-2.92%	34,269,389	-2.79%	35,252,005	-3.04%	36,357,160	4.95%	34,643,470	-3.72%	35,982,105	-4.74%	37,770,885
32	Other Deferred Credits	2,069,549	16.81%	1,771,793	-15.51%	2,097,058	7.74%	1,946,440	-51.55%	4,017,629	-72.50%	14,609,363	-14.65%	17,117,636
33	Other Regulatory Liabilities	593,797,688	-4.10%	619,153,588	3.11%	600,465,356	648.10%	80,265,594	-10.37%	89,547,281	0.07%	89,485,209	-3.33%	92,564,168
34	Asset Retirement Obligation	112,970,287	-5.44%	119,468,849	-8.29%	130,270,439	-22.65%	168,407,831	-10.94%	189,099,814	121.49%	85,375,725	3.87%	82,196,215
35	Miscellaneous Long-Term Liabilities	15,256,856	409.32%	2,995,563	-25.44%	4,017,396	3.83%	3,869,120	-8.95%	4,249,578	-80.82%	22,159,360	-39.35%	36,535,512
36	Accumulated Deferred Income Taxes	977,287,492	7.63%	907,970,993	1.83%	891,659,401	-27.65%	1,232,442,675	13.11%	1,089,626,417	27.07%	857,528,992	20.98%	708,811,163
37	Total Deferred Credits	<u>\$ 1,748,779,927</u>	3.13%	<u>\$ 1,695,656,925</u>	0.87%	<u>\$ 1,681,035,827</u>	9.89%	<u>\$ 1,529,760,325</u>	7.83%	<u>\$ 1,418,612,835</u>	27.42%	<u>\$ 1,113,374,805</u>	13.41%	<u>\$ 981,743,604</u>
38	Total Liabilities and Stockholders Equity	<u>\$ 6,719,265,677</u>	3.55%	<u>\$ 6,489,045,052</u>	4.84%	<u>\$ 6,189,536,680</u>	5.63%	<u>\$ 5,859,731,761</u>	4.43%	<u>\$ 5,610,941,402</u>	10.84%	<u>\$ 5,062,388,591</u>	18.23%	<u>\$ 4,281,778,286</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
COMPARATIVE BALANCE SHEETS - ELECTRIC
AS OF DECEMBER 31, 2013 - 2017 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED ____ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 3 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2017	% CHANGE	2016	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013
1	<u>ASSETS</u>													
2	<u>UTILITY PLANT</u>													
3	Utility Plant	\$ 6,327,559,720	10.19%	\$ 5,742,307,493	2.87%	\$ 5,581,939,046	2.51%	\$ 5,445,258,343	8.25%	\$ 5,030,493,143	7.49%	\$ 4,679,912,777	12.59%	\$ 4,156,638,319
4	Construction Work in Progress	120,257,330	-74.05%	463,422,018	64.06%	282,465,390	143.73%	115,890,377	-68.19%	364,341,515	-44.17%	652,560,364	10.58%	590,138,114
5	Total Utility Plant	\$ 6,447,817,050	3.90%	\$ 6,205,729,511	5.82%	\$ 5,864,404,436	5.45%	\$ 5,561,148,720	3.08%	\$ 5,394,834,658	1.17%	\$ 5,332,473,141	12.34%	\$ 4,746,776,433
6	Less: Accumulated Provision for Depreciation	1,960,237,833	5.69%	1,854,760,864	4.41%	1,776,428,812	3.94%	1,709,115,652	1.36%	1,686,213,301	-19.84%	2,103,588,480	4.71%	2,009,012,851
7	Net Utility Plant	\$ 4,487,579,217	3.14%	\$ 4,350,968,647	6.43%	\$ 4,087,975,624	6.13%	\$ 3,852,033,068	3.87%	\$ 3,708,621,357	14.86%	\$ 3,228,884,661	17.94%	\$ 2,737,763,582
8	<u>OTHER PROPERTY AND INVESTMENTS</u>													
9	Nonutility Property-Less Reserve	\$ 391,600	-8.06%	\$ 425,916	8.56%	\$ 392,328	-1.42%	\$ 397,980	0.00%	\$ 397,979	-0.09%	\$ 398,341	14.41%	\$ 348,170
10	Investment in Subsidiary Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
11	Other Investments	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286
12	Special Funds	18,506,453	100.00%	-	0.00%	-	-100.00%	2,842,388	-62.49%	7,577,218	-55.92%	17,189,451	-3.92%	17,891,537
13	Total Other Property and Investments	\$ 19,492,340	1810.64%	\$ 1,020,202	3.40%	\$ 986,614	-74.27%	\$ 3,834,654	-55.25%	\$ 8,569,483	-52.87%	\$ 18,182,078	-3.46%	\$ 18,833,993
14	<u>CURRENT AND ACCRUED ASSETS</u>													
15	Cash	\$ 4,006,835	-52.47%	\$ 8,429,896	21.37%	\$ 6,945,865	70.53%	\$ 4,073,223	54.14%	\$ 2,642,601	-34.84%	\$ 4,055,691	26.58%	\$ 3,203,959
16	Special Deposits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
17	Working Funds	15,859	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	16,172
18	Temporary Cash Investments	(0)	0.00%	160,015	-97.07%	5,467,552	2143.66%	243,689	-98.17%	13,331,905	195.91%	4,505,454	23.61%	3,644,846
19	Customer Accounts Receivable	89,708,730	17.21%	76,534,121	-8.42%	83,572,997	5.29%	79,373,996	15.55%	68,691,671	-5.67%	72,822,240	5.62%	68,948,837
20	Other Accounts Receivable	10,257,460	-64.47%	28,872,522	122.61%	12,970,037	14.40%	11,336,961	71.60%	6,606,449	-33.42%	9,922,165	1.46%	9,779,607
21	Less: Accum Prov. for Uncollectable Accts-Credit	957,427	-15.71%	1,135,838	27.68%	889,619	-31.82%	1,304,813	34.72%	968,528	-1.73%	985,535	-30.35%	1,414,910
22	Accounts Receivable from Associated Companies	22,734,561	-75.75%	93,767,566	283.26%	24,465,953	-12.81%	28,059,358	71.46%	16,365,075	-83.16%	97,189,874	89356.37%	108,645
23	Fuel	34,888,884	-17.24%	42,155,676	-5.64%	44,674,354	-25.62%	60,061,204	-15.45%	71,040,238	6.72%	66,567,149	3.70%	64,191,758
24	Plant Materials and Operating Supplies	35,883,883	-7.23%	38,682,527	9.06%	35,470,297	2.25%	34,690,347	8.28%	32,038,035	-9.55%	35,420,174	-1.08%	35,806,486
25	Stores Expense Undistributed	7,751,806	103.52%	3,808,844	-46.63%	7,137,329	11.47%	6,402,726	19.75%	5,346,838	-12.92%	6,140,337	2.34%	5,999,956
26	Gas Stored Underground	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
27	Prepayments	14,225,224	14.26%	12,450,256	0.08%	12,440,831	-0.39%	12,488,989	130.44%	5,419,671	-17.39%	6,560,270	42.61%	4,600,261
28	Interest, Dividends, and Rents Receivable	1,077,227	142.79%	443,685	-17.24%	536,136	41.39%	379,188	-17.30%	458,490	-41.97%	790,120	40.59%	561,989
29	Accrued Utility Revenues	54,960,845	1.26%	54,277,293	-10.73%	60,799,355	18.30%	51,392,129	5.32%	48,796,036	-5.10%	51,418,626	-5.34%	54,316,676
30	Miscellaneous Current Assets	-	0.00%	143	-2.72%	147	-2.65%	151	-73.56%	571	-90.98%	6,329	-84.84%	41,739
31	Total Current and Accrued Assets	\$ 274,553,887	-23.40%	\$ 358,446,706	22.09%	\$ 293,591,234	2.23%	\$ 287,197,148	6.46%	\$ 269,769,052	-23.88%	\$ 354,412,894	41.88%	\$ 249,806,021
32	<u>DEFERRED DEBITS</u>													
33	Unamortized Debt Expense	\$ 14,403,108	33.17%	\$ 10,815,695	-5.41%	\$ 11,434,465	-4.69%	\$ 11,996,752	-9.17%	\$ 13,207,417	23.39%	\$ 10,703,425	-4.79%	\$ 11,242,141
34	Other Regulatory Assets	340,370,876	-8.10%	370,380,369	6.08%	349,146,260	-10.63%	390,682,752	4.14%	375,150,037	11.08%	337,739,599	30.02%	259,767,369
35	Miscellaneous Deferred Debits	13,145,442	211.77%	4,216,394	-25.08%	5,627,588	-2.65%	5,780,869	26.23%	4,579,764	174.16%	1,670,461	21.89%	1,370,498
36	Unamortized Loss on Re-Acquired Debt	11,045,346	-7.17%	11,898,680	-6.77%	12,762,168	-0.62%	12,841,645	-8.43%	14,023,987	-5.55%	14,848,744	0.02%	14,845,857
37	Accumulated Deferred Income Taxes	246,285,483	8.51%	226,963,398	-14.13%	264,311,392	17.39%	225,148,038	2.59%	219,467,842	73.84%	126,244,055	18.97%	106,110,403
38	Total Deferred Debits	\$ 625,250,255	0.16%	\$ 624,274,536	-2.95%	\$ 643,281,873	-0.49%	\$ 646,450,056	3.20%	\$ 626,429,047	27.53%	\$ 491,206,284	24.88%	\$ 393,336,268
39	Total Assets	\$ 5,406,875,699	1.35%	\$ 5,334,710,091	6.15%	\$ 5,025,835,345	4.93%	\$ 4,789,514,926	3.82%	\$ 4,613,388,939	12.72%	\$ 4,092,685,917	20.38%	\$ 3,399,739,864

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
COMPARATIVE BALANCE SHEETS - ELECTRIC
AS OF DECEMBER 31, 2013 - 2017 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: __ __ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 4 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2017	% CHANGE	2016	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013
1	<u>LIABILITIES & PROPRIETARY CAPITAL</u>													
2	<u>PROPRIETARY CAPITAL</u>													
3	Common Stock Issued	\$ 340,717,538	-2.08%	\$ 347,959,475	-0.23%	\$ 348,767,299	-0.42%	\$ 350,255,395	-0.94%	\$ 353,571,725	0.98%	\$ 350,127,844	2.30%	\$ 342,262,191
4	Paid in Capital	560,895,492	14.02%	491,925,099	15.75%	424,982,254	5.70%	402,081,539	15.93%	346,844,974	28.77%	269,351,614	97.31%	136,513,107
5	(Less) Capital Stock Expense	669,854	-2.08%	684,091	-0.23%	685,680	-0.42%	688,605	-0.94%	695,125	0.98%	688,354	2.30%	672,890
6	Other Comprehensive Income	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
7	Retained Earnings	1,052,308,208	0.19%	1,050,288,953	6.79%	983,494,020	1.54%	968,613,094	6.08%	913,119,014	7.61%	848,556,353	8.54%	781,785,024
8	Unappropriated Undistributed Subsidiary Earnings	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
9	Total Proprietary Capital	<u>\$ 1,953,251,384</u>	3.37%	<u>\$ 1,889,489,436</u>	7.57%	<u>\$ 1,756,557,893</u>	2.11%	<u>\$ 1,720,261,423</u>	6.66%	<u>\$ 1,612,840,588</u>	9.92%	<u>\$ 1,467,347,457</u>	16.47%	<u>\$ 1,259,887,432</u>
10	<u>LONG-TERM DEBT</u>													
11	Bonds	\$ 1,680,399,936	12.81%	\$ 1,489,631,249	5.62%	\$ 1,410,393,478	4.26%	\$ 1,352,827,797	-0.30%	\$ 1,356,878,164	21.72%	\$ 1,114,756,343	2.24%	\$ 1,090,294,229
12	Long-Term Debt to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
13	Total Long-Term Debt	<u>\$ 1,680,399,936</u>	12.81%	<u>\$ 1,489,631,249</u>	5.62%	<u>\$ 1,410,393,478</u>	4.26%	<u>\$ 1,352,827,797</u>	-0.30%	<u>\$ 1,356,878,164</u>	21.72%	<u>\$ 1,114,756,343</u>	2.24%	<u>\$ 1,090,294,229</u>
14	<u>OTHER NON-CURRENT LIABILITIES</u>													
15	Long Term Obligations Under Capital Leases	8,830,081	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -
16	Accumulated Provision for Postretirement Benefits	52,581,392	-16.63%	63,066,674	-36.31%	99,022,101	-6.79%	106,237,801	-3.41%	109,983,262	-6.16%	117,199,845	53.19%	76,506,477
17	Total Other Non-Current Liabilities	<u>\$ 61,411,473</u>	-2.62%	<u>\$ 63,066,674</u>	-36.31%	<u>\$ 99,022,101</u>	-6.79%	<u>\$ 106,237,801</u>	-3.41%	<u>\$ 109,983,262</u>	-6.16%	<u>\$ 117,199,845</u>	53.19%	<u>\$ 76,506,477</u>
18	<u>CURRENT AND ACCRUED LIABILITIES</u>													
19	Notes Payable	\$ 70,103,691	-69.31%	\$ 228,442,653	40.07%	\$ 163,088,273	16.46%	\$ 140,032,851	20.29%	\$ 116,414,727	-46.44%	\$ 217,368,164	1250.33%	\$ 16,097,406
20	Accounts Payable	119,940,659	-19.63%	149,227,264	-6.31%	159,284,616	24.49%	127,946,882	-13.95%	148,680,697	-30.84%	214,965,552	45.98%	147,255,194
21	Notes Payable to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
22	Accounts Payable to Associated Companies	20,927,588	-2.31%	21,422,276	14.24%	18,752,692	-13.11%	21,583,059	4.23%	20,706,244	23.43%	16,775,909	-15.62%	19,880,669
23	Customer Deposits	22,814,535	40.12%	16,282,389	-24.55%	21,579,439	1.40%	21,282,189	7.12%	19,867,234	-1.52%	20,174,254	8.57%	18,581,509
24	Taxes Accrued	14,455,330	-30.43%	20,778,023	4.79%	19,828,759	-39.46%	32,752,760	102.14%	16,202,943	6.65%	15,193,096	70.26%	8,923,670
25	Interest Accrued	17,048,288	88.21%	9,057,948	4.14%	8,697,494	-1.01%	8,786,232	-3.58%	9,112,767	88.10%	4,844,678	7.86%	4,491,573
26	Tax Collections Payable	1,211,635	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
27	Miscellaneous Current and Accrued Liabilities	30,599,051	2.58%	29,829,880	-13.92%	34,651,711	-22.02%	44,434,361	-21.84%	56,853,248	-14.15%	66,224,522	409.99%	12,985,373
28	Total Current and Accrued Liabilities	<u>\$ 297,100,778</u>	-37.46%	<u>\$ 475,040,433</u>	11.54%	<u>\$ 425,882,984</u>	7.32%	<u>\$ 396,818,334</u>	2.32%	<u>\$ 387,837,860</u>	-30.19%	<u>\$ 555,546,175</u>	143.43%	<u>\$ 228,215,394</u>
29	<u>DEFERRED CREDITS</u>													
30	Customer Advances for Construction	\$ 6,462,455	-16.84%	\$ 7,771,036	-12.58%	\$ 8,889,266	29.98%	\$ 6,839,142	-0.53%	\$ 6,875,581	310.74%	\$ 1,673,955	-8.49%	\$ 1,829,256
31	Accumulated Deferred Investment Tax Credits	33,263,601	-5.89%	35,345,746	0.37%	35,216,618	-2.92%	36,275,254	5.14%	34,501,144	-3.53%	35,762,059	-5.32%	37,770,885
32	Other Deferred Credits	1,658,468	9.02%	1,521,301	-19.22%	1,883,260	10.70%	1,701,270	-54.84%	3,767,060	-74.14%	14,566,882	-2.31%	14,910,808
33	Other Regulatory Liabilities	479,376,694	-3.71%	497,839,013	2.99%	483,389,707	585.98%	70,466,527	-1.35%	71,427,349	4.59%	68,290,372	-4.78%	71,718,999
34	Asset Retirement Obligation	87,928,885	-7.97%	95,548,847	-12.83%	109,609,081	-26.27%	148,657,622	-12.84%	170,548,092	166.48%	64,000,321	6.08%	60,329,768
35	Miscellaneous Long-Term Liabilities	2,395,837	-2.27%	2,451,569	-25.61%	3,295,470	3.39%	3,187,381	-9.81%	3,533,949	-80.63%	18,248,233	-37.95%	29,411,087
36	Accumulated Deferred Income Taxes	794,647,580	8.39%	733,144,253	1.69%	720,988,831	-27.87%	999,530,791	15.39%	866,216,968	30.34%	664,576,199	18.05%	562,983,462
37	Total Deferred Credits	<u>\$ 1,405,733,521</u>	2.34%	<u>\$ 1,373,621,765</u>	0.76%	<u>\$ 1,363,272,233</u>	7.63%	<u>\$ 1,266,657,987</u>	9.49%	<u>\$ 1,156,870,143</u>	33.42%	<u>\$ 867,118,021</u>	11.32%	<u>\$ 778,954,265</u>
38	Total Liabilities and Stockholders Equity	<u>\$ 5,397,897,092</u>	2.02%	<u>\$ 5,290,849,557</u>	4.66%	<u>\$ 5,055,128,689</u>	4.38%	<u>\$ 4,842,803,342</u>	4.72%	<u>\$ 4,624,410,017</u>	12.19%	<u>\$ 4,121,967,841</u>	20.04%	<u>\$ 3,433,857,797</u>
39	Adjustment to Balance	<u>\$ 8,978,606</u>		<u>\$ 43,860,534</u>		<u>\$ (29,293,344)</u>		<u>\$ (53,288,416)</u>		<u>\$ (11,021,078)</u>		<u>\$ (29,281,924)</u>		<u>\$ (34,117,933)</u>

SCHEDULE B

JURISDICTIONAL RATE BASE SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295 - GAS OPERATIONS

BASE PERIOD: FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

FORECASTED TEST PERIOD: FOR THE 12 MONTHS ENDED APRIL 30, 2020

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
B-1	RATE BASE SUMMARY
B-2	PLANT IN SERVICE BY MAJOR GROUPING
B-2.1	PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
B-2.2	PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
B-2.3	GROSS ADDITIONS, RETIREMENTS AND TRANSFERS
B-2.4	PROPERTY MERGED OR ACQUIRED
B-2.5	LEASED PROPERTY
B-2.6	PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
B-2.7	PROPERTY EXCLUDED FROM RATE BASE
B-3	ACCUMULATED DEPRECIATION AND AMORTIZATION
B-3.1	ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
B-3.2	DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY
B-4	CONSTRUCTION WORK IN PROGRESS
B-4.1	ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS
B-4.2	CONSTRUCTION WORK IN PROGRESS - PERCENT COMPLETE
B-5	ALLOWANCE FOR WORKING CAPITAL
B-5.1	OTHER WORKING CAPITAL COMPONENTS
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B-6	DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
B-7	JURISDICTIONAL PERCENTAGES
B-7.1	JURISDICTIONAL STATISTICS - RATE BASE
B-7.2	EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES
B-8	COMPARATIVE BALANCE SHEETS

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL RATE BASE SUMMARY
AS OF DECEMBER 31, 2018
AS OF APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD

SCHEDULE B-1

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S): SEE BELOW

WITNESS: C. M. GARRETT

LINE NO.	RATE BASE COMPONENT	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD	13 MONTH AVG FORECAST PERIOD
			\$	\$
	GAS:			
1	Plant in Service	B-2	1,265,850,116	1,316,522,576
2	Property Held for Future Use	B-2.6	-	-
3	Accumulated Depreciation and Amortization	B-3	(389,277,428)	(408,499,313)
4	Net Plant in Service (Lines 1+2+3)		876,572,689	908,023,263
5	Construction Work in Progress	B-4	38,408,014	50,685,952
6	Net Plant (Lines 4+5)		914,980,702	958,709,216
7	Cash Working Capital Allowance	B-5	10,034,214	22,563,530
8	Other Working Capital Allowances	B-5	34,387,792	24,995,968
9	Customer Advances for Construction	B-6	(6,749,116)	(7,666,910)
10	Deferred Income Taxes	B-6	(225,464,196)	(223,219,910)
11	Investment Tax Credits	B-6	-	-
12	Other Items	B-6	-	-
13	Rate Base (Lines 6 through 12)		727,189,396	775,381,894

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
PLANT IN SERVICE BY MAJOR PROPERTY GROUPING
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
		\$		\$	\$	\$
	GAS:					
1	INTANGIBLE PLANT	387	100.000%	387	-	387
2	PRODUCTION	-	100.000%	-	-	-
3	STORAGE AND PROCESSING	179,769,202	100.000%	179,769,202	(6,506,912)	173,262,290
4	TRANSMISSION	58,909,134	100.000%	58,909,134	(2,665,411)	56,243,723
5	DISTRIBUTION	984,029,873	100.000%	984,029,873	(50,923,192)	933,106,681
6	GENERAL	13,896,692	100.000%	13,896,692	-	13,896,692
7	COMMON	<u>89,340,343</u>	100.000%	<u>89,340,343</u>	-	<u>89,340,343</u>
8	TOTAL GAS	<u><u>1,325,945,631</u></u>		<u><u>1,325,945,631</u></u>	<u><u>(60,095,515)</u></u>	<u><u>1,265,850,116</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.1

PAGE 1 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	<u>100%</u>	\$	\$	\$
1		<u>Gas Intangible Plant</u>					
2	301	Organization	-		-	-	-
3	302	Franchises and Consents	387		387	-	387
4	303	Misc Intangible Plant	-		-	-	-
5		Total Intangible Plant	387		387	-	387
6		<u>Gas Storage</u>					
7	350	Land and Land Rights	352,007		352,007	-	352,007
8	351	Structures and Improvements	16,970,395		16,970,395	-	16,970,395
9	352	Wells	20,203,154		20,203,154	-	20,203,154
10	352.1	Storage Leaseholds and Rights	548,241		548,241	-	548,241
11	352.2	Reservoirs	400,511		400,511	-	400,511
12	117-352.3	Nonrecoverable Natural Gas	11,788,845		11,788,845	-	11,788,845
13	353	Lines	26,195,253		26,195,253	-	26,195,253
14	354	Compressor Station Equipment	61,386,382		61,386,382	-	61,386,382
15	355	Measuring and Regulating Equipment	2,473,257		2,473,257	-	2,473,257
16	356	Purification Equipment	27,698,842		27,698,842	-	27,698,842
17	357	Other Equipment	5,245,403		5,245,403	-	5,245,403
18	358	ARO Cost Gas UG Store	6,506,912		6,506,912	(6,506,912)	-
19		Total Gas Storage	179,769,202		179,769,202	(6,506,912)	173,262,290
20		<u>Gas Transmission</u>					
21	365	Rights of Way	220,659		220,659	-	220,659
22	367	Mains	56,023,064		56,023,064	-	56,023,064
23	372	ARO Cost Gas Transmission	2,665,411		2,665,411	(2,665,411)	-
24		Total Gas Transmission	58,909,134		58,909,134	(2,665,411)	56,243,723
25		<u>Gas Distribution</u>					
26	374	Land and Land Rights	391,422		391,422	(256,925)	134,497
27	375	Structures and Improvements	1,289,773		1,289,773	-	1,289,773
28	376	Mains	423,155,876		423,155,876	(7,189,100)	415,966,776
29	377	Compressor Station Equipment	-		-	-	-
30	378	Measuring and Regulating Station Equip-General	26,089,984		26,089,984	-	26,089,984

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.1

PAGE 2 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	<u>100%</u>	\$	\$	\$
31	379	Measuring and Regulating Station Equip-City Gate	13,652,520		13,652,520	-	13,652,520
32	380	Services	415,986,080		415,986,080	(27,926,898)	388,059,182
33	381	Meters	59,886,030		59,886,030	-	59,886,030
34	383	House Regulators	27,016,119		27,016,119	-	27,016,119
35	385	Industrial Measuring and Regulating Equip	960,687		960,687	-	960,687
36	387	Other Equipment	51,112		51,112	-	51,112
37	388	ARO Cost Gas Distribution	15,550,269		15,550,269	(15,550,269)	-
38		Total Gas Distribution	984,029,873		984,029,873	(50,923,192)	933,106,681
39	G	<u>Gas General Plant</u>					
40	389	Land and Land Rights	-		-	-	-
41	390	Structures and Improvements	-		-	-	-
42	391	Office Furniture and Equipment	-		-	-	-
43	392	Transportation Equipment	1,995,628		1,995,628	-	1,995,628
44	393	Stores Equipment	-		-	-	-
45	394	Tools, Shop, and Garage Equipment	7,598,910		7,598,910	-	7,598,910
46	395	Laboratory Equipment	-		-	-	-
47	396	Power Operated Equipment	4,302,154		4,302,154	-	4,302,154
48	397	Communication Equipment	-		-	-	-
49	398	Miscellaneous Equipment	-		-	-	-
50		Total Gas General Plant	13,896,692		13,896,692	-	13,896,692
51	C	<u>Common Plant (1)</u>					
52	301	Organization	25,973		25,973	-	25,973
53	302	Franchises and Consents	-		-	-	-
54	303	Misc Intangible Plant	35,672,484		35,672,484	-	35,672,484
55	389	Land and Land Rights	484,962		484,962	-	484,962
56	390	Structures and Improvements	26,267,776		26,267,776	-	26,267,776
57	391	Office Furniture and Equipment	13,393,240		13,393,240	-	13,393,240
58	392	Transportation Equipment	103,785		103,785	-	103,785
59	393	Stores Equipment	526,856		526,856	-	526,856
60	394	Tools, Shop, and Garage Equipment	1,293,807		1,293,807	-	1,293,807
61	395	Laboratory Equipment	-		-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.1

PAGE 3 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	<u>100%</u>	\$	\$	\$
62	396	Power Operated Equipment	179,204		179,204	-	179,204
63	397	Communication Equipment	11,392,255		11,392,255	-	11,392,255
64	398	Miscellaneous Equipment	-		-	-	-
65	399	ARO Cost Common	-		-	-	-
66		Total Common Plant allocated to Gas	89,340,343		89,340,343	-	89,340,343
67		TOTAL GAS PLANT IN SERVICE	<u>1,325,945,631</u>		<u>1,325,945,631</u>	<u>(60,095,515)</u>	<u>1,265,850,116</u>

(1) 31% Common Plant allocated to Gas

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.2
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL COMPANY ADJUSTMENT \$	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS \$	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
1	358	ARO Cost Gas UG Store	(6,506,912)	100.000%	(6,506,912)		ARO amounts excluded from rate base
2	372	ARO Cost Gas Transmission	(2,665,411)	100.000%	(2,665,411)		ARO amounts excluded from rate base
3	374	Land and Land Rights	(256,925)	100.000%	(256,925)		GLT amounts excluded from rate base
4	376	Mains	(7,189,100)	100.000%	(7,189,100)		GLT amounts excluded from rate base
5	380	Services	(27,926,898)	100.000%	(27,926,898)		GLT amounts excluded from rate base
6	388	ARO Cost Gas Distribution	(15,550,269)	100.000%	(15,550,269)		ARO amounts excluded from rate base
7		TOTAL ADJUSTMENTS	<u>(60,095,515)</u>		<u>(60,095,515)</u>		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM JANUARY 1, 2018 TO DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.3
PAGE 1 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD ENDING BALANCE
			\$	\$	\$	\$	\$
1		<u>Gas Intangible Plant</u>					
2	301	Organization	-	-	-	-	-
3	302	Franchises and Consents	387	-	-	-	387
4	303	Misc Intangible Plant	-	-	-	-	-
5		Total Intangible Plant	387	-	-	-	387
6		<u>Gas Storage</u>					
7	350	Land and Land Rights	134,077	217,931	-	-	352,007
8	351	Structures and Improvements	16,574,962	397,498	(2,066)	-	16,970,395
9	352	Wells	20,497,529	693,723	(988,098)	-	20,203,154
10	352.1	Storage Leaseholds and Rights	548,241	-	-	-	548,241
11	352.2	Reservoirs	400,511	-	-	-	400,511
12	117-352.3	Nonrecoverable Natural Gas	11,788,845	-	-	-	11,788,845
13	353	Lines	24,737,149	1,557,497	(99,393)	-	26,195,253
14	354	Compressor Station Equipment	61,782,747	(264,278)	(116,474)	(15,613)	61,386,382
15	355	Measuring and Regulating Equipment	2,122,935	350,906	(584)	-	2,473,257
16	356	Purification Equipment	23,016,587	4,774,464	(92,209)	-	27,698,842
17	357	Other Equipment	3,889,896	1,363,470	(23,575)	15,613	5,245,403
18	358	ARO Cost Gas UG Store	4,355,860	-	(893,793)	3,044,845	6,506,912
19		Total Gas Storage	169,849,338	9,091,212	(2,216,192)	3,044,845	179,769,202
20		<u>Gas Transmission</u>					
21	365	Rights of Way	220,659	-	-	-	220,659
22	367	Mains	52,628,555	3,462,015	(67,506)	-	56,023,064
23	372	ARO Cost Gas Transmission	2,313,896	-	(40,430)	391,946	2,665,411
24		Total Gas Transmission	55,163,110	3,462,015	(107,936)	391,946	58,909,134
25		<u>Gas Distribution</u>					
26	374	Land and Land Rights	134,497	256,925	-	-	391,422
27	375	Structures and Improvements	1,239,288	53,183	(2,699)	-	1,289,773
28	376	Mains	413,427,674	9,797,798	(296,504)	226,907	423,155,876
29	377	Compressor Station Equipment	-	-	-	-	-
30	378	Measuring and Regulating Station Equip-General	22,600,773	3,820,603	(331,392)	-	26,089,984

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM JANUARY 1, 2018 TO DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.3
PAGE 2 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD ENDING BALANCE
			\$	\$	\$	\$	\$
31	379	Measuring and Regulating Station Equip-City Gate	12,236,656	1,471,247	(55,382)	-	13,652,520
32	380	Services	399,579,991	16,648,340	(15,345)	(226,907)	415,986,080
33	381	Meters	54,727,969	6,837,526	(1,679,465)	-	59,886,030
34	383	House Regulators	26,382,508	633,611	-	-	27,016,119
35	385	Industrial Measuring and Regulating Equip	960,687	-	-	-	960,687
36	387	Other Equipment	51,112	-	-	-	51,112
37	388	ARO Cost Gas Distribution	12,621,840	-	(1,182,015)	4,110,444	15,550,269
38		Total Gas Distribution	943,962,996	39,519,235	(3,562,802)	4,110,444	984,029,873
39	G	<u>Gas General Plant</u>					
40	389	Land and Land Rights	-	-	-	-	-
41	390	Structures and Improvements	-	-	-	-	-
42	391	Office Furniture and Equipment	-	-	-	-	-
43	392	Transportation Equipment	1,803,887	291,101	(99,359)	-	1,995,628
44	393	Stores Equipment	-	-	-	-	-
45	394	Tools, Shop, and Garage Equipment	6,883,301	919,137	(203,529)	-	7,598,910
46	395	Laboratory Equipment	-	-	-	-	-
47	396	Power Operated Equipment	3,695,172	716,814	(109,831)	-	4,302,154
48	397	Communication Equipment	-	-	-	-	-
49	398	Miscellaneous Equipment	-	-	-	-	-
50		Total Gas General Plant	12,382,359	1,927,051	(412,719)	-	13,896,692
51	C	<u>Common Plant (1)</u>					
52	301	Organization	25,973	-	-	-	25,973
53	302	Franchises and Consents	-	-	-	-	-
54	303	Misc Intangible Plant	35,244,740	2,550,739	(2,122,995)	-	35,672,484
55	389	Land and Land Rights	484,962	-	-	-	484,962
56	390	Structures and Improvements	25,197,925	1,232,225	(162,374)	-	26,267,776
57	391	Office Furniture and Equipment	10,971,409	3,868,000	(1,446,169)	-	13,393,240
58	392	Transportation Equipment	86,242	25,911	(8,368)	-	103,785
59	393	Stores Equipment	456,033	70,823	-	-	526,856
60	394	Tools, Shop, and Garage Equipment	1,302,017	32,918	(41,128)	-	1,293,807
61	395	Laboratory Equipment	-	-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM JANUARY 1, 2018 TO DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S).:

SCHEDULE B-2.3
PAGE 3 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD ENDING BALANCE
			\$	\$	\$	\$	\$
62	396	Power Operated Equipment	167,932	33,730	(22,459)	-	179,204
63	397	Communication Equipment	10,568,595	823,660	-	-	11,392,255
64	398	Miscellaneous Equipment	-	-	-	-	-
65	399	ARO Cost Common	-	-	-	-	-
66		Total Common Plant allocated to Gas	84,505,827	8,638,007	(3,803,491)	-	89,340,343
67		TOTAL GAS PLANT IN SERVICE	1,265,864,017	62,637,519	(10,103,140)	7,547,234	1,325,945,631

(1) 31% Common Plant allocated to Gas

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
PROPERTY MERGED OR ACQUIRED
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.4

PAGE 1 OF 2

WITNESS: C. M. GARRETT

LINE	ACCT.		ACQUISITION	COST	ACQUISITION	COMMISSION	DATE OF	EXPLANATION
NO.	NO.	DESCRIPTION OF PROPERTY	COST	BASIS	ADJUSTMENT	APPROVAL DATE (DOCKET NO.)	ACQUISITION	OF TREATMENT

THE COMPANY HAS NOT MERGED OR ACQUIRED PROPERTY FROM OTHER THAN AFFILIATED COMPANIES.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
LEASED PROPERTY
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.5

PAGE 1 OF 2

WITNESS: C. M. GARRETT

IDENTIFICATION		DESCRIPTION OF TYPE AND USE OF PROPERTY	NAME OF LESSEE	FREQUENCY OF PAYMENT	AMOUNT OF LEASE PAYMENT	DOLLAR VALUE OF PROPERTY INVOLVED	EXPLANATION METHOD OF CAPITALIZATION
LINE NO.	OR REFERENCE NUMBER						

THE COMPANY DOES NOT HAVE ANY CAPITAL LEASES.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.6
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION AND LOCATION OF PROPERTY	ACQUISITION DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	NET ORIGINAL COST	REVENUE REALIZED		EXPENSES INCURRED		
						AMOUNT	ACCT NO.	DESCRIPTION	AMOUNT	ACCT NO.
			\$	\$	\$	\$			\$	

NONE

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
PROPERTY EXCLUDED FROM RATE BASE
(FOR REASONS OTHER THAN JURISDICTIONAL ALLOCATION)
AS OF DECEMBER 31, 2018

DATA: __X__ BASE PERIOD __ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.7
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR DESCRIPTION OF EXCLUDED PROPERTY	IN-SERVICE DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	NET ORIGINAL COST	PERIOD REVENUE AND EXPENSE			
							AMOUNT	ACCT NO.	DESCRIPTION	REASONS FOR EXCLUSION
				\$	\$	\$	\$			
1		Land and Land Rights:								
2	121	Former Camp Taylor Substation - Tract No. D15	17-Dec-1939	29	1	27				Non-utility property not included in rate base
3	121	West Eastwood Distribution Substation	1-Sep-1978	21,927	-	21,927				Non-utility property not included in rate base
4	121	West Eastwood Distribution Substation	5-Oct-2010	455,614	-	455,614				Non-utility property not included in rate base
5	121	West Eastwood Distribution Substation	31-Jul-2018	48,678	-	48,678				Non-utility property not included in rate base
6	121	943 Fetter Avenue - Tract No. F8-1	7-Feb-1941	332	-	332				Non-utility property not included in rate base
7	121	Former Strawberry Lane Substation - Tract No. F43	11-Jul-1955	1,074	-	1,074				Non-utility property not included in rate base
8	121	Former Plymouth Substation - Tract No. D70	26-Sep-1956	3,291	-	3,291				Non-utility property not included in rate base
9	121	Standard Avenue Substation - Tract No. D124	21-Mar-1973	5,677	-	5,677				Non-utility property not included in rate base
10	121	3842 Grand Avenue - Tract No. F19-2	30-Jun-1942	269	-	269				Non-utility property not included in rate base
11	121	10th St. & Ormsby - Tract No. F3-1	31-Mar-2001	50,000	-	50,000				Non-utility property not included in rate base
12	121	Russell Corner - Tract No. D143	23-Oct-1979	28,633	-	28,633				Non-utility property not included in rate base
13	121	Cherry Hill Coal Mine - Tract No. K2	30-Jun-1940	185	-	185				Non-utility property not included in rate base
14	121	Cherry Hill Coal Mine - Tract No. K4	30-Jun-1940	15	-	15				Non-utility property not included in rate base
15	121	Cherry Hill Coal Mine - Tract No. K5	30-Jun-1940	48	-	48				Non-utility property not included in rate base
16	121	Cherry Hill Coal Mine - Tract No. K6	30-Jun-1940	192	-	192				Non-utility property not included in rate base
17	121	Cherry Hill Coal Mine - Tract No. K12	30-Jun-1966	250	-	250				Non-utility property not included in rate base
18	121	Cherry Hill Coal Mine - Mineral Rights Tract No. K1B	17-Jun-1954	31,483	31,483	-				Non-utility property not included in rate base
19	121	Cherry Hill Coal Mine - Mineral Rights	29-Jul-1940	31,628	31,628	-				Non-utility property not included in rate base
20	121	Cherry Hill Coal Mine - Right of Way	30-Jun-1940	250	250	-				Non-utility property not included in rate base
21		TOTAL		679,575	63,362	616,213	-			Non-utility property not included in rate base

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3
PAGE 1 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD TOTAL COMPANY INVESTMENT	RESERVE BALANCES				ADJUSTED JURISDICTION
				TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	
			\$	\$	<u>100%</u>	\$	\$	\$
1		<u>Gas Intangible Plant</u>						
2	301	Organization	-	-		-	-	-
3	302	Franchises and Consents	387	(257)		(257)	-	(257)
4	303	Misc Intangible Plant	-	-		-	-	-
5		Total Intangible Plant	387	(257)		(257)	-	(257)
6		<u>Gas Storage</u>						
7	350	Land and Land Rights	352,007	(37,795)		(37,795)	-	(37,795)
8	351	Structures and Improvements	16,970,395	(2,819,501)		(2,819,501)	-	(2,819,501)
9	352	Wells	20,203,154	(2,245,979)		(2,245,979)	-	(2,245,979)
10	352.1	Storage Leaseholds and Rights	548,241	(569,590)		(569,590)	-	(569,590)
11	352.2	Reservoirs	400,511	(452,027)		(452,027)	-	(452,027)
12	117-352.3	Nonrecoverable Natural Gas	11,788,845	(8,340,212)		(8,340,212)	-	(8,340,212)
13	353	Lines	26,195,253	(9,022,796)		(9,022,796)	-	(9,022,796)
14	354	Compressor Station Equipment	61,386,382	(9,266,301)		(9,266,301)	-	(9,266,301)
15	355	Measuring and Regulating Equipment	2,473,257	(289,509)		(289,509)	-	(289,509)
16	356	Purification Equipment	27,698,842	(5,728,662)		(5,728,662)	-	(5,728,662)
17	357	Other Equipment	5,245,403	(474,979)		(474,979)	-	(474,979)
18	358	ARO Cost Gas UG Store	6,506,912	(1,043,677)		(1,043,677)	1,043,677	-
19		Total Gas Storage	179,769,202	(40,291,028)		(40,291,028)	1,043,677	(39,247,351)
20		<u>Gas Transmission</u>						
21	365	Rights of Way	220,659	(211,452)		(211,452)	-	(211,452)
22	367	Mains	56,023,064	(12,643,079)		(12,643,079)	-	(12,643,079)
23	372	ARO Cost Gas Transmission	2,665,411	(403,987)		(403,987)	403,987	-
24		Total Gas Transmission	58,909,134	(13,258,519)		(13,258,519)	403,987	(12,854,532)
25		<u>Gas Distribution</u>						
26	374	Land and Land Rights	391,422	(52,266)		(52,266)	-	(52,266)
27	375	Structures and Improvements	1,289,773	(424,800)		(424,800)	-	(424,800)
28	376	Mains	423,155,876	(140,459,155)		(140,459,155)	132,826	(140,326,329)
29	377	Compressor Station Equipment	-	-		-	-	-
30	378	Measuring and Regulating Station Equip-General	26,089,984	(2,225,884)		(2,225,884)	-	(2,225,884)

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3
PAGE 2 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	RESERVE BALANCES					
			BASE PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$	<u>100%</u>	\$	\$	\$
31	379	Measuring and Regulating Station Equip-City Gate	13,652,520	(1,113,710)		(1,113,710)	-	(1,113,710)
32	380	Services	415,986,080	(120,248,386)		(120,248,386)	742,805	(119,505,581)
33	381	Meters	59,886,030	(13,201,553)		(13,201,553)	-	(13,201,553)
34	383	House Regulators	27,016,119	(6,416,872)		(6,416,872)	-	(6,416,872)
35	385	Industrial Measuring and Regulating Equip	960,687	(241,727)		(241,727)	-	(241,727)
36	387	Other Equipment	51,112	(29,650)		(29,650)	-	(29,650)
37	388	ARO Cost Gas Distribution	15,550,269	(1,731,177)		(1,731,177)	1,731,177	-
38		Total Gas Distribution	984,029,873	(286,145,178)		(286,145,178)	2,606,808	(283,538,370)
39	G	Gas General Plant						
40	389	Land and Land Rights	-	-		-	-	-
41	390	Structures and Improvements	-	-		-	-	-
42	391	Office Furniture and Equipment	-	-		-	-	-
43	392	Transportation Equipment	1,995,628	(794,738)		(794,738)	-	(794,738)
44	393	Stores Equipment	-	-		-	-	-
45	394	Tools, Shop, and Garage Equipment	7,598,910	(2,683,497)		(2,683,497)	-	(2,683,497)
46	395	Laboratory Equipment	-	-		-	-	-
47	396	Power Operated Equipment	4,302,154	(2,365,257)		(2,365,257)	-	(2,365,257)
48	397	Communication Equipment	-	-		-	-	-
49	398	Miscellaneous Equipment	-	-		-	-	-
50		Total Gas General Plant	13,896,692	(5,843,492)		(5,843,492)	-	(5,843,492)
51	C	Common Plant (1)						
52	301	Organization	25,973	-		-	-	-
53	302	Franchises and Consents	-	-		-	-	-
54	303	Misc Intangible Plant	35,672,484	(21,479,248)		(21,479,248)	-	(21,479,248)
55	389	Land and Land Rights	484,962	-		-	-	-
56	390	Structures and Improvements	26,267,776	(11,638,508)		(11,638,508)	-	(11,638,508)
57	391	Office Furniture and Equipment	13,393,240	(5,095,690)		(5,095,690)	-	(5,095,690)
58	392	Transportation Equipment	103,785	(50,751)		(50,751)	-	(50,751)
59	393	Stores Equipment	526,856	(334,024)		(334,024)	-	(334,024)
60	394	Tools, Shop, and Garage Equipment	1,293,807	(757,705)		(757,705)	-	(757,705)
61	395	Laboratory Equipment	-	-		-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3
PAGE 3 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD TOTAL COMPANY INVESTMENT	RESERVE BALANCES				ADJUSTED JURISDICTION
				TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	
			\$	\$	<u>100%</u>	\$	\$	\$
62	396	Power Operated Equipment	179,204	(77,354)		(77,354)	-	(77,354)
63	397	Communication Equipment	11,392,255	(8,360,147)		(8,360,147)	-	(8,360,147)
64	398	Miscellaneous Equipment	-	-		-	-	-
65	399	ARO Cost Common	-	-		-	-	-
66		Total Common Plant allocated to Gas	89,340,343	(47,793,427)		(47,793,427)	-	(47,793,427)
67		TOTAL GAS PLANT	<u>1,325,945,631</u>	<u>(393,331,900)</u>		<u>(393,331,900)</u>	<u>4,054,472</u>	<u>(389,277,428)</u>

(1) 31% Common Plant allocated to Gas

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S).:

SCHEDULE B-3.1
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
			\$		\$		
1	358	ARO Cost Gas UG Store	1,043,677	100.000%	1,043,677		ARO amounts excluded from rate base
2	372	ARO Cost Gas Transmission	403,987	100.000%	403,987		ARO amounts excluded from rate base
3	376	Mains	132,826	100.000%	132,826		GLT amounts excluded from rate base
4	380	Services	742,805	100.000%	742,805		GLT amounts excluded from rate base
5	388	ARO Cost Gas Distribution	1,731,177	100.000%	1,731,177		ARO amounts excluded from rate base
6		TOTAL ADJUSTMENTS	<u>4,054,472</u>		<u>4,054,472</u>		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED

WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.2

PAGE 1 OF 4

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR MAJOR PROPERTY GROUPING	ADJUSTED JURISDICTION		ACCRUAL RATE	CALCULATED DEPRECIATION EXPENSE (G=DxF)	% NET SALVAGE	REMAINING SERVICE LIFE	CURVE FORM
			PLANT INVESTMENT	ACCUMULATED BALANCE					
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)	(H)	(I)	(J)
			\$	\$		\$			
1		<u>Gas Intangible Plant</u>							
2	301	Organization	-	-		-			
3	302	Franchises and Consents	387	257	12.39%	48	-	5.5	20-SQ
4	303	Misc Intangible Plant	-	-		-			
5		Total Intangible Plant	387	257		48			
6		<u>Gas Storage</u>							
7	350	Land and Land Rights	352,007	37,795	0.59%	2,077	-	52.8	60-R4
8	351	Structures and Improvements	16,970,395	2,819,501	2.00%	339,408	-5%,-10%	49.5-54.6	60-R3, 60-R2.5, 55-R2.5
9	352	Wells	20,203,154	2,245,979	2.73%	551,546	-20%	37.4-45.10	45-R0.5, 60-R3
10	352.1	Storage Leaseholds and Rights	548,241	569,590	0.00%	-	0%	-	70-R4
11	352.2	Reservoirs	400,511	452,027	0.00%	-	0%	-	60-R4
12	352.3	Nonrecoverable Natural Gas	11,788,845	8,340,212	0.82%	96,669	0%	19.5	50-SQ
13	353	Lines	26,195,253	9,022,796	2.01%	526,525	-15%	37.8	48-R2
14	354	Compressor Station Equipment	61,386,382	9,266,301	2.27%	1,393,471	-5%	39.9	45-R1.5
15	355	Measuring and Regulating Equipment	2,473,257	289,509	2.55%	63,068	-10%	30.8	40-R1
16	356	Purification Equipment	27,698,842	5,728,662	2.37%	656,463	-25%	40.2	48-R2
17	357	Other Equipment	5,245,403	474,979	2.53%	132,709	-10%	38.2	45-R2
18	358	ARO Cost Gas UG Store	-	-		-			
19		Total Gas Storage	173,262,290	39,247,351		3,761,934			
20		<u>Gas Transmission</u>							
21	365	Rights of Way	220,659	211,452	0.130%	287	0%	35	70-R4
22	367	Mains	56,023,064	12,643,079	2.050%	1,148,473	-10%	55	65-R2.5
23	372	ARO Cost Gas Transmission	-	-		-			
24		Total Gas Transmission	56,243,723	12,854,532		1,148,760			
25		<u>Gas Distribution</u>							
26	374	Land and Land Rights	134,497	52,266	0.000%	-	0%	-	70-S3
27	375	Structures and Improvements	1,289,773	424,800	3.080%	39,725	-5%	28	40-S1, 50-R3
28	376	Mains	415,966,776	140,326,329	1.620%	6,738,662	-30%	49	63-R2.5
29	377	Compressor Station Equipment	-	-		-			
30	378	Measuring and Regulating Station Equip-General	26,089,984	2,225,884	2.210%	576,589	-10%	35	43-S0
31	379	Measuring and Regulating Station Equip-City Gate	13,652,520	1,113,710	1.810%	247,111	-25%	30	38-S0
32	380	Services	388,059,182	119,505,581	3.240%	12,573,118	-45%	36	42-R1.5
33	381	Meters	59,886,030	13,201,553	3.830%	2,293,635	-5%	21	30-R2
34	383	House Regulators	27,016,119	6,416,872	3.770%	1,018,508	-10%	26	32-S1.5
35	385	Industrial Measuring and Regulating Equip	960,687	241,727	2.310%	22,192	-5%	37	45-R2.5
36	387	Other Equipment	51,112	29,650	1.940%	992	0%	25	40-R2.5
37	388	ARO Cost Gas Distribution	-	-		-			
38		Total Gas Distribution	933,106,681	283,538,370		23,510,530			

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.2
PAGE 2 OF 4
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR MAJOR PROPERTY GROUPING (C)	ADJUSTED JURISDICTION		ACCRAUAL RATE (F)	CALCULATED DEPRECIATION EXPENSE (G=DxF)	% NET SALVAGE (H)	REMAINING SERVICE LIFE (I)	CURVE FORM (J)
			PLANT INVESTMENT (D)	ACCUMULATED BALANCE (E)					
			\$	\$		\$			
39	G	Gas General Plant							
40	389	Land and Land Rights	-	-		-			
41	390	Structures and Improvements	-	-		-			
42	391	Office Furniture and Equipment	-	-		-			
43	392	Transportation Equipment	1,995,628	794,738	5.300%	105,768	0	9	10-S2, 11-L3, 18-S1.5
44	393	Stores Equipment	-	-		-			
45	394	Tools, Shop, and Garage Equipment	7,598,910	2,683,497	4.250%	322,954	0%	12	25-SQ
46	395	Laboratory Equipment	-	-		-			
47	396	Power Operated Equipment	4,302,154	2,365,257	2.260%	97,229	0	12	14-S2
48	397	Communication Equipment	-	-		-			
49	398	Miscellaneous Equipment	-	-		-			
50		Total Gas General Plant	13,896,692	5,843,492		525,951			
51	C	Common Plant (1)							
52	301	Organization	25,973	-		-			
53	302	Franchises and Consents	-	-		-			
54	303	Misc Intangible Plant	35,672,484	21,479,248	16.178%	5,771,123	0%	3.00-3.50	5-SQ,SQUARE
55	389	Land and Land Rights	484,962	-		-			
56	390	Structures and Improvements	26,267,776	11,638,508	2.640%	693,469	0%	18.10-37.10	30-L0.5,40-S0.5
57	391	Office Furniture and Equipment	13,393,240	5,095,690	15.790%	2,114,793	0%	2.80-18.00	4-5-15-20-SQ
58	392	Transportation Equipment	103,785	50,751	3.680%	3,819	0%	6.0-9.6	9-S2.5, 12-S0.5, 23-L1.5
59	393	Stores Equipment	526,856	334,024	5.150%	27,133	0%	9	25-SQ
60	394	Tools, Shop, and Garage Equipment	1,293,807	757,705	4.250%	54,987	0%	12	25-SQ
61	395	Laboratory Equipment	-	-		-			
62	396	Power Operated Equipment	179,204	77,354	0.380%	681	0%	3.7-10.6	22-L4, 24-L2.5
63	397	Communication Equipment	11,392,255	8,360,147	1.690%	192,529	0%	3.5-25.9	10-SQ, 22-L2
64	398	Miscellaneous Equipment	-	-		-			
65	399	ARO Cost Common	-	-		-			
66		Total Common Plant allocated to Gas	89,340,343	47,793,427		8,858,534			
67		TOTAL GAS PLANT	1,265,850,116	389,277,428		37,805,756			

(1) 31% Common Plant allocated to Gas

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
CONSTRUCTION WORK IN PROGRESS
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-4
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	ACCUMULATED COSTS			JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
		CONSTRUCTION AMOUNT	AFUDC CAPITALIZED	INDIRECT COSTS				
		\$	\$	\$		\$	\$	\$
	GAS:							
1	PRODUCTION	-	-	-	100.000%	-	-	-
2	STORAGE AND PROCESSING	5,389,252	-	-	100.000%	5,389,252	-	5,389,252
3	TRANSMISSION	19,245,131	-	-	100.000%	19,245,131	(10,907,787)	8,337,344
4	DISTRIBUTION	18,968,883	-	-	100.000%	18,968,883	(864,767)	18,104,116
5	GENERAL	859,185	-	-	100.000%	859,185	-	859,185
6	COMMON	5,718,116	-	-	100.000%	5,718,116	-	5,718,116
7	TOTAL GAS	50,180,568	-	-		50,180,568	(11,772,554)	38,408,014

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S).:

SCHEDULE B-4.1
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	TOTAL COMPANY ADJUSTMENT \$	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS \$	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
GAS:						
1	PRODUCTION		100.000%	-		
2	STORAGE AND PROCESSING		100.000%	-		
3	TRANSMISSION	(10,907,787)	100.000%	(10,907,787)		GLT amounts excluded from rate base
4	DISTRIBUTION	(864,767)	100.000%	(864,767)		GLT amounts excluded from rate base
5	GENERAL		100.000%	-		
6	COMMON		100.000%	-		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
ALLOWANCE FOR WORKING CAPITAL
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-5
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	WORKING CAPITAL COMPONENT	DESCRIPTION OF METHODOLOGY USED TO DETERMINE JURISDICTIONAL REQUIREMENT	WORKPAPER REFERENCE NO.	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
				\$		\$
	GAS:					
1	GAS STORED UNDERGROUND	13 MONTH AVERAGE BALANCE	B-5.1	29,408,144	100.000%	29,408,144
2	MATERIAL AND SUPPLIES	13 MONTH AVERAGE BALANCE	B-5.1	1,579,559	100.000%	1,579,559
3	PREPAYMENTS (a)	13 MONTH AVERAGE BALANCE	B-5.1	3,400,089	100.000%	3,400,089
4	OTHER	13 MONTH AVERAGE BALANCE	B-5.1	-	100.000%	-
5	CASH WORKING CAPITAL	LEAD/LAG STUDY	B-5.2	<u>10,034,214</u>	100.000%	<u>10,034,214</u>
6	TOTAL WORKING CAPITAL REQUIREMENTS			<u><u>44,422,006</u></u>		<u><u>44,422,006</u></u>

(a) Excludes PSC fees.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
OTHER WORKING CAPITAL COMPONENTS
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

SCHEDULE B-5.1

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S).:

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MONTH AVERAGE FOR PERIOD		
		TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
		\$		\$
	GAS:			
1	GAS STORED UNDERGROUND	29,408,144	100.000%	29,408,144
2	MATERIAL AND SUPPLIES	1,579,559	100.000%	1,579,559
3	PREPAYMENTS (a)	3,400,089	100.000%	3,400,089
4	OTHER	-	100.000%	-
5	TOTAL OTHER WORKING CAPITAL	<u>34,387,792</u>		<u>34,387,792</u>

(a) Excludes PSC fees.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
CASH WORKING CAPITAL COMPONENTS
BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-5.2

PAGE 2 OF 4

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION	13 MONTH AVERAGE	JURIS. PERCENT	JURISDICTIONAL AMOUNT
ADDITIONAL USES OF CASH WORKING CAPITAL:					
1	128	PREPAID PENSION	681,208	100.000%	681,208
2	182	REGULATORY ASSET - FAS 158 PENSION	22,259,218	100.000%	22,259,218
3	183	PRELIMINARY SURVEY	765,864	100.000%	765,864
4	184	CLEARING ACCTS - PENSION	17,250,406	100.000%	17,250,406
5	186	MISC DEFERRED DEBITS	2,060,827	100.000%	2,060,827
6	188	RESRCH/DEV/DEMO EXP	-	100.000%	-
7		TOTAL USES OF CASH WORKING CAPITAL	<u>43,017,523</u>		<u>43,017,523</u>

LINE NO.	ACCT. NO.	DESCRIPTION	13 MONTH AVERAGE	JURIS. PERCENT	JURISDICTIONAL AMOUNT
ADDITIONAL SOURCES OF CASH WORKING CAPITAL:					
8	228.2	MISC LONG TERM LIABILITIES	(589,161)	100.000%	(589,161)
9	228.3	ACCUMULATED PROVISION FOR POST RETIREMENT BENEFITS	(13,531,373)	100.000%	(13,531,373)
10	242	MISC LIABILITY	(8,263,802)	100.000%	(8,263,802)
11	253	OTHER DEFERRED CREDITS	(1,826,916)	100.000%	(1,826,916)
12	143/232	NET ACCRUED RETENTION/CWIP	(63,873,758)	18.000%	(11,497,276)
13	143/232	NET ACCRUED RWIP	<u>(4,813,209)</u>	18.000%	<u>(866,378)</u>
14		TOTAL SOURCES OF CASH WORKING CAPITAL	<u>(92,898,218)</u>		<u>(36,574,906)</u>
15		TOTAL USES / (SOURCES) OF CASH WORKING CAPITAL (LINE 7 + 14)	<u>(49,880,695)</u>		<u>6,442,617</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-6
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$		\$	\$	\$
1	252	Customer Advances for Construction	6,749,116	100.000%	6,749,116	-	6,749,116
2	255	Deferred Investment Tax Credits		100.000%	-	-	-
3	190, 282, 283	Deferred Income Taxes (a)	231,305,248	100.000%	231,305,248	(5,841,052)	225,464,196

(a) Adjustment reflects GLT jurisdictional amounts.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY
AS OF DECEMBER 31, 2013 - 2017 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 1 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2017	% CHANGE	2016	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013
1	ASSETS													
2	UTILITY PLANT													
3	Utility Plant	\$ 7,738,822,210	9.49%	\$ 7,068,253,818	3.24%	\$ 6,846,566,580	3.18%	\$ 6,635,369,118	8.18%	\$ 6,133,579,940	7.49%	\$ 5,706,441,994	12.55%	\$ 5,070,053,264
4	Construction Work in Progress	<u>229,883,033</u>	-55.27%	<u>513,967,016</u>	66.37%	<u>308,930,186</u>	131.01%	<u>133,728,165</u>	-65.70%	<u>389,846,497</u>	-42.36%	<u>676,320,025</u>	3.82%	<u>651,432,116</u>
5	Total Utility Plant	\$ 7,968,705,243	5.10%	\$ 7,582,220,835	5.96%	\$ 7,155,496,766	5.71%	\$ 6,769,097,283	3.77%	\$ 6,523,426,437	2.20%	\$ 6,382,762,019	11.56%	\$ 5,721,485,380
6	Less: Accumulated Provision for Depreciation	<u>2,370,899,675</u>	5.46%	<u>2,248,094,904</u>	4.83%	<u>2,144,465,521</u>	4.45%	<u>2,053,028,397</u>	1.84%	<u>2,015,937,461</u>	-16.59%	<u>2,416,826,220</u>	4.89%	<u>2,304,132,232</u>
7	Net Utility Plant	\$ 5,597,805,569	4.94%	\$ 5,334,125,931	6.45%	\$ 5,011,031,245	6.25%	\$ 4,716,068,886	4.63%	\$ 4,507,488,976	13.66%	\$ 3,965,935,799	16.05%	\$ 3,417,353,148
8	OTHER PROPERTY AND INVESTMENTS													
9	Nonutility Property-Less Reserve	\$ 567,537	-7.90%	\$ 616,214	8.58%	\$ 567,537	0.00%	\$ 567,537	0.00%	\$ 567,535	-0.09%	\$ 568,052	16.07%	\$ 489,421
10	Investment in Subsidiary Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
11	Other Investments	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286
12	Special Funds	<u>23,124,970</u>	0.00%	<u>(0)</u>	0.00%	<u>-</u>	-100.00%	<u>3,450,337</u>	-62.13%	<u>9,111,614</u>	-56.35%	<u>20,873,650</u>	-6.08%	<u>22,225,512</u>
13	Total Other Property and Investments	\$ 24,286,792	1906.34%	\$ 1,210,500	4.19%	\$ 1,161,823	-74.81%	\$ 4,612,160	-55.11%	\$ 10,273,435	-53.38%	\$ 22,035,988	-5.46%	\$ 23,309,219
14	CURRENT AND ACCRUED ASSETS													
15	Cash	\$ 5,000,000	-49.01%	\$ 9,806,384	22.52%	\$ 8,004,169	78.18%	\$ 4,492,085	63.38%	\$ 2,749,464	-38.51%	\$ 4,471,662	28.95%	\$ 3,467,771
16	Special Deposits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
17	Working Funds	19,790	-20.17%	24,790	100.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	20,090
18	Temporary Cash Investments	(0)	0.00%	195,522	-97.07%	6,665,308	2153.23%	295,811	-98.15%	16,031,632	192.71%	5,476,948	20.79%	4,534,363
19	Customer Accounts Receivable	118,803,774	7.02%	111,014,875	-5.19%	117,091,508	6.70%	109,743,816	18.23%	92,825,487	-14.15%	108,131,123	5.29%	102,699,350
20	Other Accounts Receivable	12,799,954	-56.82%	29,641,165	124.37%	13,210,933	14.91%	11,497,034	68.64%	6,817,320	-32.73%	10,134,328	2.03%	9,932,730
21	Less: Accum Prov. for Uncollectable Accts-Credit	1,194,743	-17.31%	1,444,910	28.24%	1,126,694	-30.54%	1,621,998	36.91%	1,184,713	-25.68%	1,594,049	-12.84%	1,828,848
22	Accounts Receivable from Associated Companies	22,754,066	-6.66%	24,378,091	-0.44%	24,486,943	-12.81%	28,083,431	71.50%	16,375,434	-83.15%	97,209,024	89299.94%	108,735
23	Fuel	34,888,884	-17.24%	42,155,676	-5.64%	44,674,354	-25.62%	60,061,204	-15.45%	71,040,238	6.72%	66,567,149	3.70%	64,191,758
24	Plant Materials and Operating Supplies	36,515,600	-4.97%	38,423,369	8.29%	35,480,555	2.25%	34,700,605	8.28%	32,048,293	-9.55%	35,430,432	-1.08%	35,816,744
25	Stores Expense Undistributed	7,888,273	61.70%	4,878,404	-36.26%	7,654,120	13.95%	6,716,994	21.10%	5,546,728	-12.69%	6,352,862	2.68%	6,186,832
26	Gas Stored Underground	21,049,082	-48.93%	41,213,192	-3.17%	42,560,968	2.06%	41,703,685	-0.87%	42,068,560	-22.31%	54,151,379	13.89%	47,546,888
27	Prepayments	17,651,352	14.04%	15,477,577	3.54%	14,947,783	-0.62%	15,041,152	132.38%	6,472,537	-15.25%	7,636,886	48.99%	5,125,670
28	Interest, Dividends, and Rents Receivable	1,344,237	201.87%	445,309	-16.96%	536,268	41.26%	379,641	-17.27%	458,910	-41.95%	790,509	40.58%	562,307
29	Accrued Utility Revenues	72,786,181	-5.76%	77,231,391	-14.92%	90,773,246	20.84%	75,119,083	12.05%	67,041,506	-12.22%	76,374,354	-10.31%	85,152,363
30	Miscellaneous Current Assets	-	0.00%	-	-100.00%	147	-2.65%	151	-73.56%	571	-90.98%	6,329	-84.84%	41,739
31	Total Current and Accrued Assets	\$ 350,306,451	-10.96%	\$ 393,440,834	-2.84%	\$ 404,959,608	4.85%	\$ 386,212,694	7.79%	\$ 358,291,967	-23.95%	\$ 471,138,936	29.59%	\$ 363,558,492
32	DEFERRED DEBITS													
33	Unamortized Debt Expense	\$ 17,976,816	36.29%	\$ 13,189,872	-5.41%	\$ 13,944,469	-3.52%	\$ 14,453,918	-8.99%	\$ 15,881,935	22.19%	\$ 12,997,480	-6.93%	\$ 13,965,458
34	Other Regulatory Assets	396,163,922	-10.57%	442,981,978	6.84%	414,621,892	-9.14%	456,353,743	5.05%	434,413,097	5.79%	410,620,298	31.33%	312,656,793
35	Miscellaneous Deferred Debits	15,945,452	70.79%	9,336,423	11.36%	8,383,804	5.10%	7,976,721	21.12%	6,585,819	75.52%	3,752,218	151.15%	1,493,996
36	Unamortized Loss on Re-Acquired Debt	13,781,616	-5.21%	14,538,954	-6.55%	15,557,928	-0.19%	15,588,304	-7.56%	16,863,861	-6.47%	18,031,262	-2.23%	18,442,649
37	Accumulated Deferred Income Taxes	<u>302,999,060</u>	8.13%	<u>280,220,561</u>	-12.40%	<u>319,875,911</u>	23.76%	<u>258,465,335</u>	-1.03%	<u>261,142,312</u>	65.41%	<u>157,876,610</u>	20.52%	<u>130,998,531</u>
38	Total Deferred Debits	\$ 746,866,866	-1.76%	\$ 760,267,788	-1.57%	\$ 772,384,004	2.60%	\$ 752,838,021	2.44%	\$ 734,887,024	21.82%	\$ 603,277,868	26.33%	\$ 477,557,427
39	Total Assets	\$ 6,719,265,677	3.55%	\$ 6,489,045,052	4.84%	\$ 6,189,536,680	5.63%	\$ 5,859,731,761	4.43%	\$ 5,610,941,402	10.84%	\$ 5,062,388,591	18.23%	\$ 4,281,778,286

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY
AS OF DECEMBER 31, 2013 - 2017 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 2 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2017	% CHANGE	2016	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013
1	<u>LIABILITIES & PROPRIETARY CAPITAL</u>													
2	<u>PROPRIETARY CAPITAL</u>													
3	Common Stock Issued	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424
4	Paid in Capital	700,132,748	16.48%	601,081,499	16.02%	518,081,499	6.15%	488,081,499	17.02%	417,081,499	27.52%	327,081,499	92.88%	169,581,499
5	(Less) Capital Stock Expense	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889
6	Other Comprehensive Income	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
7	Retained Earnings	1,313,236,534	3.19%	1,272,593,971	6.39%	1,196,179,718	1.88%	1,174,083,951	6.85%	1,098,854,463	6.43%	1,032,434,890	5.75%	976,302,939
8	Unappropriated Undistributed Subsidiary Earnings	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
9	Total Proprietary Capital	<u>\$ 2,437,703,817</u>	6.08%	<u>\$ 2,298,010,005</u>	7.45%	<u>\$ 2,138,595,752</u>	2.50%	<u>\$ 2,086,499,985</u>	7.54%	<u>\$ 1,940,270,497</u>	8.77%	<u>\$ 1,783,850,924</u>	13.61%	<u>\$ 1,570,218,973</u>
10	<u>LONG-TERM DEBT</u>													
11	Bonds	\$ 2,097,250,330	15.22%	\$ 1,820,175,036	5.82%	\$ 1,719,992,046	5.53%	\$ 1,629,913,008	-1.50%	\$ 1,654,729,468	22.14%	\$ 1,354,743,586	0.03%	\$ 1,354,402,769
12	Long-Term Debt to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
13	Total Long-Term Debt	<u>\$ 2,097,250,330</u>	15.22%	<u>\$ 1,820,175,036</u>	5.82%	<u>\$ 1,719,992,046</u>	5.53%	<u>\$ 1,629,913,008</u>	-1.50%	<u>\$ 1,654,729,468</u>	22.14%	<u>\$ 1,354,743,586</u>	0.03%	<u>\$ 1,354,402,769</u>
14	<u>OTHER NON-CURRENT LIABILITIES</u>													
15	Long Term Obligations Under Capital Leases	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -
16	Accumulated Provision for Postretirement Benefits	65,607,056	-14.93%	77,118,498	-36.15%	120,771,319	-6.39%	129,016,151	-2.49%	132,307,531	-7.07%	142,374,774	49.71%	95,101,935
17	Total Other Non-Current Liabilities	<u>\$ 65,607,056</u>	-14.93%	<u>\$ 77,118,498</u>	-36.15%	<u>\$ 120,771,319</u>	-6.39%	<u>\$ 129,016,151</u>	-2.49%	<u>\$ 132,307,531</u>	-7.07%	<u>\$ 142,374,774</u>	49.71%	<u>\$ 95,101,935</u>
18	<u>CURRENT AND ACCRUED LIABILITIES</u>													
19	Notes Payable	\$ 87,367,954	-68.70%	\$ 279,133,251	40.35%	\$ 198,888,138	17.88%	\$ 168,714,279	18.84%	\$ 141,969,180	-46.21%	\$ 263,956,483	1220.00%	\$ 19,996,778
20	Accounts Payable	149,671,168	-18.41%	183,437,399	-6.86%	196,952,370	23.76%	159,143,116	-7.56%	172,152,826	-29.78%	245,177,038	43.50%	170,850,243
21	Notes Payable to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
22	Accounts Payable to Associated Companies	24,971,526	-3.24%	25,807,792	14.71%	22,497,457	-12.95%	25,844,666	5.22%	24,563,440	22.72%	20,016,015	-17.61%	24,294,741
23	Customer Deposits	28,469,522	-2.08%	29,075,694	5.90%	27,456,982	2.93%	26,675,850	5.00%	25,405,488	3.70%	24,498,183	1.76%	24,075,549
24	Taxes Accrued	18,045,079	-30.02%	25,785,114	3.95%	24,804,246	-38.37%	40,246,772	101.99%	19,925,519	5.60%	18,869,565	64.45%	11,474,665
25	Interest Accrued	21,298,158	92.43%	11,067,870	4.39%	10,602,817	-0.59%	10,665,488	-2.57%	10,946,603	86.46%	5,870,903	5.21%	5,580,258
26	Tax Collections Payable	1,511,960	8.07%	1,399,039	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
27	Miscellaneous Current and Accrued Liabilities	38,589,178	-8.94%	42,378,428	-11.60%	47,939,726	-9.98%	53,252,121	-23.99%	70,058,015	-21.86%	89,656,315	272.97%	24,038,771
28	Total Current and Accrued Liabilities	<u>\$ 369,924,546</u>	-38.15%	<u>\$ 598,084,589</u>	13.03%	<u>\$ 529,141,736</u>	9.20%	<u>\$ 484,542,292</u>	4.20%	<u>\$ 465,021,071</u>	-30.39%	<u>\$ 668,044,502</u>	138.32%	<u>\$ 280,311,005</u>
29	<u>DEFERRED CREDITS</u>													
30	Customer Advances for Construction	\$ 14,129,365	40.92%	\$ 10,026,749	-41.96%	\$ 17,274,172	166.93%	\$ 6,471,505	-12.88%	\$ 7,428,646	-9.78%	\$ 8,234,051	22.02%	\$ 6,748,025
31	Accumulated Deferred Investment Tax Credits	33,268,691	-2.92%	34,269,389	-2.79%	35,252,005	-3.04%	36,357,160	4.95%	34,643,470	-3.72%	35,982,105	-4.74%	37,770,885
32	Other Deferred Credits	2,069,549	16.81%	1,771,793	-15.51%	2,097,058	7.74%	1,946,440	-51.55%	4,017,629	-72.50%	14,609,363	-14.65%	17,117,636
33	Other Regulatory Liabilities	593,797,688	-4.10%	619,153,588	3.11%	600,465,356	648.10%	80,265,594	-10.37%	89,547,281	0.07%	89,485,209	-3.33%	92,564,168
34	Asset Retirement Obligation	112,970,287	-5.44%	119,468,849	-8.29%	130,270,439	-22.65%	168,407,831	-10.94%	189,099,814	121.49%	85,375,725	3.87%	82,196,215
35	Miscellaneous Long-Term Liabilities	15,256,856	409.32%	2,995,563	-25.44%	4,017,396	3.83%	3,869,120	-8.95%	4,249,578	-80.82%	22,159,360	-39.35%	36,535,512
36	Accumulated Deferred Income Taxes	977,287,492	7.63%	907,970,993	1.83%	891,659,401	-27.65%	1,232,442,675	13.11%	1,089,626,417	27.07%	857,528,992	20.98%	708,811,163
37	Total Deferred Credits	<u>\$ 1,748,779,927</u>	3.13%	<u>\$ 1,695,656,925</u>	0.87%	<u>\$ 1,681,035,827</u>	9.89%	<u>\$ 1,529,760,325</u>	7.83%	<u>\$ 1,418,612,835</u>	27.42%	<u>\$ 1,113,374,805</u>	13.41%	<u>\$ 981,743,604</u>
38	Total Liabilities and Stockholders Equity	<u>\$ 6,719,265,677</u>	3.55%	<u>\$ 6,489,045,052</u>	4.84%	<u>\$ 6,189,536,680</u>	5.63%	<u>\$ 5,859,731,761</u>	4.43%	<u>\$ 5,610,941,402</u>	10.84%	<u>\$ 5,062,388,591</u>	18.23%	<u>\$ 4,281,778,286</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
COMPARATIVE BALANCE SHEETS - GAS
AS OF DECEMBER 31, 2013 - 2017 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):.

SCHEDULE B-8
PAGE 3 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2017	% CHANGE	2016	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013
1	ASSETS													
2	UTILITY PLANT													
3	Utility Plant	\$ 1,411,262,490	6.43%	\$ 1,325,946,325	4.85%	\$ 1,264,627,534	6.26%	\$ 1,190,110,775	7.89%	\$ 1,103,086,797	7.46%	\$ 1,026,529,217	12.38%	\$ 913,414,945
4	Construction Work in Progress	109,625,703	116.89%	50,544,998	90.99%	26,464,796	48.36%	17,837,788	-30.06%	25,504,982	7.35%	23,759,661	-61.24%	61,294,002
5	Total Utility Plant	\$ 1,520,888,194	10.49%	\$ 1,376,491,323	6.61%	\$ 1,291,092,330	6.88%	\$ 1,207,948,563	7.03%	\$ 1,128,591,779	7.46%	\$ 1,050,288,878	7.75%	\$ 974,708,947
6	Less: Accumulated Provision for Depreciation	410,661,842	4.41%	393,334,040	6.87%	368,036,709	7.01%	343,912,745	4.30%	329,724,160	5.26%	313,237,740	6.14%	295,119,381
7	Net Utility Plant	\$ 1,110,226,352	12.92%	\$ 983,157,283	6.51%	\$ 923,055,621	6.83%	\$ 864,035,818	8.16%	\$ 798,867,619	8.39%	\$ 737,051,138	8.46%	\$ 679,589,566
8	OTHER PROPERTY AND INVESTMENTS													
9	Nonutility Property-Less Reserve	\$ 175,936	-7.55%	\$ 190,299	8.61%	\$ 175,209	3.33%	\$ 169,557	0.00%	\$ 169,556	-0.09%	\$ 169,711	20.15%	\$ 141,251
10	Investment in Subsidiary Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
11	Other Investments	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
12	Special Funds	4,618,516	100.00%	-	0.00%	-	-100.00%	607,949	-60.38%	1,534,396	-58.35%	3,684,199	-14.99%	4,333,975
13	Total Other Property and Investments	\$ 4,794,453	2419.43%	\$ 190,299	8.61%	\$ 175,209	-77.47%	\$ 777,506	-54.37%	\$ 1,703,952	-55.79%	\$ 3,853,910	-13.88%	\$ 4,475,226
14	CURRENT AND ACCRUED ASSETS													
15	Cash	\$ 993,165	-29.12%	\$ 1,401,277	32.41%	\$ 1,058,304	152.66%	\$ 418,862	291.96%	\$ 106,863	-74.31%	\$ 415,971	57.68%	\$ 263,812
16	Special Deposits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
17	Working Funds	3,931	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	3,918
18	Temporary Cash Investments	(0)	0.00%	35,507	-97.04%	1,197,756	2197.99%	52,122	-98.07%	2,699,727	177.89%	971,494	9.22%	889,517
19	Customer Accounts Receivable	29,095,044	-15.67%	34,500,078	2.93%	33,518,511	10.37%	30,369,820	25.84%	24,133,816	-31.65%	35,308,883	4.62%	33,750,513
20	Other Accounts Receivable	2,542,493	238.57%	750,943	211.73%	240,896	50.49%	160,073	-24.09%	210,871	-0.61%	212,163	38.56%	153,123
21	Less: Accum Prov. for Uncollectable Accts-Credit	237,315	-23.22%	309,072	30.37%	237,075	-25.26%	317,185	46.72%	216,185	-64.47%	608,514	47.01%	413,938
22	Accounts Receivable from Associated Companies	19,505	-100.03%	(69,389,475)	-330683.49%	20,990	-12.81%	24,073	132.39%	10,359	-45.91%	19,150	21177.78%	90
23	Fuel	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
24	Plant Materials and Operating Supplies	631,717	-343.62%	(259,301)	-2627.79%	10,258	0.00%	10,258	0.00%	10,258	0.00%	10,258	0.00%	10,258
25	Stores Expense Undistributed	136,467	-87.24%	1,069,561	106.96%	516,791	64.44%	314,268	57.22%	199,890	-5.95%	212,525	13.73%	186,876
26	Gas Stored Underground	21,049,082	-48.93%	41,213,192	-3.17%	42,560,968	2.06%	41,703,685	-0.87%	42,068,560	-22.31%	54,151,379	13.89%	47,546,888
27	Prepayments	3,426,127	13.17%	3,027,320	20.76%	2,506,952	-1.77%	2,552,163	142.40%	1,052,866	-2.21%	1,076,616	104.91%	525,409
28	Interest, Dividends, and Rents Receivable	267,010	#DIV/0!	-	-100.00%	132	-70.86%	453	7.86%	420	7.97%	389	22.33%	318
29	Accrued Utility Revenues	17,825,336	-22.34%	22,954,097	-23.42%	29,973,891	26.33%	23,726,954	30.04%	18,245,470	-26.89%	24,955,728	-19.07%	30,835,687
30	Miscellaneous Current Assets	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
31	Total Current and Accrued Assets	\$ 75,752,563	116.47%	\$ 34,994,127	-68.58%	\$ 111,368,374	12.48%	\$ 99,015,546	11.85%	\$ 88,522,915	-24.16%	\$ 116,726,042	2.61%	\$ 113,752,471
32	DEFERRED DEBITS													
33	Unamortized Debt Expense	\$ 3,573,707	50.52%	\$ 2,374,177	-5.41%	\$ 2,510,004	2.15%	\$ 2,457,166	-8.13%	\$ 2,674,518	16.58%	\$ 2,294,055	-15.76%	\$ 2,723,317
34	Other Regulatory Assets	55,793,047	-23.15%	72,601,609	10.88%	65,475,632	-0.30%	66,670,991	10.81%	59,263,060	-18.68%	72,880,699	37.80%	52,889,424
35	Miscellaneous Deferred Debits	2,800,010	-45.31%	5,120,029	85.76%	2,756,216	25.52%	2,195,852	9.46%	2,006,055	-3.64%	2,081,757	1585.67%	123,498
36	Unamortized Loss on Re-Acquired Debt	2,736,270	3.64%	2,640,274	-5.56%	2,795,760	1.79%	2,746,659	-3.28%	2,839,874	-10.77%	3,182,518	-11.52%	3,596,792
37	Accumulated Deferred Income Taxes	56,713,577	6.49%	53,257,163	-4.15%	55,564,519	66.77%	33,317,297	-20.05%	41,674,470	31.75%	31,632,555	27.10%	24,888,128
38	Total Deferred Debits	\$ 121,616,611	-10.57%	\$ 135,993,252	5.34%	\$ 129,102,131	21.35%	\$ 106,387,965	-1.91%	\$ 108,457,977	-3.22%	\$ 112,071,584	33.07%	\$ 84,221,159
39	Total Assets	\$ 1,312,389,979	13.69%	\$ 1,154,334,961	-0.80%	\$ 1,163,701,335	8.74%	\$ 1,070,216,835	7.28%	\$ 997,552,463	2.87%	\$ 969,702,674	9.94%	\$ 882,038,422

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
COMPARATIVE BALANCE SHEETS - GAS
AS OF DECEMBER 31, 2013 - 2017 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: _____ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):..

SCHEDULE B-8
PAGE 4 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2017	% CHANGE	2016	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013
1	LIABILITIES & PROPRIETARY CAPITAL													
2	PROPRIETARY CAPITAL													
3	Common Stock Issued	\$ 84,452,886	9.38%	\$ 77,210,949	1.06%	\$ 76,403,125	1.99%	\$ 74,915,029	4.63%	\$ 71,598,699	-4.59%	\$ 75,042,580	-9.49%	\$ 82,908,233
4	Paid in Capital	139,237,256	27.56%	109,156,400	17.25%	93,099,245	8.25%	85,999,960	22.44%	70,236,525	21.66%	57,729,885	74.58%	33,068,392
5	(Less) Capital Stock Expense	166,035	9.38%	151,797	1.06%	150,209	1.99%	147,284	4.63%	140,764	-4.59%	147,535	-9.49%	162,999
6	Other Comprehensive Income	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
7	Retained Earnings	260,928,325	17.37%	222,305,017	4.52%	212,685,698	3.51%	205,470,857	10.63%	185,735,449	1.01%	183,878,537	-5.47%	194,517,915
8	Unappropriated Undistributed Subsidiary Earnings	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
9	Total Proprietary Capital	<u>\$ 484,452,433</u>	18.59%	<u>\$ 408,520,569</u>	6.93%	<u>\$ 382,037,859</u>	4.31%	<u>\$ 366,238,562</u>	11.85%	<u>\$ 327,429,909</u>	3.45%	<u>\$ 316,503,467</u>	1.99%	<u>\$ 310,331,541</u>
10	LONG-TERM DEBT													
11	Bonds	\$ 416,850,394	26.11%	\$ 330,543,787	6.77%	\$ 309,598,568	11.73%	\$ 277,085,211	-6.97%	\$ 297,851,304	24.11%	\$ 239,987,243	-9.13%	\$ 264,108,540
12	Long-Term Debt to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
13	Total Long-Term Debt	<u>\$ 416,850,394</u>	26.11%	<u>\$ 330,543,787</u>	6.77%	<u>\$ 309,598,568</u>	11.73%	<u>\$ 277,085,211</u>	-6.97%	<u>\$ 297,851,304</u>	24.11%	<u>\$ 239,987,243</u>	-9.13%	<u>\$ 264,108,540</u>
14	OTHER NON-CURRENT LIABILITIES													
15	Long Term Obligations Under Capital Leases	\$ 3,437,087	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -
16	Accumulated Provision for Postretirement Benefits	13,025,665	-7.30%	14,051,824	-35.39%	21,749,218	-4.52%	22,778,350	2.03%	22,324,269	-11.32%	25,174,929	35.38%	18,595,458
17	Total Other Non-Current Liabilities	<u>\$ 16,462,751</u>	17.16%	<u>\$ 14,051,824</u>	-35.39%	<u>\$ 21,749,218</u>	-4.52%	<u>\$ 22,778,350</u>	2.03%	<u>\$ 22,324,269</u>	-11.32%	<u>\$ 25,174,929</u>	35.38%	<u>\$ 18,595,458</u>
18	CURRENT AND ACCRUED LIABILITIES													
19	Notes Payable	\$ 17,264,263	-65.94%	\$ 50,690,598	41.59%	\$ 35,799,865	24.82%	\$ 28,681,428	12.24%	\$ 25,554,453	-45.15%	\$ 46,588,319	100.00%	\$ 3,899,372
20	Accounts Payable	29,730,509	-13.09%	34,210,135	-9.18%	37,667,754	20.74%	31,196,234	32.91%	23,472,129	-22.31%	30,211,486	28.04%	23,595,049
21	Notes Payable to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
22	Accounts Payable to Associated Companies	4,043,938	-7.79%	4,385,516	17.11%	3,744,765	-12.13%	4,261,607	10.48%	3,857,196	19.05%	3,240,106	-26.60%	4,414,072
23	Customer Deposits	5,654,987	-55.80%	12,793,305	117.66%	5,877,543	8.97%	5,393,661	-2.61%	5,538,254	28.08%	4,323,929	-21.30%	5,494,040
24	Taxes Accrued	3,589,749	-28.31%	5,007,091	0.64%	4,975,487	-33.61%	7,494,012	101.31%	3,722,576	1.25%	3,676,469	44.12%	2,550,995
25	Interest Accrued	4,249,870	111.44%	2,009,922	5.49%	1,905,323	1.39%	1,879,256	2.48%	1,833,836	78.70%	1,026,225	-5.74%	1,088,685
26	Tax Collections Payable	300,325	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
27	Miscellaneous Current and Accrued Liabilities	7,990,126	-42.71%	13,947,588	4.96%	13,288,015	50.70%	8,817,760	-33.22%	13,204,767	-43.65%	23,431,793	111.99%	11,053,398
28	Total Current and Accrued Liabilities	<u>\$ 72,823,768</u>	-40.81%	<u>\$ 123,044,155</u>	19.16%	<u>\$ 103,258,752</u>	17.71%	<u>\$ 87,723,958</u>	13.66%	<u>\$ 77,183,211</u>	-31.39%	<u>\$ 112,498,327</u>	115.95%	<u>\$ 52,095,611</u>
29	DEFERRED CREDITS													
30	Customer Advances for Construction	\$ 7,666,910	239.89%	\$ 2,255,713	-73.10%	\$ 8,384,906	-2380.76%	\$ (367,637)	-166.47%	\$ 553,065	-91.57%	\$ 6,560,096	33.37%	\$ 4,918,769
31	Accumulated Deferred Investment Tax Credits	5,089	-100.47%	(1,076,358)	-3141.68%	35,387	-56.80%	81,906	-42.45%	142,326	-35.32%	220,046	100.00%	0
32	Other Deferred Credits	411,081	64.11%	250,493	17.16%	213,798	-12.80%	245,170	-2.15%	250,569	489.84%	42,481	-98.08%	2,206,828
33	Other Regulatory Liabilities	114,420,994	-5.68%	121,314,575	3.62%	117,075,649	1094.76%	9,799,067	-45.92%	18,119,932	-14.51%	21,194,837	1.68%	20,845,169
34	Asset Retirement Obligation	25,041,402	4.69%	23,920,002	15.77%	20,661,358	4.61%	19,750,209	6.46%	18,551,722	-13.21%	21,375,404	-2.25%	21,866,447
35	Miscellaneous Long-Term Liabilities	593,851	9.16%	543,994	-24.65%	721,926	5.89%	681,739	-4.74%	715,629	-81.70%	3,911,127	-45.10%	7,124,425
36	Accumulated Deferred Income Taxes	182,639,911	4.47%	174,826,741	2.44%	170,670,570	-26.72%	232,911,884	4.25%	223,409,449	15.78%	192,952,793	32.32%	145,827,701
37	Total Deferred Credits	<u>\$ 330,779,237</u>	2.72%	<u>\$ 322,035,160</u>	1.34%	<u>\$ 317,763,594</u>	20.78%	<u>\$ 263,102,338</u>	0.52%	<u>\$ 261,742,692</u>	6.29%	<u>\$ 246,256,784</u>	21.43%	<u>\$ 202,789,339</u>
38	Total Liabilities and Stockholders Equity	<u>\$ 1,321,368,584</u>	10.28%	<u>\$ 1,198,195,495</u>	5.62%	<u>\$ 1,134,407,991</u>	11.55%	<u>\$ 1,016,928,419</u>	3.08%	<u>\$ 986,531,385</u>	4.90%	<u>\$ 940,420,750</u>	10.91%	<u>\$ 847,920,489</u>
39	Adjustment to Balance	<u>\$ (8,978,605)</u>		<u>\$ (43,860,534)</u>		<u>\$ 29,293,344</u>		<u>\$ 53,288,416</u>		<u>\$ 11,021,078</u>		<u>\$ 29,281,924</u>		<u>\$ 34,117,933</u>

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(c)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A jurisdictional operating income summary for both the base period and the forecasted period with supporting schedules, which provide breakdowns by major account group and by individual account.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE C

JURISDICTIONAL OPERATING INCOME SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295 - ELECTRIC OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED APRIL 30, 2020

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
C-1	JURISDICTIONAL OPERATING INCOME SUMMARY
C-2	JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT
C-2.1	JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNTS
C-2.2	COMPARISON OF ELECTRIC UTILITY ACCOUNT BALANCES

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
JURISDICTIONAL OPERATING INCOME SUMMARY
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-1

PAGE 1 OF 1

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	BASE PERIOD RETURN AT CURRENT RATES (1) \$	FORECASTED ADJUSTMENTS AT CURRENT RATES (2) \$	FORECASTED RETURN AT CURRENT RATES (3) \$	PROPOSED INCREASE (4) \$	FORECASTED RETURN AT PROPOSED RATES (5) \$
1	<u>OPERATING REVENUES</u>					
2	ELECTRIC SALES REVENUES	982,806,556	9,142,043	991,948,599	35,210,457	1,027,159,056
3	OTHER OPERATING REVENUES	22,130,930	(356,674)	21,774,257	(322,972)	21,451,285
4	TOTAL OPERATING REVENUES	<u>1,004,937,486</u>	<u>8,785,369</u>	<u>1,013,722,855</u>	<u>34,887,485</u>	<u>1,048,610,340</u>
5	<u>OPERATING EXPENSES</u>					
6	OPERATION AND MAINTENANCE EXPENSE	616,964,050	10,327,635	627,291,685	63,495	627,355,180
7	DEPRECIATION AND AMORTIZATION	127,959,124	27,841,256	155,800,380		155,800,380
8	REGULATORY DEBITS	145	(145)	-		-
9	TAXES OTHER THAN INCOME TAXES	32,107,719	2,825,206	34,932,925	69,775	35,002,700
10	TOTAL INCOME TAXES	38,002,896	(12,594,953)	25,407,943	8,671,177	34,079,119
11	INVESTMENT TAX CREDIT	(957,396)	(46,725)	(1,004,121)		(1,004,121)
12	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	<u>(103,081)</u>	<u>103,081</u>	<u>-</u>		<u>-</u>
13	TOTAL OPERATING EXPENSES	<u>813,973,456</u>	<u>28,455,355</u>	<u>842,428,811</u>	<u>8,804,447</u>	<u>851,233,258</u>
14	NET OPERATING INCOME	<u>190,964,030</u>	<u>(19,669,986)</u>	<u>171,294,044</u>	<u>26,083,038</u>	<u>197,377,082</u>
15	CAPITALIZATION ALLOCATED TO ELECTRIC OPERATIONS	<u>2,448,976,190</u>	<u>126,379,721</u>	<u>2,575,355,911</u>		<u>2,575,355,911</u>
16	RATE OF RETURN ON CAPITALIZATION	<u>7.80%</u>		<u>6.65%</u>		<u>7.66%</u>
17	ELECTRIC RATE BASE	<u>2,383,315,638</u>	<u>166,812,984</u>	<u>2,550,128,622</u>		<u>2,550,128,622</u>
18	RATE OF RETURN ON RATE BASE	<u>8.01%</u>		<u>6.72%</u>		<u>7.74%</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD

SCHEDULE C-2

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S)::

WITNESS: C. M. GARRETT

LINE NO.	MAJOR ACCOUNT OR GROUP CLASSIFICATION	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD	PRO FORMA FORECASTED PERIOD JURISDICTIONAL
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	<u>OPERATING REVENUES</u>					
2	ELECTRIC SALES REVENUES	982,806,556	17,403,385	1,000,209,941	(8,261,342)	991,948,599
3	OTHER OPERATING REVENUES	22,130,930	(356,674)	21,774,257	-	21,774,257
4	TOTAL OPERATING REVENUES	1,004,937,486	17,046,712	1,021,984,198	(8,261,342)	1,013,722,855
5	<u>OPERATING EXPENSES</u>					
6	<u>OPERATION AND MAINTENANCE EXPENSES:</u>					
7	PRODUCTION EXPENSE	450,657,547	5,586,296	456,243,843	-	456,243,843
8	TRANSMISSION EXPENSE	18,668,545	5,021,613	23,690,158	-	23,690,158
9	DISTRIBUTION EXPENSE	53,903,887	(3,802,906)	50,100,981	-	50,100,981
10	CUSTOMER ACCOUNTS EXPENSE	14,127,035	(25,316)	14,101,719	-	14,101,719
11	CUSTOMER SERVICE AND INFORMATIONAL EXPENSE	1,657,344	1,126,120	2,783,464	-	2,783,464
12	SALES EXPENSE	1,183,927	(135,386)	1,048,542	(1,048,542)	-
13	ADMINISTRATIVE AND GENERAL EXPENSE	76,765,765	3,612,786	80,378,551	(7,031)	80,371,520
14	TOTAL OPERATION AND MAINTENANCE EXPENSES	616,964,050	11,383,208	628,347,258	(1,055,573)	627,291,685
15	DEPRECIATION AND AMORTIZATION	127,959,124	27,841,256	155,800,380	-	155,800,380
16	REGULATORY DEBITS	145	(145)	-	-	-
17	TAXES OTHER THAN INCOME TAXES	32,107,719	2,825,206	34,932,925	-	34,932,925
18	FEDERAL INCOME TAXES	29,803,035	(8,783,034)	21,020,001	(1,437,551)	19,582,450
19	STATE INCOME TAXES	8,199,861	(2,014,080)	6,185,781	(360,288)	5,825,493
20	INVESTMENT TAX CREDIT	(957,396)	(46,725)	(1,004,121)	-	(1,004,121)
21	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	(103,081)	103,081	-	-	-
22	TOTAL OPERATING EXPENSES	813,973,456	31,308,767	845,282,224	(2,853,412)	842,428,811
23	NET OPERATING INCOME	190,964,030	(14,262,056)	176,701,974	(5,407,930)	171,294,044

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED

WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.1

PAGE 1 OF 12

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL ELECTRIC 100%
1		<u>OPERATING REVENUES</u>						
2		<u>SALES OF ELECTRICITY:</u>						
3	440	RESIDENTIAL	451,172,021	100.000%	451,172,021	(57,877,338)	393,294,683	
4	442.2	COMMERCIAL	369,395,507	100.000%	369,395,507	(45,339,502)	324,056,005	
5	442.3	INDUSTRIAL	168,269,482	100.000%	168,269,482	(17,512,292)	150,757,190	
6	444	PUBLIC STREET AND HIGHWAY LIGHTING	2,972,141	100.000%	2,972,141	(331,425)	2,640,716	
7	445	OTHER SALES TO PUBLIC AUTHORITIES	95,556,725	100.000%	95,556,725	(11,587,718)	83,969,007	
8		TOTAL SALES TO ULTIMATE CONSUMERS	1,087,365,876		1,087,365,876	(132,648,275)	954,717,601	
9	447	SALES FOR RESALE	58,290,298	100.000%	58,290,298	(30,201,343)	28,088,955	
10	449.1	PROVISION FOR RATE REFUNDS	-	100.000%	-	-	-	
11		TOTAL SALES OF ELECTRICITY	1,145,656,174		1,145,656,174	(162,849,618)	982,806,556	
12		<u>OTHER OPERATING REVENUES:</u>						
13	450	LATE PAYMENT CHARGES	2,764,434	100.000%	2,764,434	-	2,764,434	
14	451	ELECTRIC SERVICE REVENUES	1,966,751	100.000%	1,966,751	-	1,966,751	
15	454	RENT FROM ELECTRIC PROPERTY	4,129,320	100.000%	4,129,320	-	4,129,320	
16	456	OTHER MISCELLANEOUS REVENUE	13,270,426	100.000%	13,270,426	-	13,270,426	
17		TOTAL OTHER OPERATING REVENUES	22,130,930		22,130,930	-	22,130,930	
18		TOTAL OPERATING REVENUES	1,167,787,105		1,167,787,105	(162,849,618)	1,004,937,486	
19		<u>OPERATING EXPENSES</u>						
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>						
21		<u>STEAM GENERATION:</u>						
22	500	STEAM OPERATION SUPERVISION AND ENGINEERING	4,862,392	100.000%	4,862,392	-	4,862,392	
23	501	FUEL	254,423,858	100.000%	254,423,858	(3,402,190)	251,021,668	
24	502	STEAM EXPENSES	17,684,948	100.000%	17,684,948	(379,616)	17,305,332	
25	504	STEAM TRANSFERRED-CREDIT	-	100.000%	-	-	-	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED

WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.1

PAGE 2 OF 12

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL ELECTRIC 100%
26	505	ELECTRIC EXPENSES	2,857,716	100.000%	2,857,716	-	2,857,716	
27	506	MISC STEAM POWER EXPENSES	14,450,722	100.000%	14,450,722	(4,822,311)	9,628,412	
28	507	RENTS	36,540	100.000%	36,540	-	36,540	
29	509	ALLOWANCES	3	100.000%	3	-	3	
30	510	MAINTENANCE SUPERVISION AND ENGINEERING	5,518,963	100.000%	5,518,963	-	5,518,963	
31	511	MAINTENANCE OF STRUCTURES	3,055,930	100.000%	3,055,930	-	3,055,930	
32	512	MAINTENANCE OF BOILER PLANT	33,251,883	100.000%	33,251,883	(2,837,273)	30,414,610	
33	513	MAINTENANCE OF ELECTRIC PLANT	9,059,884	100.000%	9,059,884	-	9,059,884	
34	514	MAINTENANCE OF MISC STEAM PLANT	2,348,614	100.000%	2,348,614	-	2,348,614	
35		TOTAL STEAM GENERATION	347,551,453		347,551,453	(11,441,389)	336,110,064	
36		<u>HYDRAULIC GENERATION:</u>						
37	535	HYDRO OPERATION SUPERVISION AND ENGINEERING	124,769	100.000%	124,769	-	124,769	
38	536	WATER FOR POWER	39,284	100.000%	39,284	-	39,284	
39	537	HYDRAULIC EXPENSES	-	100.000%	-	-	-	
40	538	ELECTRIC EXPENSES	371,509	100.000%	371,509	-	371,509	
41	539	MISC HYDRAULIC POWER GENERATION EXPENSES	207,833	100.000%	207,833	-	207,833	
42	540	RENTS	403,362	100.000%	403,362	-	403,362	
43	541	HYDRO MAINTENANCE SUPERVISION AND ENGINEERING	-	100.000%	-	-	-	
44	542	MAINTENANCE OF STRUCTURES	317,087	100.000%	317,087	-	317,087	
45	543	MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS	165,206	100.000%	165,206	-	165,206	
46	544	MAINTENANCE OF ELECTRIC PLANT	433,419	100.000%	433,419	-	433,419	
47	545	MAINTENANCE OF MISC HYDRAULIC PLANT	69,074	100.000%	69,074	-	69,074	
48		TOTAL HYDRAULIC GENERATION	2,131,544		2,131,544	-	2,131,544	
49		<u>OTHER GENERATION:</u>						
50	546	OTHER OPERATION SUPERVISION AND ENGINEERING	371,890	100.000%	371,890	-	371,890	
51	547	OTHER FUEL	59,380,204	100.000%	59,380,204	(2,295,600)	57,084,604	
52	548	GENERATION EXPENSES	273,056	100.000%	273,056	-	273,056	

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DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED

WORKPAPER REFERENCE NO(S):

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL ELECTRIC 100%
53	549	MISC OTHER POWER GENERATION EXPENSES	1,249,297	100.000%	1,249,297	-	1,249,297	
54	550	RENTS	14,752	100.000%	14,752	-	14,752	
55	551	MAINTENANCE SUPERVISION AND ENGINEERING	160,048	100.000%	160,048	-	160,048	
56	552	MAINTENANCE OF STRUCTURES	444,374	100.000%	444,374	-	444,374	
57	553	MAINTENANCE OF GENERATING AND ELECTRIC PLANT	1,673,231	100.000%	1,673,231	-	1,673,231	
58	554	MAINTENANCE OF MISC OTHER POWER GENERATION PLANT	733,426	100.000%	733,426	-	733,426	
59		TOTAL OTHER GENERATION	64,300,278		64,300,278	(2,295,600)	62,004,678	
60		<u>OTHER POWER SUPPLY:</u>						
61	555	PURCHASED POWER	55,805,401	100.000%	55,805,401	(6,668,608)	49,136,793	
62	556	SYSTEM CONTROL AND LOAD DISPATCHING	1,175,828	100.000%	1,175,828	-	1,175,828	
63	557	OTHER EXPENSES	687,242	100.000%	687,242	(588,601)	98,641	
64		TOTAL OTHER POWER SUPPLY	57,668,470		57,668,470	(7,257,209)	50,411,261	
65		TOTAL PRODUCTION EXPENSES	471,651,746		471,651,746	(20,994,199)	450,657,547	
66		<u>TRANSMISSION EXPENSES:</u>						
67	560	TRANS OPERATION SUPERVISION AND ENGINEERING	859,705	100.000%	859,705	-	859,705	
68	561	LOAD DISPATCHING	2,380,492	100.000%	2,380,492	-	2,380,492	
69	562	STATION EXPENSES	958,142	100.000%	958,142	-	958,142	
70	563	OVERHEAD LINE EXPENSES	339,817	100.000%	339,817	-	339,817	
71	564	UNDERGROUND LINE EXPENSES	-	100.000%	-	-	-	
72	565	TRANSMISSION OF ELECTRICITY BY OTHERS	1,311,943	100.000%	1,311,943	(1,955,667)	(643,724)	
73	566	MISC TRANSMISSION EXPENSES	8,038,863	100.000%	8,038,863	-	8,038,863	
74	567	RENTS	61,927	100.000%	61,927	-	61,927	
75	568	TRANS MAINTENANCE SUPERVISION AND ENGINEERING	-	100.000%	-	-	-	
76	569	MAINTENANCE OF STRUCTURES	-	100.000%	-	-	-	
77	570	MAINTENANCE OF STATION EQUIPMENT	1,960,913	100.000%	1,960,913	-	1,960,913	
78	571	MAINTENANCE OF OVERHEAD LINES	4,492,113	100.000%	4,492,113	-	4,492,113	
79	572	MAINTENANCE OF UNDERGROUND LINES	-	100.000%	-	-	-	

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LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL ELECTRIC 100%
80	573	MAINTENANCE OF MISC TRANSMISSION PLANT	210,210	100.000%	210,210	-	210,210	
81	575	MISO DAY 1 AND 2 EXPENSE	10,086	100.000%	10,086	-	10,086	
82		TOTAL TRANSMISSION EXPENSES	20,624,212		20,624,212	(1,955,667)	18,668,545	
83		<u>DISTRIBUTION EXPENSES:</u>						
84	580	DISTR OPERATION SUPERVISION AND ENGINEERING	2,422,065	100.000%	2,422,065	-	2,422,065	
85	581	LOAD DISPATCHING	309,019	100.000%	309,019	-	309,019	
86	582	STATION EXPENSES	2,179,630	100.000%	2,179,630	-	2,179,630	
87	583	OVERHEAD LINE EXPENSES	8,985,655	100.000%	8,985,655	-	8,985,655	
88	584	UNDERGROUND LINE EXPENSES	417,120	100.000%	417,120	-	417,120	
89	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	100.000%	-	-	-	
90	586	METER EXPENSES	6,838,040	100.000%	6,838,040	-	6,838,040	
91	587	CUSTOMER INSTALLATIONS EXPENSES	415	100.000%	415	-	415	
92	588	MISC DISTRIBUTION EXPENSES	5,851,440	100.000%	5,851,440	-	5,851,440	
93	589	RENTS	31,007	100.000%	31,007	-	31,007	
94	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	40,477	100.000%	40,477	-	40,477	
95	591	MAINTENANCE OF STRUCTURES	2,982	100.000%	2,982	-	2,982	
96	592	MAINTENANCE OF STATION EQUIPMENT	1,051,753	100.000%	1,051,753	-	1,051,753	
97	593	MAINTENANCE OF OVERHEAD LINES	23,133,568	100.000%	23,133,568	-	23,133,568	
98	594	MAINTENANCE OF UNDERGROUND LINES	1,426,055	100.000%	1,426,055	-	1,426,055	
99	595	MAINTENANCE OF LINE TRANSFORMERS	158,096	100.000%	158,096	-	158,096	
100	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS	419,554	100.000%	419,554	-	419,554	
101	597	MAINTENANCE OF METERS	-	100.000%	-	-	-	
102	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	637,011	100.000%	637,011	-	637,011	
103		TOTAL DISTRIBUTION EXPENSES	53,903,887		53,903,887	-	53,903,887	
104		<u>CUSTOMER ACCOUNTS EXPENSES:</u>						
105	901	CUSTOMER ACCTS SUPERVISION	1,291,735	100.000%	1,291,735	-	1,291,735	
106	902	METER READING EXPENSES	2,634,152	100.000%	2,634,152	-	2,634,152	

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL ELECTRIC 100%
107	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	7,076,488	100.000%	7,076,488	-	7,076,488	
108	904	UNCOLLECTIBLE ACCOUNTS	3,118,591	100.000%	3,118,591	-	3,118,591	
109	905	MISC CUSTOMER ACCOUNTS EXPENSE	6,069	100.000%	6,069	-	6,069	
110		TOTAL CUSTOMER ACCOUNTS EXPENSES	14,127,035		14,127,035	-	14,127,035	
111		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>						
112	907	CUSTOMER SERVICE AND INFO SUPERVISION	351,341	100.000%	351,341	-	351,341	
113	908	CUSTOMER ASSISTANCE EXPENSES	11,999,911	100.000%	11,999,911	(11,943,544)	56,367	
114	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	651,027	100.000%	651,027	-	651,027	
115	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	598,610	100.000%	598,610	-	598,610	
116		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	13,600,889		13,600,889	(11,943,544)	1,657,344	
117		<u>SALES EXPENSES:</u>						
118	911	SALES SUPERVISION	-	100.000%	-	-	-	
119	912	DEMONSTRATING AND SELLING EXPENSES	-	100.000%	-	-	-	
120	913	ADVERTISING EXPENSES	1,183,927	100.000%	1,183,927	-	1,183,927	
121	916	MISC SALES EXPENSES	-	100.000%	-	-	-	
122		TOTAL SALES EXPENSES	1,183,927		1,183,927	-	1,183,927	
123		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>						
124	920	ADMINISTRATIVE AND GENERAL SALARIES	24,819,053	100.000%	24,819,053	-	24,819,053	
125	921	OFFICE SUPPLIES AND EXPENSES	6,964,170	100.000%	6,964,170	-	6,964,170	
126	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(4,378,417)	100.000%	(4,378,417)	-	(4,378,417)	
127	923	OUTSIDE SERVICES	14,942,763	100.000%	14,942,763	(3,252)	14,939,511	
128	924	PROPERTY INSURANCE	4,091,484	100.000%	4,091,484	-	4,091,484	
129	925	INJURIES AND DAMAGES	2,117,055	100.000%	2,117,055	-	2,117,055	
130	926	EMPLOYEE PENSION AND BENEFITS	21,075,373	100.000%	21,075,373	-	21,075,373	
131	927	FRANCHISE REQUIREMENTS	29,753	100.000%	29,753	-	29,753	
132	928	REGULATORY COMMISSION EXPENSES	1,411,623	100.000%	1,411,623	-	1,411,623	

LOUISVILLE GAS AND ELECTRIC COMPANY
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DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL ELECTRIC 100%
133	929	DUPLICATE CHARGES--CREDIT	(233,116)	100.000%	(233,116)	-	(233,116)	
134	930.1	GENERAL ADVERTISING EXPENSES	28,711	100.000%	28,711	-	28,711	
135	930.2	MISC GENERAL EXPENSES	3,234,864	100.000%	3,234,864	-	3,234,864	
136	931	RENTS	1,815,234	100.000%	1,815,234	-	1,815,234	
137	935	MAINTENANCE OF GENERAL PLANT	850,467	100.000%	850,467	-	850,467	
138		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	<u>76,769,017</u>		<u>76,769,017</u>	<u>(3,252)</u>	<u>76,765,765</u>	
139		TOTAL OPERATION AND MAINTENANCE EXPENSES	<u>651,860,712</u>		<u>651,860,712</u>	<u>(34,896,663)</u>	<u>616,964,050</u>	
140	403-404	DEPRECIATION AND AMORTIZATION	157,363,682	100.000%	157,363,682	(29,404,558)	127,959,124	
141	407.3	REGULATORY DEBITS	573,607	100.000%	573,607	(573,462)	145	
142	408.1	TAXES OTHER THAN INCOME TAXES	33,778,950	100.000%	33,778,950	(1,671,231)	32,107,719	
143	409-411	FEDERAL INCOME TAXES	45,535,599	100.000%	45,535,599	(15,732,565)	29,803,035	
144	409-411	STATE INCOME TAXES	12,164,274	100.000%	12,164,274	(3,964,413)	8,199,861	
145	411.4	INVESTMENT TAX CREDIT	(957,396)	100.000%	(957,396)	-	(957,396)	
146	411.6-8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES / PLANT	<u>(103,081)</u>	100.000%	<u>(103,081)</u>	-	<u>(103,081)</u>	
147		TOTAL OPERATING EXPENSES	<u>900,216,347</u>		<u>900,216,347</u>	<u>(86,242,891)</u>	<u>813,973,456</u>	
148		NET OPERATING INCOME	<u>267,570,757</u>		<u>267,570,757</u>	<u>(76,606,727)</u>	<u>190,964,030</u>	

BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: X BASE PERIOD FORECASTED PERIOD
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SCHEDULE C-2.2

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WITNESS: C. M. GARRETT

Line No.	Acct No.	Account Description	Actual Jan-18	Actual Feb-18	Actual Mar-18	Actual Apr-18	Actual May-18	Actual Jun-18	Actual Jul-18	Actual Aug-18	Actual Sep-18	Actual Oct-18	Actual Nov-18	Actual Dec-18	TOTAL
1	403.404	DEPRECIATION AND AMORTIZATION EXPENSE	13,001,289	13,051,989	13,038,831	13,047,445	13,073,710	13,102,044	13,107,895	13,116,301	13,142,542	13,166,868	13,190,205	13,324,564	157,363,682
2	407.3	REGULATORY DEBITS-ARO PONDS	33,216	35,356	39,074	41,144	42,014	43,676	49,548	53,449	55,582	57,467	61,117	61,964	573,607
3	408.1	TAXES OTHER THAN INCOME TAXES	2,845,137	2,721,677	2,947,513	2,909,433	2,739,826	2,864,058	2,882,871	2,908,010	2,826,250	2,737,073	2,709,051	2,688,050	33,778,950
4	411.6-8	LOSS/(GAIN) FROM DISPOSITION OF ALLOWANCES/PLANT	-	(6,752)	(70)	(3,507)	-	(7,465)	-	-	(4,404)	(72,774)	(8,111)	-	(103,081)
5	440	RESIDENTIAL REVENUE	(40,188,345)	(29,953,158)	(32,052,763)	(27,837,009)	(40,573,718)	(45,180,024)	(49,405,484)	(48,556,243)	(38,394,793)	(31,016,569)	(32,365,654)	(35,648,260)	(451,172,021)
6	442.2	COMMERCIAL REVENUE	(27,759,724)	(28,306,252)	(28,615,970)	(27,406,134)	(32,212,203)	(32,782,917)	(30,820,479)	(34,955,976)	(33,310,330)	(31,515,223)	(28,720,347)	(28,989,952)	(369,395,507)
7	442.3	INDUSTRIAL REVENUE	(12,126,349)	(14,197,722)	(12,705,966)	(14,356,286)	(13,942,599)	(14,069,003)	(14,412,264)	(14,509,089)	(14,880,895)	(14,705,215)	(14,453,190)	(13,910,904)	(168,269,482)
8	444	PUBLIC STREET AND HIGHWAY LIGHTING REVENUE	(250,691)	(238,027)	(291,781)	(235,570)	(235,318)	(232,012)	(234,342)	(233,381)	(244,634)	(274,791)	(252,928)	(258,666)	(2,972,141)
9	445	OTHER SALES TO PUBLIC AUTHORITIES REVENUE	(6,250,034)	(6,765,234)	(7,912,668)	(7,694,491)	(8,373,850)	(8,337,535)	(8,608,917)	(8,882,639)	(9,090,081)	(8,436,980)	(7,698,540)	(7,505,755)	(95,556,725)
10	447	SALES FOR RESALE REVENUE	(24,571,489)	(2,864,109)	(4,713,515)	(3,032,789)	(1,926,855)	(1,629,579)	(1,836,859)	(1,858,060)	(3,271,078)	(2,890,851)	(2,513,264)	(7,181,851)	(58,290,298)
11	449	PROVISION FOR REFUND REVENUE	-	-	-	-	-	-	-	-	-	-	-	-	-
12	450	FORFEITED DISCOUNTS	(265,174)	(336,943)	(184,647)	(140,848)	(191,172)	(201,459)	(320,440)	(368,653)	(205,802)	(251,533)	(167,111)	(130,652)	(2,764,434)
13	451	ELECTRIC SERVICE REVENUE	(106,566)	(159,358)	(160,145)	(155,500)	(167,089)	(208,786)	(196,458)	(234,964)	(137,104)	(167,526)	(106,346)	(166,908)	(1,966,751)
14	454	RENT FROM ELECTRIC PROPERTY	(373,589)	(446,233)	(324,089)	(324,176)	(324,295)	(337,629)	(329,108)	(347,553)	(303,363)	(342,259)	(282,009)	(395,018)	(4,129,320)
15	456	OTHER MISCELLANEOUS REVENUE	(1,271,461)	(1,041,113)	(963,082)	(955,104)	(1,047,523)	(1,220,349)	(1,187,000)	(1,074,956)	(1,198,634)	(149,259)	(2,148,622)	(1,013,324)	(13,270,426)
16	500	STEAM OPERATION SUPERVISION AND ENGINEERING	405,849	394,726	413,814	401,027	406,271	399,507	370,139	453,389	375,883	446,728	409,769	385,589	4,862,392
17	501	FUEL	25,355,037	19,477,211	21,333,737	14,982,940	20,599,926	23,152,762	24,616,363	24,204,484	22,155,984	19,652,776	17,585,197	23,337,441	254,423,858
18	502	STEAM EXPENSES	1,553,065	1,311,485	1,478,835	1,284,018	1,438,853	1,404,110	1,507,844	1,498,780	1,461,328	1,385,754	1,655,088	1,705,787	17,684,948
19	504	STEAM TRANSFERRED-CREDIT	-	-	-	-	-	-	-	-	-	-	-	-	-
20	505	ELECTRIC EXPENSES	236,567	225,526	280,304	229,770	248,730	206,061	222,135	221,594	224,858	227,768	263,077	271,325	2,857,716
21	506	MISC STEAM POWER EXPENSES	1,423,714	1,313,961	1,079,675	1,078,908	1,095,536	1,286,909	1,307,484	1,337,768	1,233,610	1,207,022	1,106,176	979,598	14,450,722
22	507	RENTS	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,180	3,180	3,180	36,540
23	509	ALLOWANCES	0	0	0	0	0	0	0	0	0	0	0	0	3
24	510	MAINTENANCE SUPERVISION AND ENGINEERING	388,695	361,672	590,361	595,169	378,222	469,941	366,464	421,152	438,200	805,110	396,407	307,570	5,518,963
25	511	MAINTENANCE OF STRUCTURES	130,922	172,704	215,943	172,459	184,422	212,755	336,566	351,881	320,981	336,747	312,609	307,942	3,055,930
26	512	MAINTENANCE OF BOILER PLANT	1,746,187	1,707,719	3,121,909	4,263,775	2,403,421	1,731,374	1,928,380	2,583,141	2,997,536	4,768,044	3,482,046	2,517,989	33,251,883
27	513	MAINTENANCE OF ELECTRIC PLANT	291,026	432,095	857,563	2,001,146	760,693	368,180	312,840	209,005	538,273	1,483,549	1,433,452	552,062	9,059,884
28	514	MAINTENANCE OF MISC STEAM PLANT	224,204	183,588	183,731	197,020	190,017	254,224	204,404	200,423	104,048	182,339	283,627	140,989	2,348,614
29	535	HYDRO OPERATION SUPERVISION AND ENGINEERING	11,945	11,020	12,087	11,688	2,957	12,274	8,175	9,317	9,436	12,777	9,556	13,536	124,769
30	536	WATER FOR POWER	3,228	3,228	3,228	3,760	3,230	3,230	3,230	3,230	3,230	3,230	3,230	3,230	39,284
31	537	HYDRAULIC EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
32	538	ELECTRIC EXPENSES	40,783	36,501	29,329	25,881	32,348	29,068	27,605	32,545	31,486	31,844	23,551	30,568	371,509
33	539	MISC HYDRAULIC POWER GENERATION EXPENSES	11,655	24,840	5,586	15,203	13,056	45,885	12,418	37,970	15,359	5,859	(21,725)	41,726	207,833
34	540	RENTS	42,143	38,177	37,344	30,433	28,684	28,341	32,146	38,906	17,240	43,265	32,586	34,097	403,362
35	541	HYDRO MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	-	-	-	-	-	-	-
36	542	MAINTENANCE OF STRUCTURES	13,272	16,559	3,174	27,315	46,422	26,803	9,091	67,226	20,534	52,327	22,456	11,908	317,087
37	543	MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS	2,323	999	3,111	7,536	43,621	7,867	960	-	3,305	5,249	39,518	50,717	165,206
38	544	MAINTENANCE OF ELECTRIC PLANT	14,847	41,239	96,193	49,161	2,192	40,510	47,372	35,886	25,787	21,310	26,491	32,432	433,419
39	545	MAINTENANCE OF MISC HYDRAULIC PLANT	5,515	5,515	5,497	5,533	5,813	6,904	6,740	5,493	5,497	5,534	5,515	5,515	69,074
40	546	OTHER OPERATION SUPERVISION AND ENGINEERING	34,060	27,976	42,486	32,254	28,725	33,260	27,595	32,897	27,049	32,227	28,296	25,064	371,890
41	547	OTHER FUEL	8,815,464	3,643,821	4,883,353	5,747,674	4,938,933	3,813,775	4,415,860	4,745,617	4,277,494	3,772,163	4,872,129	5,453,922	59,380,204
42	548	GENERATION EXPENSES	27,577	19,662	23,273	19,116	25,005	24,332	21,997	25,092	24,146	23,413	17,363	22,080	273,056
43	549	MISC OTHER POWER GENERATION EXPENSES	84,676	103,758	89,259	88,410	95,442	108,545	107,793	115,125	118,471	98,160	111,531	128,129	1,249,297
44	550	RENTS	1,357	1,982	1,161	1,220	1,209	1,220	1,223	1,316	1,316	1,364	702	682	14,752
45	551	MAINTENANCE SUPERVISION AND ENGINEERING	11,982	11,914	12,519	12,835	13,403	16,620	10,977	13,554	12,415	21,792	10,459	11,579	160,048
46	552	MAINTENANCE OF STRUCTURES	12,877	13,301	27,698	26,111	17,237	24,095	26,686	21,457	25,421	166,742	39,096	43,652	444,374
47	553	MAINTENANCE OF GENERATING AND ELECTRIC PLANT	112,734	135,333	184,617	98,979	217,667	18,558	101,915	190,083	112,152	208,634	172,776	119,783	1,673,231
48	554	MAINTENANCE OF MISC OTHER POWER GENERATION PLANT	42,441	75,473	55,470	56,617	67,736	(51,735)	67,158	54,541	46,083	193,154	85,547	40,942	733,426
49	555	PURCHASED POWER	7,937,616	3,832,553	4,074,217	4,672,741	4,601,565	4,135,157	4,352,071	4,184,057	4,269,029	4,786,591	4,701,287	4,258,517	55,805,401
50	556	SYSTEM CONTROL AND LOAD DISPATCHING	108,738	93,789	101,891	93,233	93,187	79,527	93,899	100,663	97,278	110,400	99,449	103,773	1,175,828
51	557	OTHER EXPENSES	600,872	4,692	23,370	14,495	22,085	6,023	11,011	(51,958)	14,080	10,658	9,630	22,283	687,242
52	560	TRANS OPERATION SUPERVISION AND ENGINEERING	68,982	67,092	87,607	68,073	74,555	69,220	69,677	76,825	68,645	77,301	66,900	64,828	859,705
53	561	LOAD DISPATCHING	173,040	167,963	174,673	201,103	212,375	195,283	217,364	219,913	192,357	230,436	197,231	198,752	2,380,492
54	562	STATION EXPENSES	67,443	103,440	84,909	96,905	87,795	70,359	68,028	74,152	67,323	76,428	95,125	66,236	958,142
55	563	OVERHEAD LINE EXPENSES	12,847	8,666	22,216	17,676	13,502	22,718	40,459	18,480	15,353	25,608	112,913	29,378	339,817
56	564	UNDERGROUND LINE EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
57	565	TRANSMISSION OF ELECTRICITY BY OTHERS	557,947	31,759	39,389	109,681	63,478	32,346	42,978	40,865	100,061	90,132	78,514	124,792	1,311,943
58	566	MISC TRANSMISSION EXPENSES	690,738	647,949	557,125	570,711	526,295	763,790	536,099	581,355	1,028,042	726,856	695,088	714,816	8,038,863
59	567	RENTS	831	27,539	3,022	346	480	12,465	380	5,875	1,321	1,274	2,989	5,405	61,927
60	568	TRANS MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	-	-	-	-	-	-	-
61	569	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	-	-	-	-	-	-	-
62	570	MAINTENANCE OF STATION EQUIPMENT	149,486	169,224	168,991	132,570	156,749	298,855	127,263	163,421	170,664	163,818	80,495	179,375	1,960,913
63	571	MAINTENANCE OF OVERHEAD LINES	179,616	141,211	207,592	589,848	(308,561)	236,413	264,295	239,954	403,051	596,267	1,278,060	664,367	4,492,113
64	572	MAINTENANCE OF UNDERGROUND LINES	-	-	-	-	-	-	-	-	-	-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
COMPARISON OF ELECTRIC UTILITY ACTIVITY
BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: __X__ BASE PERIOD ____ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.2
SHEET 2 OF 4

WITNESS: C. M. GARRETT

Line No.	Acct No.	Account Description	Actual Jan-18	Actual Feb-18	Actual Mar-18	Actual Apr-18	Actual May-18	Actual Jun-18	Actual Jul-18	Actual Aug-18	Actual Sep-18	Actual Oct-18	Actual Nov-18	Actual Dec-18	TOTAL
65	573	MAINTENANCE OF MISC TRANSMISSION PLANT	13,568	11,004	11,962	31,885	13,276	25,820	18,745	15,969	11,795	19,936	15,554	20,698	210,210
66	575	MISO DAY 1 AND 2 EXPENSE	2,446	325	75	1,208	129	426	561	318	405	691	1,441	2,060	10,086
67	580	DISTR OPERATION SUPERVISION AND ENGINEERING	130,131	147,896	184,973	163,152	159,929	512,912	489,165	502,041	151,131	149,628	1,197,031	(1,365,923)	2,422,065
68	581	LOAD DISPATCHING	49,022	54,093	42,093	23,465	20,802	13,344	15,142	17,205	15,581	21,216	19,510	17,545	309,019
69	582	STATION EXPENSES	149,114	167,234	160,704	171,399	152,145	172,205	158,195	214,496	168,852	164,178	214,892	286,217	2,179,630
70	583	OVERHEAD LINE EXPENSES	493,827	455,267	629,771	747,113	773,906	645,343	839,424	888,408	739,458	1,011,099	1,006,677	755,361	8,985,655
71	584	UNDERGROUND LINE EXPENSES	70,895	48,994	38,985	30,050	24,704	41,023	7,733	30,738	42,942	13,919	28,788	38,349	417,120
72	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
73	586	METER EXPENSES	545,503	523,277	584,572	620,016	491,040	599,324	557,735	583,808	618,042	617,976	473,814	622,933	6,838,040
74	587	CUSTOMER INSTALLATIONS EXPENSES	284	-	70	-	-	-	61	-	-	-	(70)	70	415
75	588	MISC DISTRIBUTION EXPENSES	481,878	447,116	764,992	506,666	470,192	403,516	468,878	453,936	453,280	467,952	449,422	483,612	5,851,440
76	589	RENTS	1,812	5,498	2,144	500	-	1,124	1,930	9,516	1,443	-	999	6,041	31,007
77	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	5,741	1,774	16,095	748	1,710	6,707	3,103	2,156	2,423	369	8,374	(8,720)	40,477
78	591	MAINTENANCE OF STRUCTURES	476	-	153	396	386	-	515	539	423	-	93	-	2,982
79	592	MAINTENANCE OF STATION EQUIPMENT	30,158	93,885	143,751	94,789	85,306	79,828	107,451	100,035	118,461	76,250	49,460	72,378	1,051,753
80	593	MAINTENANCE OF OVERHEAD LINES	1,567,405	1,929,668	2,056,562	1,689,399	1,701,222	2,737,144	4,373,661	1,234,822	1,893,745	1,903,522	7,752,949	(5,706,532)	23,133,568
81	594	MAINTENANCE OF UNDERGROUND LINES	65,192	99,288	139,773	122,243	142,669	60,358	113,892	146,323	142,262	145,331	181,908	66,817	1,426,055
82	595	MAINTENANCE OF LINE TRANSFORMERS	17,930	17,979	7,496	10,067	13,502	21,819	17,792	9,836	5,360	14,229	16,121	5,966	158,096
83	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS	50,686	80,480	40,685	76,975	(87,895)	25,381	57,569	44,259	62,133	17,981	30,822	20,478	419,554
84	597	MAINTENANCE OF METERS	-	-	-	-	-	-	-	-	-	-	-	-	-
85	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	44,380	31,542	48,133	60,216	52,989	53,994	70,045	80,246	52,185	71,168	164,754	(92,642)	637,011
86	901	CUSTOMER ACCTS SUPERVISION	116,831	110,796	116,924	106,770	119,248	100,210	100,626	113,234	96,537	118,754	96,970	94,835	1,291,735
87	902	METER READING EXPENSES	196,096	196,562	201,535	211,978	203,478	202,468	183,520	206,653	243,004	294,794	249,220	244,845	2,634,152
88	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	542,871	559,458	619,516	561,618	615,464	564,098	569,928	650,843	553,887	623,515	574,580	640,708	7,076,488
89	904	UNCOLLECTIBLE ACCOUNTS	246,457	148,921	135,951	138,836	162,584	161,033	580,365	457,121	432,509	403,781	165,910	85,122	3,118,591
90	905	MISC CUSTOMER ACCOUNTS EXPENSE	51	47	949	546	11	87	-	127	-	-	-	4,250	6,069
91	907	CUSTOMER SERVICE AND INFO SUPERVISION	26,215	27,386	27,438	27,157	29,939	28,028	27,094	30,566	24,712	35,916	32,884	34,006	351,341
92	908	CUSTOMER ASSISTANCE EXPENSES	1,066,995	727,391	915,623	1,329,260	1,165,846	1,151,851	1,076,366	1,095,737	1,118,340	708,969	659,889	983,643	11,999,911
93	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	8,000	38,679	84,728	32,276	48,855	28,500	17,957	35,982	76,347	8,041	243,881	27,781	651,027
94	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	52,839	35,975	34,982	39,799	37,648	47,877	70,748	52,011	69,584	40,429	60,419	56,299	598,610
95	911	SALES SUPERVISION	-	-	-	-	-	-	-	-	-	-	-	-	-
96	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
97	913	ADVERTISING EXPENSES	156,195	61,992	133,580	451	145,402	199,907	24,541	51,799	87,122	65,907	91,908	165,124	1,183,927
98	916	MISC SALES EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
99	920	ADMINISTRATIVE AND GENERAL SALARIES	2,270,451	2,058,825	2,386,042	1,950,282	2,132,115	1,922,728	1,997,640	2,231,540	1,792,614	2,270,945	1,796,005	2,009,866	24,819,053
100	921	OFFICE SUPPLIES AND EXPENSES	531,991	410,954	538,758	514,220	530,096	551,787	546,022	562,212	583,837	534,524	372,109	1,287,662	6,964,170
101	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(357,060)	(361,674)	(416,789)	(342,643)	(368,255)	(326,195)	(333,706)	(389,397)	(322,351)	(382,305)	(328,764)	(449,278)	(4,378,417)
102	923	OUTSIDE SERVICES	859,421	1,209,060	1,582,132	1,199,641	1,305,830	1,466,303	885,730	1,109,301	1,077,276	1,112,490	1,444,622	1,690,957	14,942,763
103	924	PROPERTY INSURANCE	381,605	343,621	311,571	396,226	323,684	323,684	346,298	323,192	324,180	345,634	310,452	361,336	4,091,484
104	925	INJURIES AND DAMAGES	224,497	221,739	(245,944)	344,762	218,371	87,926	228,794	225,201	288,407	93,163	39,099	391,039	2,117,055
105	926	EMPLOYEE PENSION AND BENEFITS	2,149,345	1,928,932	963,135	2,831,329	1,865,428	1,419,853	2,117,200	1,976,310	1,563,559	2,009,454	1,619,402	631,427	21,075,373
106	927	FRANCHISE REQUIREMENTS	7,570	-	3,025	2,788	2,887	1,757	1,625	2,018	1,742	1,719	1,871	2,751	29,753
107	928	REGULATORY COMMISSION EXPENSES	109,105	109,105	109,105	109,819	109,105	125,241	125,241	145,371	125,241	115,252	114,518	114,518	1,411,623
108	929	DUPLICATE CHARGES--CREDIT	(35,892)	(15,920)	(23,943)	(22,340)	(21,570)	(12,981)	(11,376)	(13,083)	(13,929)	(15,283)	(20,988)	(25,810)	(233,116)
109	930.1	GENERAL ADVERTISING EXPENSES	-	-	28,711	-	-	-	-	-	-	-	-	-	28,711
110	930.2	MISC GENERAL EXPENSES	323,429	273,223	251,513	264,242	242,499	218,255	287,320	227,515	230,617	268,095	280,432	367,725	3,234,864
111	931	RENTS	147,964	138,278	156,574	178,158	113,383	156,641	167,521	131,045	179,054	160,113	155,013	131,490	1,815,234
112	935	MAINTENANCE OF GENERAL PLANT	81,077	71,441	68,101	71,024	66,864	73,033	59,675	65,206	63,046	74,647	66,334	90,019	850,467
113		OPERATING (INCOME) LOSS	(32,861,978)	(21,034,905)	(20,423,812)	(13,810,566)	(31,237,872)	(34,704,088)	(37,001,866)	(38,750,121)	(31,064,462)	(18,183,376)	(13,290,062)	(31,950,128)	(324,313,234)

SCHEDULE C

JURISDICTIONAL OPERATING INCOME SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295 - GAS OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED APRIL 30, 2020

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
C-1	JURISDICTIONAL OPERATING INCOME SUMMARY
C-2	JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT
C-2.1	JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNTS
C-2.2	COMPARISON OF TOTAL GAS UTILITY ACCOUNT BALANCES

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL OPERATING INCOME SUMMARY
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-1

PAGE 1 OF 1

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	BASE PERIOD RETURN AT CURRENT RATES	FORECASTED ADJUSTMENTS AT CURRENT RATES	FORECASTED RETURN AT CURRENT RATES	PROPOSED INCREASE	FORECASTED RETURN AT PROPOSED RATES
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	<u>OPERATING REVENUES</u>					
2	GAS SALES REVENUES	178,580,502	3,146,756	181,727,258	25,042,771	206,770,030
3	OTHER OPERATING REVENUES	7,150,651	1,670,474	8,821,125	(117,897)	8,703,227
4	TOTAL OPERATING REVENUES	<u>185,731,153</u>	<u>4,817,230</u>	<u>190,548,383</u>	<u>24,924,874</u>	<u>215,473,257</u>
5	<u>OPERATING EXPENSES</u>					
6	OPERATION AND MAINTENANCE EXPENSE	79,076,440	14,540,165	93,616,604	45,363	93,661,968
7	DEPRECIATION AND AMORTIZATION	36,682,005	1,736,043	38,418,048		38,418,048
8	TAXES OTHER THAN INCOME TAXES	11,061,389	707,251	11,768,640	49,850	11,818,489
9	TOTAL INCOME TAXES	9,823,084	(4,461,420)	5,361,664	6,195,000	11,556,664
10	INVESTMENT TAX CREDIT	(25,220)	20,567	(4,653)		(4,653)
11	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-		-
12	TOTAL OPERATING EXPENSES	<u>136,617,698</u>	<u>12,542,605</u>	<u>149,160,303</u>	<u>6,290,213</u>	<u>155,450,516</u>
13	NET OPERATING INCOME	<u>49,113,456</u>	<u>(7,725,376)</u>	<u>41,388,080</u>	<u>18,634,661</u>	<u>60,022,740</u>
14	CAPITALIZATION ALLOCATED TO GAS OPERATIONS	<u>747,418,351</u>	<u>35,965,424</u>	<u>783,383,775</u>		<u>783,383,775</u>
15	RATE OF RETURN ON CAPITALIZATION	<u>6.57%</u>		<u>5.28%</u>		<u>7.66%</u>
16	GAS RATE BASE	<u>727,189,396</u>	<u>48,192,497</u>	<u>775,381,894</u>		<u>775,381,894</u>
17	RATE OF RETURN ON RATE BASE	<u>6.75%</u>		<u>5.34%</u>		<u>7.74%</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2

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WITNESS: C. M. GARRETT

LINE NO.	MAJOR ACCOUNT OR GROUP CLASSIFICATION	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD	PRO FORMA FORECASTED PERIOD JURISDICTIONAL
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	<u>OPERATING REVENUES</u>					
2	GAS SALES REVENUES	178,580,502	3,146,756	181,727,258	-	181,727,258
3	OTHER OPERATING REVENUES	7,150,651	1,670,474	8,821,125	-	8,821,125
4	TOTAL OPERATING REVENUES	185,731,153	4,817,230	190,548,383	-	190,548,383
5	<u>OPERATING EXPENSES</u>					
6	<u>OPERATION AND MAINTENANCE EXPENSES:</u>					
7	OTHER GAS SUPPLY EXPENSES	338,615	(7,538)	331,077	-	331,077
8	UNDERGROUND STORAGE EXPENSES	9,206,069	1,365,080	10,571,149	-	10,571,149
8	TRANSMISSION EXPENSE	7,040,933	9,041,457	16,082,390	-	16,082,390
9	DISTRIBUTION EXPENSE	29,432,093	1,300,393	30,732,486	-	30,732,486
10	CUSTOMER ACCOUNTS EXPENSE	9,140,198	717,594	9,857,792	-	9,857,792
11	CUSTOMER SERVICE AND INFORMATIONAL EXPENSE	790,111	170,505	960,616	-	960,616
12	SALES EXPENSE	314,715	(35,989)	278,726	(278,726)	-
13	ADMINISTRATIVE AND GENERAL EXPENSE	22,813,706	2,268,307	25,082,012	(918)	25,081,094
14	TOTAL OPERATION AND MAINTENANCE EXPENSES	79,076,440	14,819,809	93,896,249	(279,644)	93,616,604
15	DEPRECIATION AND AMORTIZATION	36,682,005	1,736,043	38,418,048	-	38,418,048
16	TAXES OTHER THAN INCOME TAXES	11,061,389	707,251	11,768,640	-	11,768,640
17	FEDERAL INCOME TAXES	7,743,505	(3,732,731)	4,010,774	55,789	4,066,563
18	STATE INCOME TAXES	2,079,579	(798,460)	1,281,119	13,982	1,295,101
19	INVESTMENT TAX CREDIT	(25,220)	20,567	(4,653)	-	(4,653)
20	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-
21	TOTAL OPERATING EXPENSES	136,617,698	12,752,478	149,370,176	(209,873)	149,160,303
22	NET OPERATING INCOME	49,113,456	(7,935,249)	41,178,207	209,873	41,388,080

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL GAS 100%
1		<u>OPERATING REVENUES</u>						
2		<u>SALES OF GAS:</u>						
3	480	RESIDENTIAL	210,345,880	100.000%	210,345,880	(85,912,526)	124,433,354	
4	481.1	COMMERCIAL	81,931,270	100.000%	81,931,270	(40,252,317)	41,678,953	
5	481.2	INDUSTRIAL	9,869,910	100.000%	9,869,910	(6,249,872)	3,620,039	
6	482	OTHER SALES TO PUBLIC AUTHORITIES	9,435,029	100.000%	9,435,029	(5,136,748)	4,298,281	
7		TOTAL SALES TO ULTIMATE CONSUMERS	311,582,089		311,582,089	(137,551,464)	174,030,625	
8	483-484	SALES FOR RESALE	5,832,894	100.000%	5,832,894	(1,283,017)	4,549,877	
9	496	PROVISION FOR RATE REFUNDS	-	100.000%	-	-	-	
10		TOTAL SALES OF GAS	317,414,983		317,414,983	(138,834,481)	178,580,502	
11		<u>OTHER OPERATING REVENUES:</u>						
12	487	FORFEITED DISCOUNTS	1,148,992	100.000%	1,148,992	-	1,148,992	
13	488	MISCELLANEOUS SERVICE REVENUE	102,020	100.000%	102,020	-	102,020	
14	489	TRANSPORTATION OF GAS OF OTHERS	5,542,204	100.000%	5,542,204	(45,850)	5,496,354	
15	493	RENT FROM GAS PROPERTY	392,284	100.000%	392,284	-	392,284	
16	495	OTHER GAS REVENUE	11,001	100.000%	11,001	-	11,001	
17		TOTAL OTHER OPERATING REVENUES	7,196,501		7,196,501	(45,850)	7,150,651	
18		TOTAL OPERATING REVENUES	324,611,484		324,611,484	(138,880,331)	185,731,153	
19		<u>OPERATING EXPENSES</u>						
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>						
21		<u>OTHER GAS SUPPLY EXPENSES:</u>						
22	801-803	NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES	138,340,152	100.000%	138,340,152	(138,340,152)	-	
23	804	NATURAL GAS CITY GATE PURCHASES	-	0.000%	-	-	-	
24	805	OTHER GAS PURCHASES	(8,150,176)	100.000%	(8,150,176)	8,150,176	-	
25	806	EXCHANGE GAS	1,089,281	100.000%	1,089,281	(1,089,281)	-	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL GAS 100%
26	807	PURCHASED GAS EXPENSE	877,784	100.000%	877,784	-	877,784	
27	808	GAS WITHDRAWN FROM STORAGE	(328,191)	100.000%	(328,191)	328,191	(0)	
28	810	GAS USED FOR COMPRESSOR STATION FUEL	(539,169)	100.000%	(539,169)	-	(539,169)	
29	812	GAS USED FOR OTHER UTILITY OPERATIONS	(176,314)	100.000%	(176,314)	176,314	-	
30	813	OTHER GAS SUPPLY EXPENSES	-	100.000%	-	-	-	
31		TOTAL OTHER GAS SUPPLY EXPENSES	131,113,366		131,113,366	(130,774,751)	338,615	
32		<u>UNDERGROUND STORAGE EXPENSES:</u>						
33	814	OPERATION SUPERVISION AND ENGINEERING	976,923	100.000%	976,923	-	976,923	
34	816	WELLS EXPENSE	83,028	100.000%	83,028	-	83,028	
35	817	LINES EXPENSE	335,354	100.000%	335,354	-	335,354	
36	818	COMPRESSOR STATION EXPENSES	2,361,725	100.000%	2,361,725	-	2,361,725	
37	819	COMPRESSOR STATION FUEL AND POWER	539,169	100.000%	539,169	-	539,169	
38	821	PURIFICATION EXPENSES	1,489,337	100.000%	1,489,337	-	1,489,337	
39	823	GAS LOSSES	1,675,967	100.000%	1,675,967	(1,675,967)	-	
40	824	OTHER EXPENSES	26,706	100.000%	26,706	-	26,706	
41	825	STORAGE WELL ROYALTIES	133,731	100.000%	133,731	-	133,731	
42	826	RENTS-STORAGE FIELDS	-	0.000%	-	-	-	
43	830	MAINTENANCE SUPERVISION AND ENGINEERING	603,360	100.000%	603,360	-	603,360	
44	832	MAINTENANCE OF RESERVOIRS AND WELLS	388,352	100.000%	388,352	-	388,352	
45	833	MAINTENANCE OF LINES	544,391	100.000%	544,391	-	544,391	
46	834	MAINTENANCE OF COMPRESSOR STATION EQUIPMENT	658,104	100.000%	658,104	-	658,104	
47	835	MAINTENANCE OF REGULATING STATION EQUIPMENT	48,348	100.000%	48,348	-	48,348	
48	836	MAINTENANCE OF PURIFICATION EQUIPMENT	787,630	100.000%	787,630	-	787,630	
49	837	MAINTENANCE OF OTHER EQUIPMENT	229,912	100.000%	229,912	-	229,912	
50		TOTAL UNDERGROUND STORAGE EXPENSES	10,882,037		10,882,037	(1,675,967)	9,206,069	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL GAS 100%
51		<u>TRANSMISSION EXPENSES:</u>						
52	850	OPERATION SUPERVISION AND ENGINEERING	1,171,705	100.000%	1,171,705	-	1,171,705	
53	851	SYSTEM CONTROL AND LOAD DISPATCHING	473,261	100.000%	473,261	-	473,261	
54	852	COMMUNICATION SYSTEM EXPENSES	-	100.000%	-	-	-	
55	856	MAIN EXPENSES	728,127	100.000%	728,127	-	728,127	
56	859	OTHER EXPENSES	71,876	100.000%	71,876	-	71,876	
57	860	RENTS-GAS TRANSMISSION	40,132	100.000%	40,132	-	40,132	
58	863	MAINTENANCE OF MAINS	4,555,832	100.000%	4,555,832	-	4,555,832	
59		TOTAL TRANSMISSION EXPENSES	7,040,933		7,040,933	-	7,040,933	
60		<u>DISTRIBUTION EXPENSES:</u>						
61	870	OPERATION SUPERVISION AND ENGINEERING	-	100.000%	-	-	-	
62	871	DISTRIBUTION LOAD DISPATCHING	700,878	100.000%	700,878	-	700,878	
63	874	MAINS AND SERVICES EXPENSES	7,552,179	100.000%	7,552,179	35,806	7,587,984	
64	875	MEASURING AND REGULATING STATION EXP - GEN.	1,262,794	100.000%	1,262,794	-	1,262,794	
65	876	MEASURING AND REGULATING STATION EXP - IND.	315,775	100.000%	315,775	-	315,775	
66	877	MEASURING AND REGULATING STATION EXP - CG	281,254	100.000%	281,254	-	281,254	
67	878	METER AND HOUSE REGULATOR EXPENSE	2,194,111	100.000%	2,194,111	(1,022,460)	1,171,650	
68	879	CUSTOMER INSTALLATIONS EXPENSE	237,822	100.000%	237,822	195,393	433,215	
69	880	OTHER EXPENSES	5,424,062	100.000%	5,424,062	(208,722)	5,215,340	
70	881	RENTS-GAS DISTRIBUTION	29,868	100.000%	29,868	-	29,868	
71	885	MAINTENANCE SUPERVISION AND ENGINEERING	-	100.000%	-	-	-	
72	886	MAINTENANCE OF STRUCTURES AND IMPROVEMENTS	-	100.000%	-	-	-	
73	887	MAINTENANCE OF MAINS	9,351,066	100.000%	9,351,066	359,302	9,710,368	
74	889	MTCE OF MEASURING AND REGULATING STATION EXP - GEN.	124,245	100.000%	124,245	-	124,245	
75	890	MTCE MEASURING AND REGULATING STATION EXP - IND.	346,352	100.000%	346,352	-	346,352	
76	891	MTCE MEASURING AND REGULATING STATION EXP - CG	526,330	100.000%	526,330	-	526,330	
77	892	MAINTENANCE OF SERVICES	1,357,604	100.000%	1,357,604	(39,929)	1,317,675	
78	893	MAINTENANCE OF METERS AND HOUSE REGULATORS	-	100.000%	-	-	-	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL GAS 100%
74	894	MAINTENANCE OF OTHER EQUIPMENT	408,366	100.000%	408,366	-	408,366	
75		TOTAL DISTRIBUTION EXPENSES	30,112,704		30,112,704	(680,611)	29,432,093	
76		<u>CUSTOMER ACCOUNTS EXPENSES:</u>						
77	901	CUSTOMER ACCTS SUPERVISION	1,014,935	100.000%	1,014,935	-	1,014,935	
78	902	METER READING EXPENSES	2,069,691	100.000%	2,069,691	-	2,069,691	
79	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	5,560,098	100.000%	5,560,098	-	5,560,098	
80	904	UNCOLLECTIBLE ACCOUNTS	780,236	100.000%	780,236	(289,530)	490,706	
81	905	MISC CUSTOMER ACCOUNTS EXPENSE	4,768	100.000%	4,768	-	4,768	
82		TOTAL CUSTOMER ACCOUNTS EXPENSES	9,429,728		9,429,728	(289,530)	9,140,198	
83		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>						
84	907	CUSTOMER SERVICE AND INFO SUPERVISION	93,394	100.000%	93,394	-	93,394	
85	908	CUSTOMER ASSISTANCE EXPENSES	3,579,011	100.000%	3,579,011	(3,249,555)	329,456	
86	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	208,137	100.000%	208,137	-	208,137	
87	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	159,124	100.000%	159,124	-	159,124	
88		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	4,039,666		4,039,666	(3,249,555)	790,111	
89		<u>SALES EXPENSES:</u>						
90	911	SALES SUPERVISION	-	100.000%	-	-	-	
91	912	DEMONSTRATING AND SELLING EXPENSES	-	100.000%	-	-	-	
92	913	ADVERTISING EXPENSES	314,715	100.000%	314,715	-	314,715	
93	916	MISC SALES EXPENSES	-	100.000%	-	-	-	
94		TOTAL SALES EXPENSES	314,715		314,715	-	314,715	
95		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>						
96	920	ADMINISTRATIVE AND GENERAL SALARIES	7,982,796	100.000%	7,982,796	-	7,982,796	
97	921	OFFICE SUPPLIES AND EXPENSES	2,281,528	100.000%	2,281,528	-	2,281,528	
98	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(1,019,248)	100.000%	(1,019,248)	-	(1,019,248)	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL GAS 100%
99	923	OUTSIDE SERVICES	3,856,029	100.000%	3,856,029	-	3,856,029	
100	924	PROPERTY INSURANCE	251,592	100.000%	251,592	-	251,592	
101	925	INJURIES AND DAMAGES	945,343	100.000%	945,343	-	945,343	
102	926	EMPLOYEE PENSION AND BENEFITS	7,386,271	100.000%	7,386,271	-	7,386,271	
103	927	FRANCHISE REQUIREMENTS	-	0.000%	-	-	-	
104	928	REGULATORY COMMISSION EXPENSES	192,918	100.000%	192,918	-	192,918	
105	929	DUPLICATE CHARGES--CREDIT	(472,485)	100.000%	(472,485)	-	(472,485)	
106	930.1	GENERAL ADVERTISING EXPENSES	-	0.000%	-	-	-	
107	930.2	MISC GENERAL EXPENSES	453,636	100.000%	453,636	-	453,636	
108	931	RENTS	573,232	100.000%	573,232	-	573,232	
109	935	MAINTENANCE OF GENERAL PLANT	382,094	100.000%	382,094	-	382,094	
110		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	22,813,706		22,813,706	-	22,813,706	
111		TOTAL OPERATION AND MAINTENANCE EXPENSES	215,746,854		215,746,854	(136,670,415)	79,076,440	
112	403-404	DEPRECIATION AND AMORTIZATION	37,395,172	100.000%	37,395,172	(713,167)	36,682,005	
113	408.1	TAXES OTHER THAN INCOME TAXES	11,316,086	100.000%	11,316,086	(254,697)	11,061,389	
114	409-411	FEDERAL INCOME TAXES	8,029,938	100.000%	8,029,938	(286,432)	7,743,505	
115	409-411	STATE INCOME TAXES	2,151,366	100.000%	2,151,366	(71,788)	2,079,579	
116	411.4	INVESTMENT TAX CREDIT	(25,220)	100.000%	(25,220)	-	(25,220)	
117	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	100.000%	-	-	-	
118		TOTAL OPERATING EXPENSES	274,614,196		274,614,196	(137,996,498)	136,617,698	
119		NET OPERATING INCOME	49,997,288		49,997,288	(883,832)	49,113,456	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
COMPARISON OF GAS UTILITY ACTIVITY
BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: __X__ BASE PERIOD ____ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.2
SHEET 1 OF 4

WITNESS: C. M. GARRETT

Line No.	Acct No.	Account Description	Actual Jan-18	Actual Feb-18	Actual Mar-18	Actual Apr-18	Actual May-18	Actual Jun-18	Actual Jul-18	Actual Aug-18	Actual Sep-18	Actual Oct-18	Actual Nov-18	Actual Dec-18	TOTAL
1	403-404	DEPRECIATION AND AMORTIZATION EXPENSE	3,067,045	3,097,277	3,099,279	3,103,158	3,108,562	3,111,910	3,110,674	3,117,713	3,125,669	3,127,206	3,142,044	3,184,635	37,395,172
2	408.1	TAXES OTHER THAN INCOME TAXES	970,814	923,709	981,148	971,410	916,121	950,458	951,584	989,890	950,758	912,999	896,003	901,191	11,316,086
3	411.8	LOSS/(GAIN) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-	-	-	-	-	-	-	-	-
4	480	RESIDENTIAL REVENUE	(38,361,763)	(25,707,508)	(23,469,491)	(15,345,806)	(8,558,866)	(7,618,056)	(7,464,777)	(7,960,904)	(11,059,222)	(12,271,361)	(24,063,079)	(28,465,048)	(210,345,880)
5	481.1	COMMERCIAL REVENUE	(15,053,818)	(9,974,945)	(9,577,397)	(6,068,922)	(3,518,103)	(3,291,808)	(3,190,335)	(3,430,087)	(2,996,415)	(4,766,230)	(8,862,320)	(11,200,889)	(81,931,270)
6	481.2	INDUSTRIAL REVENUE	(1,104,912)	(974,062)	(1,101,424)	(665,574)	(655,835)	(562,395)	(506,017)	(636,073)	(660,281)	(1,015,802)	(1,152,249)	(835,286)	(9,869,910)
7	482	OTHER SALES TO PUBLIC AUTHORITIES REVENUE	(1,853,106)	(1,378,051)	(1,147,194)	(670,538)	(362,370)	(239,996)	(252,229)	(302,868)	(185,754)	(590,860)	(1,071,213)	(1,380,850)	(9,435,029)
8	483-484	SALES FOR RESALE REVENUE	(2,218,593)	(295,735)	(265,317)	(191,335)	(418,665)	(288,747)	(280,545)	(255,770)	(316,777)	(234,991)	(789,053)	(277,364)	(5,832,894)
9	487	FORFEITED DISCOUNTS	(192,710)	(249,056)	(137,275)	(98,973)	(98,887)	(60,711)	(54,504)	(58,356)	(34,872)	(47,488)	(42,460)	(73,700)	(1,148,992)
10	488	MISCELLANEOUS SERVICE REVENUE	(5,695)	(6,487)	(11,881)	(12,827)	(24,501)	(11,189)	(6,225)	(6,541)	(4,061)	(5,091)	(4,341)	(3,176)	(102,020)
11	489	TRANSPORTATION OF GAS OF OTHERS	(381,965)	(184,406)	(1,004,106)	(534,616)	(464,187)	(424,109)	(401,560)	(417,494)	350,666	(554,113)	(696,055)	(830,206)	(5,542,204)
12	493	RENT FROM GAS PROPERTY	(51,525)	(32,311)	(32,688)	(32,662)	(32,628)	(32,609)	(34,575)	(32,274)	(32,604)	(12,998)	(12,997)	(52,414)	(392,284)
13	495	OTHER GAS REVENUE	(15)	(15)	(15)	(15)	(15)	(15)	(15)	(15)	(15)	(4,155)	(3,363)	(3,353)	(11,001)
14	801-803	NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES	17,318,885	7,673,559	7,679,680	7,230,779	7,032,474	8,736,110	11,233,772	12,560,521	12,084,205	13,598,855	17,894,246	15,297,066	138,340,152
15	804	NATURAL GAS CITY GATE PURCHASES	-	-	-	-	-	-	-	-	-	-	-	-	-
16	805	OTHER GAS PURCHASES	1,846,213	(1,080,777)	(1,197,073)	8,702	(157,384)	(296,484)	434,608	738,320	174,303	50,343	(2,057,215)	(6,613,732)	(8,150,176)
17	806	EXCHANGE GAS	2,013,600	793,769	871,873	(873,792)	(3,372,007)	(1,447,504)	(332,264)	(86,764)	293,031	612,287	1,319,746	1,297,307	1,089,281
18	807	PURCHASED GAS EXPENSE	64,960	69,816	75,796	70,821	73,964	73,950	98,145	78,521	63,493	75,040	67,578	65,700	877,784
19	808	GAS WITHDRAWN FROM STORAGE	10,751,454	8,917,270	8,857,749	3,797,178	98,377	(4,676,167)	(8,938,449)	(10,338,912)	(9,412,432)	(7,336,654)	88,445	7,863,952	(328,191)
20	810	GAS USED FOR COMPRESSOR STATION FUEL	(151,951)	(117,189)	(111,038)	(42,582)	(6,631)	(2,900)	(1,659)	(1,716)	(135)	(306)	(6,924)	(96,139)	(539,169)
21	812	GAS USED FOR OTHER UTILITY OPERATIONS	(24,743)	(16,017)	(12,797)	(8,945)	(24,149)	(33,566)	(5,595)	(1,385)	(1,409)	(3,168)	(30,017)	(14,523)	(176,314)
22	813	OTHER GAS SUPPLY EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
23	814	OPERATION SUPERVISION AND ENGINEERING	101,384	75,907	66,986	83,916	74,606	77,128	69,027	99,365	69,679	90,705	79,290	88,931	976,923
24	816	WELLS EXPENSE	8,240	6,773	6,478	6,578	6,747	4,755	4,060	4,101	4,613	4,599	19,124	6,959	83,028
25	817	LINES EXPENSE	27,586	17,453	25,057	20,735	19,031	48,779	51,128	46,201	34,808	17,494	11,851	15,233	335,354
26	818	COMPRESSOR STATION EXPENSES	231,118	196,546	200,433	142,145	244,414	172,870	171,659	205,850	165,011	141,792	234,233	255,855	2,361,725
27	819	COMPRESSOR STATION FUEL AND POWER	151,951	117,189	111,038	42,582	6,631	2,900	1,659	1,716	135	306	6,924	96,139	539,169
28	821	PURIFICATION EXPENSES	299,157	245,311	311,808	181,823	41,222	12,998	22,112	19,286	9,006	37,856	27,230	281,529	1,489,337
29	823	GAS LOSSES	153,731	132,493	111,149	96,694	98,031	103,624	124,714	146,396	156,756	186,534	191,203	174,644	1,675,967
30	824	OTHER EXPENSES	2,719	2,719	2,719	2,719	2,719	2,719	2,719	2,719	2,719	2,719	2,719	(3,204)	26,706
31	825	STORAGE WELL ROYALTIES	8,292	3,046	17,533	42,360	5,201	4,264	18,101	11,260	3,181	11,276	5,387	3,832	133,731
32	826	RENTS-STORAGE FIELDS	-	-	-	-	-	-	-	-	-	-	-	-	-
33	830	MAINTENANCE SUPERVISION AND ENGINEERING	61,638	60,227	52,932	51,105	52,116	44,445	45,023	50,746	47,268	47,687	45,312	44,861	603,360
34	832	MAINTENANCE OF RESERVOIRS AND WELLS	(34,725)	62,680	38,168	7,958	22,221	101,377	80,988	36,576	(13,922)	69,039	11,631	6,361	388,352
35	833	MAINTENANCE OF LINES	35,128	20,575	36,357	45,138	97,821	68,613	6,731	59,408	26,367	75,143	62,917	10,194	544,391
36	834	MAINTENANCE OF COMPRESSOR STATION EQUIPMENT	44,168	65,993	90,528	80,783	78,547	51,004	28,489	57,796	49,033	35,155	41,249	35,360	658,104
37	835	MAINTENANCE OF REGULATING STATION EQUIPMENT	2,973	3,183	6,958	2,832	3,647	1,438	1,901	4,868	7,239	3,768	5,211	4,330	48,348
38	836	MAINTENANCE OF PURIFICATION EQUIPMENT	36,281	29,317	13,668	27,911	93,203	60,521	60,311	87,125	66,986	67,191	89,449	155,666	787,630
39	837	MAINTENANCE OF OTHER EQUIPMENT	9,532	18,381	33,529	21,738	27,018	18,476	18,474	21,116	20,841	8,713	23,477	8,617	229,912
40	850	OPERATION SUPERVISION AND ENGINEERING	54,397	54,518	42,309	47,488	66,703	69,237	80,756	114,411	123,106	80,691	237,457	200,633	1,171,705
41	851	SYSTEM CONTROL AND LOAD DISPATCHING	38,820	32,943	33,694	35,372	38,658	35,898	37,032	43,034	39,033	49,825	44,138	44,814	473,261
42	852	COMMUNICATION SYSTEM EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
43	856	MAIN EXPENSES	31,607	23,865	53,081	34,399	69,459	59,266	76,865	87,868	103,053	87,931	52,394	48,339	728,127
44	859	OTHER EXPENSES	-	-	-	-	-	7,662	9,527	5,934	33,199	4,272	6,082	5,199	71,876
45	860	RENTS-GAS TRANSMISSION	-	1,542	17,659	4,882	-	604	-	999	5,290	5,327	-	3,828	40,132
46	863	MAINTENANCE OF MAINS	108,683	86,515	106,828	152,836	363,396	775,829	705,504	661,545	147,158	685,253	102,972	659,316	4,555,832
47	870	OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	-	-	-	-	-	-	-
48	871	DISTRIBUTION LOAD DISPATCHING	54,759	49,165	51,219	53,648	54,584	51,536	58,293	64,046	57,907	73,939	64,126	67,656	700,878
49	874	MAINS AND SERVICES EXPENSES	436,991	444,651	385,557	392,164	400,882	396,320	919,151	659,403	857,262	1,134,420	678,122	847,256	7,552,179
50	875	MEASURING AND REGULATING STATION EXP - GEN.	89,276	70,457	75,924	95,709	118,999	95,256	93,800	139,345	121,866	152,415	104,266	105,481	1,262,794
51	876	MEASURING AND REGULATING STATION EXP - IND.	25,919	31,956	40,039	32,214	22,942	30,434	16,172	21,431	20,969	21,391	25,425	26,883	315,775
52	877	MEASURING AND REGULATING STATION EXP - CG	17,617	23,480	18,222	24,113	35,579	44,971	17,803	15,138	11,626	11,482	40,921	20,300	281,254
53	878	METER AND HOUSE REGULATOR EXPENSE	206,596	179,169	332,253	175,555	159,966	120,559	127,649	134,708	135,003	195,030	195,591	232,033	2,194,111
54	879	CUSTOMER INSTALLATIONS EXPENSE	18,169	20,365	17,805	15,992	19,117	14,156	15,782	22,550	23,813	20,862	22,897	26,315	237,822
55	880	OTHER EXPENSES	410,180	525,448	282,690	414,704	514,288	417,496	436,962	551,091	422,188	442,557	458,040	548,418	5,424,062
56	881	RENTS-GAS DISTRIBUTION	485	-	9,944	500	3,333	9,712	-	1,998	2,007	500	-	1,390	29,868
57	885	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	-	-	-	-	-	-	-
58	886	MAINTENANCE OF STRUCTURES AND IMPROVEMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-
59	887	MAINTENANCE OF MAINS	853,859	710,977	907,080	944,479	928,673	919,483	620,279	646,290	731,394	676,531	638,251	773,769	9,351,066
60	889	MTCE OF MEASURING AND REGULATING STATION EXP - GI	15,731	6,839	2,146	2,933	10,763	30,837	2,944	19,122	8,135	17,568	4,459	2,769	124,245
61	890	MTCE MEASURING AND REGULATING STATION EXP - IND.	62,571	66,680	52,084	19,841	6,531	14,631	12,543	22,397	15,668	17,345	30,606	25,455	346,352
62	891	MTCE MEASURING AND REGULATING STATION EXP - CG	46,780	34,471	90,211	(22,752)	54,014	41,482	40,371	42,604	42,256	22,946	76,839	57,110	526,330
63	892	MAINTENANCE OF SERVICES	161,211	73,640	116,459	108,253	116,971	110,015	112,878	164,035	94,344	105,243	85,078	109,476	1,357,604
64	893	MAINTENANCE OF METERS AND HOUSE REGULATORS	-	-	-	-	-	-	-	-	-	-	-	-	-
65	894	MAINTENANCE OF OTHER EQUIPMENT	38,976	18,386	37,362	26,912	37,278	28,764	35,363	36,301	33,972	40,230	33,252	41,569	408,366
66	901	CUSTOMER ACCTS SUPERVISION	91,796	87,054	91,869	83,891	93,695	78,736	79,063	88,970	75,850	93,307	76,191	74,513	1,014,935

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
COMPARISON OF GAS UTILITY ACTIVITY
BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: __X__ BASE PERIOD ____ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.2
SHEET 2 OF 4

WORKPAPER REFERENCE NO(S):													WITNESS: C. M. GARRETT		
Line No.	Acct No.	Account Description	Actual Jan-18	Actual Feb-18	Actual Mar-18	Actual Apr-18	Actual May-18	Actual Jun-18	Actual Jul-18	Actual Aug-18	Actual Sep-18	Actual Oct-18	Actual Nov-18	Actual Dec-18	TOTAL
67	902	METER READING EXPENSES	154,076	154,442	158,349	166,554	159,876	159,082	144,194	162,370	190,931	231,624	195,816	192,379	2,069,691
68	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	426,541	439,575	486,763	441,271	483,579	443,220	447,801	511,377	435,197	489,905	451,455	503,414	5,560,098
69	904	UNCOLLECTIBLE ACCOUNTS	182,237	135,830	96,420	54,697	(1,882)	(35,132)	57,515	20,785	20,342	60,877	77,248	111,301	780,236
70	905	MISC CUSTOMER ACCOUNTS EXPENSE	40	37	746	429	9	68	-	99	-	-	-	3,340	4,768
71	907	CUSTOMER SERVICE AND INFO SUPERVISION	6,968	7,280	7,294	7,219	7,958	7,451	7,202	8,125	6,569	9,547	8,741	9,040	93,394
72	908	CUSTOMER ASSISTANCE EXPENSES	294,459	242,783	214,718	288,396	267,796	312,409	233,165	372,964	377,635	373,137	338,824	262,724	3,579,011
73	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	1,552	7,697	22,357	8,580	11,142	6,839	28,559	8,908	12,434	25,888	48,805	25,376	208,137
74	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	14,046	9,563	9,299	10,580	10,008	12,727	18,806	13,826	18,497	10,747	16,061	14,965	159,124
75	911	SALES SUPERVISION	-	-	-	-	-	-	-	-	-	-	-	-	-
76	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
77	913	ADVERTISING EXPENSES	41,520	16,479	35,509	120	38,651	53,140	6,523	13,769	23,159	17,520	24,431	43,894	314,715
78	916	MISC SALES EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
79	920	ADMINISTRATIVE AND GENERAL SALARIES	714,215	657,772	751,812	628,005	689,793	630,481	645,603	727,722	573,959	734,028	581,980	647,425	7,982,796
80	921	OFFICE SUPPLIES AND EXPENSES	181,936	136,488	177,559	172,652	173,987	181,816	183,403	185,582	181,189	175,522	125,535	405,859	2,281,528
81	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(86,299)	(84,371)	(95,974)	(81,795)	(89,040)	(75,259)	(78,256)	(92,189)	(73,863)	(88,373)	(73,582)	(100,247)	(1,019,248)
82	923	OUTSIDE SERVICES	261,935	286,859	340,871	289,859	388,527	350,957	270,690	333,473	304,726	242,679	353,086	432,368	3,856,029
83	924	PROPERTY INSURANCE	35,421	23,426	13,306	37,880	14,972	14,972	22,113	14,816	15,128	21,903	10,793	26,862	251,592
84	925	INJURIES AND DAMAGES	78,977	79,004	(121,537)	76,823	67,298	72,139	79,705	85,338	325,676	19,259	2,581	180,081	945,343
85	926	EMPLOYEE PENSION AND BENEFITS	750,496	689,210	371,347	942,082	671,658	513,364	713,566	708,916	562,139	678,774	561,033	223,686	7,386,271
86	927	FRANCHISE REQUIREMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-
87	928	REGULATORY COMMISSION EXPENSES	16,022	16,022	16,022	16,343	16,022	16,022	16,022	16,022	16,022	16,352	16,022	16,022	192,918
88	929	DUPLICATE CHARGES--CREDIT	(109,302)	(94,421)	(99,043)	(75,592)	(13,252)	(309)	(484)	(716)	(301)	(308)	(2,987)	(75,769)	(472,485)
89	930.1	GENERAL ADVERTISING EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
90	930.2	MISC GENERAL EXPENSES	42,959	36,021	30,318	48,677	36,896	26,069	51,057	28,873	26,273	60,952	26,942	38,597	453,636
91	931	RENTS	46,725	43,667	49,444	56,260	35,805	49,466	52,901	41,383	56,543	50,562	48,952	41,523	573,232
92	935	MAINTENANCE OF GENERAL PLANT	36,426	32,097	30,596	31,909	30,041	32,812	26,811	29,295	28,325	33,537	29,802	40,443	382,094
93		OPERATING (INCOME) LOSS	(16,373,277)	(12,105,842)	(10,116,223)	(2,743,437)	524,122	787,299	1,492,763	1,544,093	(806,452)	(563,318)	(8,707,376)	(13,085,724)	(60,153,372)

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(d)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A summary of jurisdictional adjustments to operating income by major account with supporting schedules for individual adjustments and jurisdictional factors.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE D

JURISDICTIONAL ADJUSTMENT OF OPERATING INCOME

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295 - ELECTRIC OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED APRIL 30, 2020

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
D-1	SUMMARY OF JURISDICTIONAL ADJUSTMENTS
D-2	JURISDICTIONAL ADJUSTMENTS
D-2.1	JURISDICTIONAL PRO FORMA ADJUSTMENTS
WPD-2	JURISDICTIONAL ADJUSTMENTS WORKPAPER
WPD-2.1	JURISDICTIONAL PRO FORMA ADJUSTMENTS WORKPAPER

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018 AND FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE D-1
PAGE 1 OF 9
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)	PRO FORMA FORECASTED PERIOD JURISDICTIONAL	DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)
			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
1		OPERATING REVENUES						
2		<u>SALES OF ELECTRICITY:</u>						
3	440	RESIDENTIAL	393,294,683	(4,451,777)	388,842,905	-	388,842,905	Variance reflects elimination of the TCJA surcredit, billing determinants adjusted for normal weather and changes in base fuel.
4	442.2	COMMERCIAL	324,056,005	8,748,754	332,804,759	-	332,804,759	Variance reflects elimination of the TCJA surcredit, billing determinants adjusted for normal weather and changes in base fuel.
5	442.3	INDUSTRIAL	150,757,190	8,269,448	159,026,638	-	159,026,638	Variance reflects elimination of the TCJA surcredit and changes in billing determinants and base fuel.
6	444	PUBLIC STREET AND HIGHWAY LIGHTING	2,640,716	370,318	3,011,034	-	3,011,034	Variance reflects elimination of the TCJA surcredit and changes in billing determinants and base fuel.
7	445	OTHER SALES TO PUBLIC AUTHORITIES	83,969,007	(5,006,795)	78,962,212	-	78,962,212	Variance reflects elimination of the TCJA surcredit, billing determinants adjusted for normal weather and changes in base fuel.
8		TOTAL SALES TO ULTIMATE CONSUMERS	954,717,601	7,929,948	962,647,549	-	962,647,549	
9	447	SALES FOR RESALE	28,088,955	9,473,437	37,562,392	(8,261,342)	29,301,049	Variance is driven by higher intercompany sales to KU partially offset by the ECR off-system sales revenue proforma adjustment.
10	449.1	PROVISION FOR RATE REFUNDS	-	-	-	-	-	
11		TOTAL SALES OF ELECTRICITY	982,806,556	17,403,385	1,000,209,941	(8,261,342)	991,948,599	
12		<u>OTHER OPERATING REVENUES:</u>						
13	450	LATE PAYMENT CHARGES	2,764,434	(54,308)	2,710,126	-	2,710,126	Variance reflects trend in this account and is based on a historic average.
14	451	ELECTRIC SERVICE REVENUES	1,966,751	(493,651)	1,473,099	-	1,473,099	Variance reflects trend in this account and is based on a historic average.
15	454	RENT FROM ELECTRIC PROPERTY	4,129,320	82,953	4,212,272	-	4,212,272	Variance reflects trend in this account and is based on a historic average.
16	456	OTHER MISCELLANEOUS REVENUE	13,270,426	108,333	13,378,759	-	13,378,759	Variance reflects trend in this account and is based on a historic average. Base Period includes Intra-company elimination account offset in FERC account 565.
17		TOTAL OTHER OPERATING REVENUES	22,130,930	(356,674)	21,774,257	-	21,774,257	
18		TOTAL OPERATING REVENUES	1,004,937,486	17,046,712	1,021,984,198	(8,261,342)	1,013,722,855	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018 AND FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☐ BASE PERIOD ☐ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☐ UPDATED ☐ REVISED
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LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)	PRO FORMA FORECASTED PERIOD JURISDICTIONAL	DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)
			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
19		<u>OPERATING EXPENSES</u>						
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>						
21		<u>STEAM GENERATION:</u>						
22	500	STEAM OPERATION SUPERVISION AND ENGINEERING	4,862,392	382,941	5,245,333	-	5,245,333	Customary changes in the ordinary course of business.
23	501	FUEL	251,021,668	4,128,104	255,149,772	-	255,149,772	Variance reflects changes in the sale to ultimate customers and sale for resale.
24	502	STEAM EXPENSES	17,305,332	4,415,648	21,720,980	-	21,720,980	Increase due to process water system operations and chemicals in the Forecasted Period.
25	504	STEAM TRANSFERRED-CREDIT	-	-	-	-	-	
26	505	ELECTRIC EXPENSES	2,857,716	(590,831)	2,266,885	-	2,266,885	Decrease due to the Forecasted Period labor budgeted to other operational FERC accounts.
27	506	MISC STEAM POWER EXPENSES	9,628,412	(393,090)	9,235,322	-	9,235,322	Customary changes in the ordinary course of business.
28	507	RENTS	36,540	(36,540)	-	-	-	- Item not budgeted in forecast period due to immateriality.
29	509	ALLOWANCES	3	(3)	-	-	-	- Item not budgeted in forecast period due to immateriality.
30	510	MAINTENANCE SUPERVISION AND ENGINEERING	5,518,963	93,614	5,612,577	-	5,612,577	Customary changes in the ordinary course of business.
31	511	MAINTENANCE OF STRUCTURES	3,055,930	(174,850)	2,881,080	-	2,881,080	Customary changes in the ordinary course of business.
32	512	MAINTENANCE OF BOILER PLANT	30,414,610	932,129	31,346,739	-	31,346,739	Increase due to process water system maintenance, reset in eight year average of major planned generator overhauls and labor increases in the Forecasted Period.
33	513	MAINTENANCE OF ELECTRIC PLANT	9,059,884	3,156,627	12,216,511	-	12,216,511	Increase due to reset in eight year average of major planned turbine overhauls and labor increases in the Forecasted Period.
34	514	MAINTENANCE OF MISC STEAM PLANT	2,348,614	(720,332)	1,628,282	-	1,628,282	Decrease due to lower tools, consumables, and maintenance on gypsum barge loader in the Forecasted Period.
35		TOTAL STEAM GENERATION	336,110,064	11,193,417	347,303,481	-	347,303,481	
36		<u>HYDRAULIC GENERATION:</u>						
37	535	HYDRO OPERATION SUPERVISION AND ENGINEERING	124,769	5,813	130,582	-	130,582	Customary changes in the ordinary course of business.
38	536	WATER FOR POWER	39,284	2,552	41,836	-	41,836	Customary changes in the ordinary course of business.
39	537	HYDRAULIC EXPENSES	-	-	-	-	-	

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
40	538	ELECTRIC EXPENSES	371,509	(30,287)	341,222	-	341,222	Customary changes in the ordinary course of business.
41	539	MISC HYDRAULIC POWER GENERATION EXPENSES	207,833	(25,028)	182,805	-	182,805	Customary changes in the ordinary course of business.
42	540	RENTS	403,362	147,478	550,840	-	550,840	Customary changes in the ordinary course of business.
43	541	HYDRO MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	
44	542	MAINTENANCE OF STRUCTURES	317,087	29,256	346,343	-	346,343	Customary changes in the ordinary course of business.
45	543	MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS	165,206	45,739	210,945	-	210,945	Customary changes in the ordinary course of business.
46	544	MAINTENANCE OF ELECTRIC PLANT	433,419	(168,491)	264,928	-	264,928	Decrease due to lower repairs to wicket gates and bus maintenance in the Forecasted Period.
47	545	MAINTENANCE OF MISC HYDRAULIC PLANT	69,074	6,654	75,728	-	75,728	Customary changes in the ordinary course of business.
48		TOTAL HYDRAULIC GENERATION	<u>2,131,544</u>	<u>13,685</u>	<u>2,145,229</u>	<u>-</u>	<u>2,145,229</u>	
49		<u>OTHER GENERATION:</u>						
50	546	OTHER OPERATION SUPERVISION AND ENGINEERING	371,890	(9,427)	362,463	-	362,463	Customary changes in the ordinary course of business.
51	547	OTHER FUEL	57,084,604	(7,191,930)	49,892,674	-	49,892,674	Variance reflects changes in the sale to ultimate customers and sales for resale.
52	548	GENERATION EXPENSES	273,056	(16,754)	256,302	-	256,302	Customary changes in the ordinary course of business.
53	549	MISC OTHER POWER GENERATION EXPENSES	1,249,297	128,031	1,377,328	-	1,377,328	Increase due to higher third party contractor support in the Forecasted Period.
54	550	RENTS	14,752	(3,476)	11,276	-	11,276	Customary changes in the ordinary course of business.
55	551	MAINTENANCE SUPERVISION AND ENGINEERING	160,048	(40,371)	119,677	-	119,677	Customary changes in the ordinary course of business.
56	552	MAINTENANCE OF STRUCTURES	444,374	(228,088)	216,286	-	216,286	Decrease due to reset in eight-year average of major planned generator overhauls in Forecasted Period. Eight-year average is higher in total but is FERC account specific causing the decrease in this account.
57	553	MAINTENANCE OF GENERATING AND ELECTRIC PLANT	1,673,231	783,338	2,456,569	-	2,456,569	Increase due to reset in eight-year average of major planned generator overhauls in Forecasted Period.
58	554	MAINTENANCE OF MISC OTHER POWER GENERATION PLANT	733,426	987,151	1,720,577	-	1,720,577	Increase due to the reset in eight-year average of major planned generator overhauls in the Forecasted Period and higher maintenance costs in the Forecasted Period due to Cane Run 7 non-recurring warranty claims in the Base Period.
59		TOTAL OTHER GENERATION	<u>62,004,678</u>	<u>(5,591,526)</u>	<u>56,413,152</u>	<u>-</u>	<u>56,413,152</u>	

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
60		<u>OTHER POWER SUPPLY:</u>						
								Decrease primarily due to the Bluegrass contract that will end in April 2019, partially offset by higher intercompany purchased power and higher OVEC costs.
61	555	PURCHASED POWER	49,136,793	(73,818)	49,062,975	-	49,062,975	
62	556	SYSTEM CONTROL AND LOAD DISPATCHING	1,175,828	45,689	1,221,517	-	1,221,517	Customary changes in the ordinary course of business.
63	557	OTHER EXPENSES	98,641	(1,151)	97,490	-	97,490	Customary changes in the ordinary course of business.
64		TOTAL OTHER POWER SUPPLY	50,411,261	(29,280)	50,381,982	-	50,381,982	
65		TOTAL PRODUCTION EXPENSES	450,657,547	5,586,296	456,243,843	-	456,243,843	
66		<u>TRANSMISSION EXPENSES:</u>						
								Higher labor in the Forecasted Period due to labor charged to capital projects based on actual work performed in the Base Period. Higher GIS Spatial Record software expense in the Forecasted Period.
67	560	TRANS OPERATION SUPERVISION AND ENGINEERING	859,705	278,124	1,137,829	-	1,137,829	Increase due to System Operations OATI expense forecasted entirely to LG&E. Redistribution of labor costs from FERC Account 581 to FERC Account 561 related to Distribution SCADA functions absorbed into Data Automation.
68	561	LOAD DISPATCHING	2,380,492	440,455	2,820,947	-	2,820,947	Customary changes in the ordinary course of business.
69	562	STATION EXPENSES	958,142	(78,538)	879,604	-	879,604	Customary changes in the ordinary course of business.
70	563	OVERHEAD LINE EXPENSES	339,817	(56,980)	282,836	-	282,836	Customary changes in the ordinary course of business.
71	564	UNDERGROUND LINE EXPENSES	-	-	-	-	-	
72	565	TRANSMISSION OF ELECTRICITY BY OTHERS	(643,724)	718,206	74,482	-	74,482	Credit in the Base Period is Intra-company elimination account, the offset of this elimination account is in FERC Account 456.
73	566	MISC TRANSMISSION EXPENSES	8,038,863	4,445,049	12,483,912	-	12,483,912	Increase due to depancking cost.
74	567	RENTS	61,927	44,309	106,236	-	106,236	Customary changes in the ordinary course of business.
75	568	TRANS MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
76	569	MAINTENANCE OF STRUCTURES	-	-	-	-	-	
77	570	MAINTENANCE OF STATION EQUIPMENT	1,960,913	(334,066)	1,626,847	-	1,626,847	Lower Substation maintenance in Forecasted Period due to enhanced testing and evaluation of asset performance data.
78	571	MAINTENANCE OF OVERHEAD LINES	4,492,113	(456,075)	4,036,038	-	4,036,038	Decrease due to lower corrosion prevention work and line clearing expense in the forecasted test period.
79	572	MAINTENANCE OF UNDERGROUND LINES	-	-	-	-	-	
80	573	MAINTENANCE OF MISC TRANSMISSION PLANT	210,210	31,217	241,427	-	241,427	Customary changes in the ordinary course of business.
81	575	MISO DAY 1 AND 2 EXPENSE	10,086	(10,086)	-	-	-	Item not budgeted in forecast period due to immateriality.
82		TOTAL TRANSMISSION EXPENSES	18,668,545	5,021,613	23,690,158	-	23,690,158	
83		<u>DISTRIBUTION EXPENSES:</u>						
84	580	DISTR OPERATION SUPERVISION AND ENGINEERING	2,422,065	(207,155)	2,214,910	-	2,214,910	Decrease is driven by storms. Forecasted Period is based on a three-year average while storm expenses in the Base Period exceeded this average.
85	581	LOAD DISPATCHING	309,019	(102,669)	206,350	-	206,350	Redistribution of labor costs from FERC Account 581 to FERC Account 561 related to Distribution SCADA functions absorbed into Data Automation.
86	582	STATION EXPENSES	2,179,630	(475,407)	1,704,223	-	1,704,223	Decrease due to more work done for Station Operations than Station Maintenance in the Base Year as part of the ordinary course of business. Offset in FERC Account 592.
87	583	OVERHEAD LINE EXPENSES	8,985,655	(869,612)	8,116,043	-	8,116,043	Decrease is partially driven by storms - Forecasted Period is based on a three-year average while storm expenses in the Base Period exceeded this average. There were also higher than average overhead trouble orders in the base year due to intense summer heat and other environmental factors. Line locating costs were higher in the base year due to higher contract costs.
88	584	UNDERGROUND LINE EXPENSES	417,120	118,145	535,265	-	535,265	Increase due primarily to less costs in the Base Year associated with network vaults.
89	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	-	-	-	-	
90	586	METER EXPENSES	6,838,040	1,580,786	8,418,826	-	8,418,826	Increase due to Field Services contracts expiring in May 2019 and increasing due to market conditions. In addition, labor is expected to increase in the Forecasted Period due to open positions and more capital work in the Base Period.
91	587	CUSTOMER INSTALLATIONS EXPENSES	415	(415)	-	-	-	Item not budgeted in forecast period due to immateriality.

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
92	588	MISC DISTRIBUTION EXPENSES	5,851,440	310,753	6,162,193	-	6,162,193	Increase due to third party pole attachment audit in Forecasted Period.
93	589	RENTS	31,007	(11,007)	20,000	-	20,000	Customary changes in the ordinary course of business.
94	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	40,477	7,544	48,021	-	48,021	Customary changes in the ordinary course of business.
95	591	MAINTENANCE OF STRUCTURES	2,982	(2,982)	-	-	-	- Item not budgeted in forecast period due to immateriality.
96	592	MAINTENANCE OF STATION EQUIPMENT	1,051,753	753,729	1,805,482	-	1,805,482	Increase due to increased headcount for the Substation Protection and Control department and due to less work done for Station Maintenance than Station Operations in the Base Year as part of the ordinary course of business. Offset in FERC Account 582.
97	593	MAINTENANCE OF OVERHEAD LINES	23,133,568	(4,971,741)	18,161,827	-	18,161,827	Forecasted Period includes a decrease for storms based on a historical three-year average and for the extension of amortization associated with the 2008 wind storm and 2009 winter storm regulatory assets and 2011 summer storm regulatory liability. This is offset by an increase for the amortization of the requested regulatory asset for the July 2018 storm.
98	594	MAINTENANCE OF UNDERGROUND LINES	1,426,055	48,971	1,475,026	-	1,475,026	Customary changes in the ordinary course of business.
99	595	MAINTENANCE OF LINE TRANSFORMERS	158,096	17,780	175,876	-	175,876	Customary changes in the ordinary course of business.
100	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS	419,554	30,369	449,923	-	449,923	Customary changes in the ordinary course of business.
101	597	MAINTENANCE OF METERS	-	-	-	-	-	
102	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	637,011	(29,995)	607,016	-	607,016	Customary changes in the ordinary course of business.
103		TOTAL DISTRIBUTION EXPENSES	53,903,887	(3,802,906)	50,100,981	-	50,100,981	
104		<u>CUSTOMER ACCOUNTS EXPENSES:</u>						
105	901	CUSTOMER ACCTS SUPERVISION	1,291,735	282,283	1,574,018	-	1,574,018	Higher costs are due to Contact Centers pay rate increases effective September 2018, vacancies in the Base Period, and expenses for Customer Resource Management (CRM).
106	902	METER READING EXPENSES	2,634,152	813,640	3,447,792	-	3,447,792	Increase due to contracts expiring in May 2019 and increasing due to market conditions.
107	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	7,076,488	(30,772)	7,045,716	-	7,045,716	Customary changes in the ordinary course of business.
108	904	UNCOLLECTIBLE ACCOUNTS	3,118,591	(1,084,398)	2,034,192	-	2,034,192	The Forecasted Period includes write-offs based on a 5-year average (0.182%) of revenues.

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109	905	MISC CUSTOMER ACCOUNTS EXPENSE	6,069	(6,069)	-	-	-	Item not budgeted in forecast period due to immateriality.
110		TOTAL CUSTOMER ACCOUNTS EXPENSES	14,127,035	(25,316)	14,101,719	-	14,101,719	
111		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>						
112	907	CUSTOMER SERVICE AND INFO SUPERVISION	351,341	20,998	372,339	-	372,339	Customary changes in the ordinary course of business.
113	908	CUSTOMER ASSISTANCE EXPENSES	56,367	397,207	453,574	-	453,574	Increase due to new product offerings.
114	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	651,027	580,388	1,231,414	-	1,231,414	Increase primarily due to educating customers on their energy choices and ways to reduce their usage through energy efficiency.
115	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	598,610	127,527	726,137	-	726,137	Increases for transmission system impact studies and survey costs.
116		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	1,657,344	1,126,120	2,783,464	-	2,783,464	
117		<u>SALES EXPENSES:</u>						
118	911	SALES SUPERVISION	-	-	-	-	-	
119	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	
120	913	ADVERTISING EXPENSES	1,183,927	(135,386)	1,048,542	(1,048,542)	-	Expenses are removed from net operating income in setting base rates.
121	916	MISC SALES EXPENSES	-	-	-	-	-	
122		TOTAL SALES EXPENSES	1,183,927	(135,386)	1,048,542	(1,048,542)	-	
123		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>						
124	920	ADMINISTRATIVE AND GENERAL SALARIES	24,819,053	1,786,908	26,605,961	-	26,605,961	Variance reflects changes in headcount and wage inflation.
125	921	OFFICE SUPPLIES AND EXPENSES	6,964,170	329,940	7,294,110	-	7,294,110	Increase due to higher facilities and corporate security costs.
126	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(4,378,417)	(38,632)	(4,417,049)	-	(4,417,049)	Customary changes in the ordinary course of business.
127	923	OUTSIDE SERVICES	14,939,511	940,260	15,879,771	-	15,879,771	Increase due to higher level of contracted support for customer education initiatives, legal counsel, increases in hardware and software maintenance contracts.

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			\$	\$	\$	\$	\$	
128	924	PROPERTY INSURANCE	4,091,484	799,565	4,891,049	-	4,891,049	Increase due to the Base Period including a membership credit that will not continue; also includes estimates for additional premiums for new assets put into service.
129	925	INJURIES AND DAMAGES	2,117,055	549,913	2,666,967	-	2,666,967	Increase due to an inclusion of a new bond required for Trimble County and discontinuation of a credit received for excess liability continuity.
130	926	EMPLOYEE PENSION AND BENEFITS	21,075,373	(154,212)	20,921,160	-	20,921,160	Decrease due to changes in actuarial assumptions for pension and OPEB in the Forecasted Period, partially offset by increases due to inflation on medical costs, increased premiums for LTD and life insurance.
131	927	FRANCHISE REQUIREMENTS	29,753	(29,753)	-	-	-	- Item not budgeted in forecast period due to immateriality.
132	928	REGULATORY COMMISSION EXPENSES	1,411,623	126,327	1,537,951	-	1,537,951	Increase due to rate case expense amortization.
133	929	DUPLICATE CHARGES--CREDIT	(233,116)	16,923	(216,193)	-	(216,193)	Customary changes in the ordinary course of business.
134	930.1	GENERAL ADVERTISING EXPENSES	28,711	(22,489)	6,222	(6,222)	-	Customary changes in the ordinary course of business.
135	930.2	MISC GENERAL EXPENSES	3,234,864	(672,509)	2,562,355	(809)	2,561,546	Variance is driven by a reclass of legal counsel costs and research and development costs being forecasted and budgeted to FERC Account 500, but actuals are hitting FERC Account 930.
136	931	RENTS	1,815,234	46,832	1,862,066	-	1,862,066	Customary changes in the ordinary course of business.
137	935	MAINTENANCE OF GENERAL PLANT	850,467	(66,286)	784,181	-	784,181	Customary changes in the ordinary course of business.
138		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	76,765,765	3,612,786	80,378,551	(7,031)	80,371,520	
139		TOTAL OPERATION AND MAINTENANCE EXPENSES	616,964,050	11,383,208	628,347,258	(1,055,573)	627,291,685	
140	403-404	DEPRECIATION AND AMORTIZATION	127,959,124	27,841,256	155,800,380	-	155,800,380	Variance is due to increase in plant-in-service and higher proposed depreciation rates.
141	407.3	REGULATORY DEBITS	145	(145)	-	-	-	
142	408	TAXES OTHER THAN INCOME TAXES	32,107,719	2,825,206	34,932,925	-	34,932,925	Variance is due to increase in net utility plant and higher tax rates.
143	409-411	FEDERAL INCOME TAXES	29,803,035	(8,783,034)	21,020,001	(1,437,551)	19,582,450	Variance is due to changes in pre-tax income and increase in amortization of excess deferred taxes. See Schedule E.
144	409-411	STATE INCOME TAXES	8,199,861	(2,014,080)	6,185,781	(360,288)	5,825,493	Variance is due to changes in pre-tax income and increase in amortization of excess deferred taxes. See Schedule E.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018 AND FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☐ X BASE PERIOD ☐ X FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☐ X UPDATED ☐ X REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE D-1
PAGE 9 OF 9
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)	PRO FORMA FORECASTED PERIOD JURISDICTIONAL	DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)
			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
145	411.4	INVESTMENT TAX CREDIT	(957,396)	(46,725)	(1,004,121)	-	(1,004,121)	Lower amortization of ITC.
146	411.6-8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES / PLANT	(103,081)	103,081	-	-	-	Item not budgeted in forecast period due to immateriality.
147		TOTAL OPERATING EXPENSES	<u>813,973,456</u>	<u>31,308,767</u>	<u>845,282,224</u>	<u>(2,853,412)</u>	<u>842,428,811</u>	
148		NET OPERATING INCOME	<u>190,964,030</u>	<u>(14,262,056)</u>	<u>176,701,974</u>	<u>(5,407,930)</u>	<u>171,294,044</u>	

Note 1 - See Schedule D-2.1 and testimony for a descriptions of the adjustments.

Note 2 - In general, these adjustments represent variances between the Base Period and the end of the Forecasted Period.

JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

SCHEDULE D-2

WITNESS: C. M. GARRETT

[illegible]

JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

TYPE OF FILING: _____ ORIGINAL X UPDATED X REVISED

WORKPAPER REFERENCE NO(S).: SCHEDULE WPD-2

PAGE 2 OF 12

WITNESS: C. M. GARRETT

[illegible]

JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

SCHEDULE D-2

WITNESS: C. M. GARRETT

[illegible]

JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

TYPE OF FILING: _____ ORIGINAL X UPDATED X REVISED

WORKPAPER REFERENCE NO(S).: SCHEDULE WPD-2

PAGE 4 OF 12

WITNESS: C. M. GARRETT

[illegible]

JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

SCHEDULE D-2

WITNESS: C. M. GARRETT

[illegible]

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED

WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2

PAGE 6 OF 12

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1 REMOVE DSM MECHANISM	ADJ 2 REMOVE ECR MECHANISM	ADJ 3 REMOVE FAC MECHANISM	ADJ 4 REMOVE OSS MECHANISM	ADJ 5 INTEREST SYNCHRONIZATION	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			\$	\$	\$	\$	\$	\$		\$
133	929	DUPLICATE CHARGES--CREDIT	-	-	-	-	-	-	100.000%	-
134	930.1	GENERAL ADVERTISING EXPENSES	-	-	-	-	-	-	100.000%	-
135	930.2	MISC GENERAL EXPENSES	-	-	-	-	-	-	100.000%	-
136	931	RENTS	-	-	-	-	-	-	100.000%	-
137	935	MAINTENANCE OF GENERAL PLANT	-	-	-	-	-	-	100.000%	-
138		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	-	(3,252)	-	-	-	(3,252)		(3,252)
139		TOTAL OPERATION AND MAINTENANCE EXPENSES	(11,943,544)	(5,804,358)	(1,488,161)	(15,660,599)	-	(34,896,663)		(34,896,663)
140	403-404	DEPRECIATION AND AMORTIZATION	(950,214)	(28,454,344)	-	-	-	(29,404,558)	100.000%	(29,404,558)
141	407.3	REGULATORY DEBITS	-	(573,462)	-	-	-	(573,462)	100.000%	(573,462)
142	408.1	TAXES OTHER THAN INCOME TAXES	-	(1,671,231)	-	-	-	(1,671,231)	100.000%	(1,671,231)
143	409-411	FEDERAL INCOME TAXES	(260,922)	(18,171,178)	58,407	(738,328)	3,379,457	(15,732,565)	100.000%	(15,732,565)
144	409-411	STATE INCOME TAXES	(78,295)	(4,562,693)	14,638	(185,045)	846,982	(3,964,413)	100.000%	(3,964,413)
145	411.4	INVESTMENT TAX CREDIT	-	-	-	-	-	-	100.000%	-
146	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-	-	100.000%	-
147		TOTAL OPERATING EXPENSES	(13,232,975)	(59,237,266)	(1,415,116)	(16,583,972)	4,226,438	(86,242,891)		(86,242,891)
148		NET OPERATING INCOME	(1,226,681)	(68,595,808)	219,720	(2,777,520)	(4,226,438)	(76,606,727)		(76,606,727)

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED X REVISED
WORKPAPER REFERENCE NO(S):

ADJ ID	Acct No.	Description	Actual Jan-18	Actual Feb-18	Actual Mar-18	Actual Apr-18	Actual May-18	Actual Jun-18	Actual Jul-18	Actual Aug-18	Actual Sep-18	Actual Oct-18	Actual Nov-18	Actual Dec-18	TOTAL \$(000)
ADJ 1		DSM:													
DSM	440	440-RESIDENTIAL	732.339	604.807	815.859	1,218.611	1,107.477	1,148.141	1,073.481	1,086.647	1,061.360	614.798	635.388	887.906	10,986.814
DSM	442.2	442-COMMERCIAL	194.368	238.463	263.178	394.126	288.183	266.162	242.223	256.516	289.989	216.541	170.235	227.626	3,047.611
DSM	442.3	442-INDUSTRIAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
DSM	444	444-PUBLIC ST & HWY LIGHTING	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
DSM	445	445-OTHER PUBLIC AUTHORITIES	28.268	32.842	40.505	60.709	39.612	34.117	28.234	33.091	41.971	29.829	24.019	32.034	425.231
		Total DSM Revenues	954.975	876.112	1,119.542	1,673.447	1,435.272	1,448.420	1,343.938	1,376.254	1,393.320	861.167	829.642	1,147.566	14,459.656
DSM	908	908 - DSM PROGRAM EXP	1,051.150	706.136	894.472	1,307.657	1,143.029	1,177.216	1,108.358	1,140.503	1,150.393	689.531	643.230	931.869	11,943.544
DSM	403-404	403 - DSM DEPRECIATION EXP	79.759	79.464	79.215	78.968	78.977	79.001	79.028	79.035	79.026	79.028	79.039	79.674	950.214
DSM	409-411	411 - DSM AMORT EXCESS ADIT-FEDERAL	(4.290)	(4.290)	(4.290)	(4.290)	(4.290)	(4.290)	(4.290)	(4.290)	(4.290)	(4.290)	(4.290)	(4.290)	(51.475)
DSM	409-411	411 - DSM AMORT EXCESS ADIT-STATE	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
ADJ 2		ECR (Base and Factor):													
ECR	440	440-RESIDENTIAL	4,417.310	3,701.680	3,780.628	3,494.922	4,441.787	4,722.426	5,115.784	4,918.945	4,259.445	3,679.656	3,918.387	4,004.111	50,455.081
ECR	442.2	442-COMMERCIAL	3,098.371	3,917.496	3,880.279	4,037.243	3,474.263	3,412.701	3,594.920	3,678.246	4,098.651	4,350.702	4,145.804	3,703.157	45,391.834
ECR	442.3	442-INDUSTRIAL	1,250.024	1,991.666	1,720.798	1,886.231	1,345.392	1,459.729	1,427.860	1,477.996	1,684.943	1,869.114	1,849.418	1,586.181	19,549.353
ECR	444	444-PUBLIC ST & HWY LIGHTING	20.385	33.046	32.321	37.032	26.636	24.409	27.746	13.900	29.153	32.461	34.845	33.158	345.094
ECR	445	445-OTHER PUBLIC AUTHORITIES	717.958	882.525	1,127.709	1,134.069	937.447	936.079	897.773	1,066.658	1,090.282	1,229.793	1,121.758	949.661	12,091.713
		TOTAL ECR (Base and Factor)	9,504.049	10,526.414	10,541.735	10,589.498	10,225.525	10,555.345	11,064.083	11,155.745	11,162.474	11,161.726	11,070.212	10,276.269	127,833.075
		ECR Expenses:													
ECR	407.3	407 - ECR CLOSURE COSTS	33.216	35.356	39.074	41.143	42.014	43.676	49.548	53.449	55.582	57.467	61.117	61.819	573.462
ECR	408.1	408 - ECR PROPERTY TAX	139.288	139.288	139.268	139.268	139.268	139.268	139.268	139.263	139.263	139.263	139.263	139.263	1,671.231
ECR	411.8	411 - ECR GAIN-DISP OF ALLOW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
ECR	501	501 - ECR STEAM FUEL EXP RECOVERABLE	28.822	34.341	17.018	(318.401)	(374.063)								

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
JURISDICTIONAL ADJUSTMENTS WORKPAPER
BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☐X___ BASE PERIOD _____ FORECASTED PERIOD _____
TYPE OF FILING: _____ ORIGINAL ☐X___ UPDATED ☐X___ REVISED
WORKPAPER REFERENCE NO(S): _____

SCHEDULE WPD-2

SHEET 2 OF 5

WITNESS: C. M. GARRETT

ADJ ID	Acct No.	Description	Actual Jan-18	Actual Feb-18	Actual Mar-18	Actual Apr-18	Actual May-18	Actual Jun-18	Actual Jul-18	Actual Aug-18	Actual Sep-18	Actual Oct-18	Actual Nov-18	Actual Dec-18	TOTAL
ADJ 3															
FAC (excl Base Fuel):															
FAC	440	440-RESIDENTIAL	919.225	467.695	(282.232)	(127.416)	(226.168)	(425.586)	(363.248)	(428.037)	30.723	32.694	290.903	425.401	313.955
FAC	442.2	442-COMMERCIAL	797.946	464.693	(273.786)	(109.638)	(222.636)	(366.403)	(268.525)	(348.884)	0.915	25.488	337.138	417.562	453.870
FAC	442.3	442-INDUSTRIAL	596.282	115.093	(160.536)	59.585	(166.206)	(201.054)	(138.922)	(226.031)	28.046	(46.280)	277.419	177.106	314.502
FAC	444	444-PUBLIC ST & HWY LIGHTING	4.353	3.104	(2.235)	0.080	(0.474)	(1.334)	(1.667)	(0.049)	(0.770)	0.811	1.981	1.689	5.490
FAC	445	445-OTHER PUBLIC AUTHORITIES	232.963	110.821	(116.441)	(0.328)	(63.846)	(108.150)	(63.693)	(101.746)	(2.970)	12.098	93.798	115.074	107.580
Total FAC (excl Base Fuel)			2,550.769	1,161.406	(835.229)	(177.717)	(679.330)	(1,102.525)	(836.055)	(1,104.747)	55.943	24.811	1,001.239	1,136.832	1,195.396
FAC	501	Total FAC Expense	2,498.789	1,149.099	(329.835)	(213.422)	(646.825)	(1,062.842)	(762.617)	(1,057.006)	10.503	(187.242)	1,010.694	1,078.866	1,488.161
															\$(000)
ADJ 4															
OSS:															
OSS	440	440-RESIDENTIAL	(3162.327)	(130.791)	234.636	(116.464)	(78.514)	(23.438)	(48.440)	(78.620)	(207.155)	(101.071)	(59.631)	(106.698)	(3878.512)
OSS	442.2	442-COMMERCIAL	(2762.371)	(262.250)	195.467	(171.366)	13.784	(39.472)	(30.535)	(57.648)	(181.261)	(118.822)	(40.528)	(98.810)	(3553.812)
OSS	442.3	442-INDUSTRIAL	(1850.603)	373.981	(462.422)	81.303	(118.262)	(38.337)	(26.495)	(26.618)	(118.441)	(41.578)	(56.146)	(67.946)	(2351.562)
OSS	444	444-PUBLIC ST & HWY LIGHTING	(16.975)	(1.969)	2.443	(0.931)	0.249	(0.328)	(0.023)	(0.006)	(0.096)	(1.139)	0.164	(0.548)	(19.159)
OSS	445	445-OTHER PUBLIC AUTHORITIES	(798.168)	(18.334)	40.566	(159.615)	73.677	(33.667)	(1.245)	(12.445)	(53.903)	(29.164)	(11.000)	(33.507)	(1036.806)
Total			(8590.444)	(39.363)	10.690	(367.073)	(109.065)	(135.242)	(106.738)	(175.337)	(560.855)	(291.774)	(167.141)	(307.510)	(10839.852)
OSS	447	447-OSS SALES FOR RESALE	18801.374	460.739	532.575	1433.214	901.101	529.943	666.011	665.606	1827.183	1376.362	1271.799	1735.436	30201.343
OSS Expenses:															
OSS	501	501 Fuel Costs for External OSS	580.777	96.664	40.985	285.809	231.313	108.825	143.181	194.627	306.796	233.699	465.284	680.161	3368.121
OSS	547	547 Fuel Costs for External OSS	1139.333	2.712	9.566	79.404	55.984	63.924	105.021	62.799	102.613	19.353	76.019	141.400	1858.129
OSS	555	555 Purchased Power - OSS	37.481	2.189	1.447	21.943	22.401	14.698	4.415	13.605	8.330	25.099	19.111	28.982	199.700
OSS	501	501 Fuel Costs for Utility OSS	0.245	32.512	0.000	20.998	47.390	25.039	27.712	55.568	59.832	51.634	226.951	14.717	562.596
OSS	547	547 Fuel Costs for Utility OSS	0.000	0.000	0.000	0.274	27.082	30.102	97.472	6.224	85.624	151.197	39.497	0.000	437.472
OSS	555	555 Purchased Power Costs - External OSS	4099.674	213.943	298.381	474.751	193.156	88.768	74.775	88.969	272.400	350.676	72.622	240.791	6468.907
OSS	565	565 Transmission - OSS External	6.330	0.658	0.362	1.001	0.701	0.328	0.202	0.430	0.354	0.467	0.223	1.073	12.129
OSS	565	565 Transmission - OSS Utility	833.918	47.136	59.190	164.730	95.151	48.520	62.634	59.211	145.992	131.289	114.635	181.133	1943.538
OSS	557	557 RTO Costs - OSS External	600.872	4.692	2.810	7.644	15.233	(0.829)	4.159	(59.865)	4.355	3.806	2.079	3.646	588.601
OSS	502	502 ECR Consumables - OSS External	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OSS	506	506 ECR Consumables - OSS External	9.043	2.235	0.491	5.574	3.184	1.673	2.314	2.935	5.001	3.622	8.192	11.646	55.910
OSS	502	502 Other Consumables - OSS External	8.350	1.440	0.854	5.313	4.663	2.512	3.287	4.539	6.452	3.831	10.398	13.229	64.866
OSS	506	506 Other Consumables - OSS External	4.427	0.559	0.362	2.040	1.859	0.954	1.256	1.479	2.730	1.800	2.833	5.605	25.904
OSS	502	502 Other Consumables - OSS Utility	0.003	0.487	0.000	0.401	0.952	0.582	0.686	1.301	1.284	0.861	4.995	0.260	11.811
OSS	506	506 Other Consumables - OSS Utility	0.002	0.189	0.000	0.154	0.380	0.221	0.262	0.424	0.543	0.405	1.361	0.110	4.050
OSS	501	501 Inter-System Losses	29.147	1.379	1.708	4.235	2.484	1.362	1.625	1.790	3.410	3.097	3.169	5.458	58.864
Total			7349.602	406.795	416.156	1074.269	701.932	386.678	529.000	434.036	1005.716	980.836	1047.368	1328.210	15660.599

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
CALCULATION OF CURRENT TAX ADJUSTMENT FROM INTEREST SYNCHRONIZATION
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD

SCHEDULE WPD-2

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

SHEET 5 OF 5

WORKPAPER REFERENCE NO(S)::

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	WORKPAPER REFERENCE	BASE PERIOD	FORECASTED PERIOD
ELECTRIC:				
1	ADJUSTED JURISDICTIONAL CAPITALIZATION	J-1 , J-1.1/J-1.2	\$ 2,448,976,190	\$ 2,575,355,911
2	WEIGHTED COST OF DEBT	J-1 , J-1.1/J-1.2	<u>1.86%</u>	<u>2.11%</u>
3	INTEREST SYNCHRONIZATION		\$ 45,624,817	\$ 54,290,832
4	KENTUCKY JURISDICTIONAL INTEREST PER BOOKS (EXCLUDING OTHER INTEREST)		<u>62,564,450</u>	<u>79,720,142</u>
5	INTEREST SYNCHRONIZATION ADJUSTMENT (LINE 4 - 3)		\$ 16,939,633	\$ 25,429,310
6	COMPOSITE FEDERAL AND STATE TAX RATE	WPH-1	<u>24.9500%</u>	<u>24.9500%</u>
7	CURRENT TAX ADJUSTMENT FROM INTEREST SYNCHRONIZATION		<u>\$ 4,226,438</u>	<u>\$ 6,344,613</u>

SCHEDULE D

JURISDICTIONAL ADJUSTMENT OF OPERATING INCOME

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295 - GAS OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED APRIL 30, 2020

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
D-1	SUMMARY OF JURISDICTIONAL ADJUSTMENTS
D-2	JURISDICTIONAL ADJUSTMENTS
D-2.1	JURISDICTIONAL PRO FORMA ADJUSTMENTS
WPD-2	JURISDICTIONAL ADJUSTMENTS WORKPAPER
WPD-2.1	JURISDICTIONAL PRO FORMA ADJUSTMENTS WORKPAPER

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☐_X_ BASE PERIOD ☐_X_ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒_X_ UPDATED ☐_X_ REVISED
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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
1		<u>OPERATING REVENUES</u>						
2		<u>SALES OF GAS:</u>						
3	480	RESIDENTIAL	124,433,354	4,446,946	128,880,300	-	128,880,300	Variance reflects elimination of the TCJA surcredit and change in billing determinants.
4	481.1	COMMERCIAL	41,678,953	43,494	41,722,446	-	41,722,446	Variance reflects elimination of the TCJA surcredit and change in billing determinants.
5	481.2	INDUSTRIAL	3,620,039	802,164	4,422,202	-	4,422,202	Variance reflects elimination of the TCJA surcredit and change in billing determinants.
6	482	OTHER SALES TO PUBLIC AUTHORITIES	4,298,281	108,422	4,406,702	-	4,406,702	Variance reflects elimination of the TCJA surcredit and change in billing determinants.
7		TOTAL SALES TO ULTIMATE CONSUMERS	174,030,625	5,401,025	179,431,651	-	179,431,651	
8	483-484	SALES FOR RESALE	4,549,877	(2,254,270)	2,295,607	-	2,295,607	Variance primarily related to off-system gas sales revenue in January 2018 not expected in the Forecasted period.
9	496	PROVISION FOR RATE REFUNDS	-	-	-	-	-	
10		TOTAL SALES OF GAS	178,580,502	3,146,756	181,727,258	-	181,727,258	
11		<u>OTHER OPERATING REVENUES:</u>						
12	487	FORFEITED DISCOUNTS	1,148,992	(83,043)	1,065,949	-	1,065,949	Variance reflects trend in this account and is based on a historic average.
13	488	MISCELLANEOUS SERVICE REVENUE	102,020	(11,028)	90,992	-	90,992	Variance reflects trend in this account and is based on a historic average.
14	489	TRANSPORTATION OF GAS OF OTHERS	5,496,354	1,793,161	7,289,516	-	7,289,516	Variance reflects elimination of the TCJA surcredit and change in billing determinants.
15	493	RENT FROM GAS PROPERTY	392,284	(17,942)	374,342	-	374,342	Variance reflects trend in this account and is based on a historic average.
16	495	OTHER GAS REVENUE	11,001	(10,675)	326	-	326	Variance reflects trend in this account and is based on a historic average.
17		TOTAL OTHER OPERATING REVENUES	7,150,651	1,670,474	8,821,125	-	8,821,125	
18		TOTAL OPERATING REVENUES	185,731,153	4,817,230	190,548,383	-	190,548,383	
19		<u>OPERATING EXPENSES</u>						
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>						
21		<u>OTHER GAS SUPPLY EXPENSES:</u>						
22	801-803	NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES	-	-	-	-	-	
23	804	NATURAL GAS CITY GATE PURCHASES	-	-	-	-	-	

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			\$	\$	\$	\$	\$	
24	805	OTHER GAS PURCHASES	-	-	-	-	-	
25	806	EXCHANGE GAS	-	-	-	-	-	
26	807	PURCHASED GAS EXPENSE	877,784	35,293	913,077	-	913,077	Customary changes in the ordinary course of business.
27	808	GAS WITHDRAWN FROM STORAGE	(0)	0	-	-	-	
28	810	GAS USED FOR COMPRESSOR STATION FUEL	(539,169)	(42,831)	(582,000)	-	(582,000)	Customary changes in the ordinary course of business.
29	812	GAS USED FOR OTHER UTILITY OPERATIONS	-	-	-	-	-	
30	813	OTHER GAS SUPPLY EXPENSES	-	-	-	-	-	
31		TOTAL OTHER GAS SUPPLY EXPENSES	338,615	(7,538)	331,077	-	331,077	
32		<u>UNDERGROUND STORAGE EXPENSES:</u>						
33	814	OPERATION SUPERVISION AND ENGINEERING	976,923	127,036	1,103,959	-	1,103,959	Increase due to Forecasted Period including full year impacts for three incremental positions (Group Leader for Storage Integrity Management Plan and two Engineer/Analyst).
34	816	WELLS EXPENSE	83,028	19,127	102,155	-	102,155	Customary changes in the ordinary course of business.
35	817	LINES EXPENSE	335,354	228,096	563,450	-	563,450	Increase primarily due to maintenance program work in the storage fields related to storage integrity and internal corrosion control.
36	818	COMPRESSOR STATION EXPENSES	2,361,725	(205,882)	2,155,843	-	2,155,843	Decrease is due to the DOT Underground Natural Gas Storage Fee. The fee calculation was changed for 2018, resulting in higher costs in 2018 when the invoice was paid. Forecasted Period does not capture the fee increase.
37	819	COMPRESSOR STATION FUEL AND POWER	539,169	42,831	582,000	-	582,000	Customary changes in the ordinary course of business.
38	821	PURIFICATION EXPENSES	1,489,337	346,980	1,836,317	-	1,836,317	Increase due to the purchase of carbon and higher purifier fuel expenses based on historical average and updated pricing from Gas Supply.
39	823	GAS LOSSES	-	-	-	-	-	
40	824	OTHER EXPENSES	26,706	(26,706)	-	-	-	Item not budgeted in forecast period due to immateriality.
41	825	STORAGE WELL ROYALTIES	133,731	22,776	156,507	-	156,507	Customary changes in the ordinary course of business.
42	826	RENTS-STORAGE FIELDS	-	-	-	-	-	
43	830	MAINTENANCE SUPERVISION AND ENGINEERING	603,360	(26,029)	577,331	-	577,331	Customary changes in the ordinary course of business.

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			\$	\$	\$	\$	\$	
44	832	MAINTENANCE OF RESERVOIRS AND WELLS	388,352	878,790	1,267,142	-	1,267,142	Increase primarily due to well integrity logging and well inspection/maintenance work. The Storage Integrity Management Plan started in January 2018 and work associated with it ramped up throughout 2018.
45	833	MAINTENANCE OF LINES	544,391	191,554	735,945	-	735,945	Increase primarily due to maintenance program work in storage fields related to storage integrity and corrosion control.
46	834	MAINTENANCE OF COMPRESSOR STATION EQUIPMENT	658,104	(196,626)	461,478	-	461,478	Decrease due to the Base Period including additional maintenance work on shale wells, additional preventative maintenance at Center compressor station, and purchase of catalyst and projected labor savings from Amine Plant Replacement project.
47	835	MAINTENANCE OF REGULATING STATION EQUIPMENT	48,348	(48,348)	-	-	-	- Item not budgeted in forecast period due to immateriality.
48	836	MAINTENANCE OF PURIFICATION EQUIPMENT	787,630	(127,024)	660,606	-	660,606	Decrease due to labor costs for purification maintenance costs that are included in the Forecasted Period as other maintenance costs. Offset in FERC Account 837.
49	837	MAINTENANCE OF OTHER EQUIPMENT	229,912	138,504	368,416	-	368,416	See description above on FERC Account 836
50		TOTAL UNDERGROUND STORAGE EXPENSES	9,206,069	1,365,080	10,571,149	-	10,571,149	
51		<u>TRANSMISSION EXPENSES:</u>						
52	850	OPERATION SUPERVISION AND ENGINEERING	1,171,705	909,764	2,081,469	-	2,081,469	Increase due to enhanced Integrity and Compliance Training program resulting in additional headcount for Forecasted Period and increased training services, equipment and material.
53	851	SYSTEM CONTROL AND LOAD DISPATCHING	473,261	211,583	684,844	-	684,844	Increase due to labor for two Gas Controllers in the Forecasted Period and Control Room Management support services to address new regulatory requirements.
54	852	COMMUNICATION SYSTEM EXPENSES	-	-	-	-	-	
55	856	MAIN EXPENSES	728,127	136,714	864,841	-	864,841	Increase due to vegetation management planned for transmission lines at gas storage facilities.
56	859	OTHER EXPENSES	71,876	(10,542)	61,334	-	61,334	Customary changes in the ordinary course of business.
57	860	RENTS-GAS TRANSMISSION	40,132	(26,132)	14,000	-	14,000	Customary changes in the ordinary course of business.
58	863	MAINTENANCE OF MAINS	4,555,832	7,820,070	12,375,902	-	12,375,902	Increase primarily due to enhanced inline inspections planned for the Forecasted Period. The Forecasted Period also includes the cost of close interval surveys.
59		TOTAL TRANSMISSION EXPENSES	7,040,933	9,041,457	16,082,390	-	16,082,390	

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			\$	\$	\$	\$	\$	
60		<u>DISTRIBUTION EXPENSES:</u>						
61	870	OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	
62	871	DISTRIBUTION LOAD DISPATCHING	700,878	211,780	912,658	-	912,658	Increase due to filling of two labor vacancies.
63	874	MAINS AND SERVICES EXPENSES	7,587,984	(2,117,290)	5,470,694	-	5,470,694	Decrease due to line locating expenses that were forecasted in FERC Account 887 below. Increase due to higher spending on materials for regulator facility replacement parts and a full year of costs for incremental headcount added in 2018 in the IM&E (Instrumentation Measurement & Electric) department.
64	875	MEASURING AND REGULATING STATION EXP - GEN.	1,262,794	58,100	1,320,894	-	1,320,894	Increase due to a full year of costs for incremental headcount added in 2018 in the IM&E (Instrumentation Measurement & Electric) department and higher spending on materials for meter station replacement parts.
65	876	MEASURING AND REGULATING STATION EXP - IND.	315,775	197,066	512,841	-	512,841	
66	877	MEASURING AND REGULATING STATION EXP - CG	281,254	(82,195)	199,059	-	199,059	Customary changes in the ordinary course of business. The GLT OPEX/cost of sales adjustment is proposed to end 4/30/19. The total net impact is a decrease from Base Period to Forecasted Period of \$246k summarized by the FERC accounts below: Increase / (Decrease) 874-(\$36k) 878-\$1,022k 879-(\$195k) 880-(\$56k) 887-(\$359k)
67	878	METER AND HOUSE REGULATOR EXPENSE	1,171,650	1,021,560	2,193,210	-	2,193,210	892-(\$622k)
68	879	CUSTOMER INSTALLATIONS EXPENSE	433,215	(253,640)	179,575	-	179,575	See description above on FERC Account 878.
69	880	OTHER EXPENSES	5,215,340	(624,139)	4,591,201	-	4,591,201	Decrease due to labor costs for training and other outside services that were included in the Base Period but were not anticipated in the Forecasted Period, partially offset by increases for three additional positions related to regulatory compliance in the Operator Qualifications and Pipeline Safety Management Systems areas.
70	881	RENTS-GAS DISTRIBUTION	29,868	(19,868)	10,000	-	10,000	Customary changes in the ordinary course of business.
71	885	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	
72	886	MAINTENANCE OF STRUCTURES AND IMPROVEMENTS	-	-	-	-	-	
73	887	MAINTENANCE OF MAINS	9,710,368	3,233,264	12,943,632	-	12,943,632	See descriptions above on FERC Accounts 874 and 878.
74	889	MTCE OF MEASURING AND REGULATING STATION EXP - GEN.	124,245	165,382	289,627	-	289,627	Increase due to outside services for painting the large measurement and regulation stations and associated facilities.
75	890	MTCE MEASURING AND REGULATING STATION EXP - IND.	346,352	(82,543)	263,808	-	263,808	Customary changes in the ordinary course of business.
76	891	MTCE MEASURING AND REGULATING STATION EXP - CG	526,330	108,416	634,746	-	634,746	Increase due to maintenance costs for SCADA enhancement project.

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			\$	\$	\$	\$	\$	
77	892	MAINTENANCE OF SERVICES	1,317,675	(532,991)	784,684	-	784,684	See description above on FERC Account 878.
78	893	MAINTENANCE OF METERS AND HOUSE REGULATORS	-	-	-	-	-	
74	894	MAINTENANCE OF OTHER EQUIPMENT	408,366	17,491	425,857	-	425,857	Customary changes in the ordinary course of business.
75		TOTAL DISTRIBUTION EXPENSES	29,432,093	1,300,393	30,732,486	-	30,732,486	
76		<u>CUSTOMER ACCOUNTS EXPENSES:</u>						
77	901	CUSTOMER ACCTS SUPERVISION	1,014,935	221,794	1,236,729	-	1,236,729	Higher costs are due to Contact Centers pay rate increases effective September 2018, vacancies in the Base Period, and expenses for Customer Resource Management (CRM).
78	902	METER READING EXPENSES	2,069,691	639,289	2,708,980	-	2,708,980	Increase due to contracts expiring in May 2019 and increasing due to market conditions.
79	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	5,560,098	(24,178)	5,535,920	-	5,535,920	Customary changes in the ordinary course of business.
80	904	UNCOLLECTIBLE ACCOUNTS	490,706	(114,542)	376,164	-	376,164	The Forecasted Period includes write-offs based on a 5-year average (0.182%) of revenues.
81	905	MISC CUSTOMER ACCOUNTS EXPENSE	4,768	(4,768)	-	-	-	Item not budgeted in forecast period due to immateriality.
82		TOTAL CUSTOMER ACCOUNTS EXPENSES	9,140,198	717,594	9,857,792	-	9,857,792	
83		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>						
84	907	CUSTOMER SERVICE AND INFO SUPERVISION	93,394	5,582	98,976	-	98,976	Customary changes in the ordinary course of business.
85	908	CUSTOMER ASSISTANCE EXPENSES	329,456	(208,886)	120,570	-	120,570	Customary changes in the ordinary course of business.
86	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	208,137	339,909	548,046	-	548,046	Increase due to educating customers on their energy choices and ways to reduce their usage through energy efficiency combined with increases for public awareness costs within the gas business.
87	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	159,124	33,900	193,024	-	193,024	Customary changes in the ordinary course of business.
88		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	790,111	170,505	960,616	-	960,616	
89		<u>SALES EXPENSES:</u>						
90	911	SALES SUPERVISION	-	-	-	-	-	
91	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	
92	913	ADVERTISING EXPENSES	314,715	(35,989)	278,726	(278,726)	-	Expenses are removed from net operating income in setting base rates.
93	916	MISC SALES EXPENSES	-	-	-	-	-	
94		TOTAL SALES EXPENSES	314,715	(35,989)	278,726	(278,726)	-	

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95		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>						
96	920	ADMINISTRATIVE AND GENERAL SALARIES	7,982,796	628,100	8,610,895	-	8,610,895	Variance reflects changes in headcount and wage inflation.
97	921	OFFICE SUPPLIES AND EXPENSES	2,281,528	147,545	2,429,073	-	2,429,073	Customary changes in the ordinary course of business.
98	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(1,019,248)	(85,034)	(1,104,283)	-	(1,104,283)	Customary changes in the ordinary course of business.
99	923	OUTSIDE SERVICES	3,856,029	1,158,635	5,014,664	-	5,014,664	Increase due to higher level of contracted support for customer education initiatives, legal counsel, increases in hardware and software maintenance contracts, and charges budgeted to FERC Account 923, but hitting FERC Account 930 in actuals.
100	924	PROPERTY INSURANCE	251,592	62,679	314,271	-	314,271	Variance due to change in allocation of property insurance costs between electric and gas.
101	925	INJURIES AND DAMAGES	945,343	21,626	966,970	-	966,970	Customary changes in the ordinary course of business.
102	926	EMPLOYEE PENSION AND BENEFITS	7,386,271	383,873	7,770,144	-	7,770,144	Increases due to inflation on medical costs, increased premiums for LTD and life insurance partially offset by a decrease due to changes in actuarial assumptions for pension and OPEB in the Forecasted Period
103	927	FRANCHISE REQUIREMENTS	-	-	-	-	-	-
104	928	REGULATORY COMMISSION EXPENSES	192,918	65,425	258,344	-	258,344	Customary changes in the ordinary course of business.
105	929	DUPLICATE CHARGES--CREDIT	(472,485)	(98,515)	(571,000)	-	(571,000)	Customary changes in the ordinary course of business.
106	930.1	GENERAL ADVERTISING EXPENSES	-	775	775	(775)		Expenses are removed from net operating income in setting base rates.
107	930.2	MISC GENERAL EXPENSES	453,636	(1,810)	451,826	(143)	451,683	Variance reflects actuals in base period hitting FERC Account 930 but budgeted in FERC Account 923.
108	931	RENTS	573,232	14,789	588,021	-	588,021	Customary changes in the ordinary course of business.
109	935	MAINTENANCE OF GENERAL PLANT	382,094	(29,781)	352,313	-	352,313	Customary changes in the ordinary course of business.
110		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	22,813,706	2,268,307	25,082,012	(918)	25,081,094	
111		TOTAL OPERATION AND MAINTENANCE EXPENSES	79,076,440	14,819,809	93,896,249	(279,644)	93,616,604	

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112	403-404	DEPRECIATION AND AMORTIZATION	36,682,005	1,736,043	38,418,048	-	38,418,048	Variance is driven by an increase in plant-in-service.
113	408.1	TAXES OTHER THAN INCOME TAXES	11,061,389	707,251	11,768,640	-	11,768,640	Variance is driven by an increase in net utility plant and higher tax rates.
114	409-411	FEDERAL INCOME TAXES	7,743,505	(3,732,731)	4,010,774	55,789	4,066,563	Variance reflects changes in pre-tax income and increase in amortization of excess deferred taxes. See Schedule E.
115	409-411	STATE INCOME TAXES	2,079,579	(798,460)	1,281,119	13,982	1,295,101	Variance reflects changes in pre-tax income and increase in amortization of excess deferred taxes. See Schedule E.
116	411.4	INVESTMENT TAX CREDIT	(25,220)	20,567	(4,653)	-	(4,653)	Lower amortization of investment tax credits.
117	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-	
118		TOTAL OPERATING EXPENSES	<u>136,617,698</u>	<u>12,752,478</u>	<u>149,370,176</u>	<u>(209,873)</u>	<u>149,160,303</u>	
119		NET OPERATING INCOME	<u>49,113,456</u>	<u>(7,935,249)</u>	<u>41,178,207</u>	<u>209,873</u>	<u>41,388,080</u>	

Note 1 - See Schedule D-2.1 and testimony for a descriptions of the adjustments.

Note 2 - In general, these adjustments represent variances between the Base Period and the end of the Forecasted Period.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED

WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2

PAGE 1 OF 10

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1 REMOVE DSM MECHANISM \$	ADJ 2 REMOVE GLT MECHANISM \$	ADJ 3 REMOVE GSC MECHANISM \$	ADJ 4 This adjustment left intentionally blank \$	ADJ 5 INTEREST SYNCHRONIZATION \$	TOTAL ADJUSTMENTS \$	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS \$
1		<u>OPERATING REVENUES</u>								
2		<u>SALES OF GAS:</u>								
3	480	RESIDENTIAL	(2,818,992)	(2,802,917)	(80,290,618)	-	-	(85,912,526)	100.000%	(85,912,526)
4	481.1	COMMERCIAL	(80,047)	(1,170,774)	(39,001,497)	-	-	(40,252,317)	100.000%	(40,252,317)
5	481.2	INDUSTRIAL	-	(132,432)	(6,117,439)	-	-	(6,249,872)	100.000%	(6,249,872)
6	482	OTHER SALES TO PUBLIC AUTHORITIES	(10,760)	(66,284)	(5,059,704)	-	-	(5,136,748)	100.000%	(5,136,748)
7		TOTAL SALES TO ULTIMATE CONSUMERS	(2,909,799)	(4,172,407)	(130,469,258)	-	-	(137,551,464)	100.000%	(137,551,464)
8	483-484	SALES FOR RESALE	-	(6,951)	(1,276,066)	-	-	(1,283,017)	100.000%	(1,283,017)
9	496	PROVISION FOR RATE REFUNDS	-	-	-	-	-	-	100.000%	-
10		TOTAL SALES OF GAS	(2,909,799)	(4,179,358)	(131,745,325)	-	-	(138,834,481)		(138,834,481)
11		<u>OTHER OPERATING REVENUES:</u>								
12	487	FORFEITED DISCOUNTS	-	-	-	-	-	-	100.000%	-
13	488	MISCELLANEOUS SERVICE REVENUE	-	-	-	-	-	-	100.000%	-
14	489	TRANSPORTATION OF GAS OF OTHERS	(6,684)	(39,166)	-	-	-	(45,850)	100.000%	(45,850)
15	493	RENT FROM GAS PROPERTY	-	-	-	-	-	-	100.000%	-
16	495	OTHER GAS REVENUE	-	-	-	-	-	-	100.000%	-
17		TOTAL OTHER OPERATING REVENUES	(6,684)	(39,166)	-	-	-	(45,850)		(45,850)
18		TOTAL OPERATING REVENUES	(2,916,483)	(4,218,523)	(131,745,325)	-	-	(138,880,331)		(138,880,331)
19		<u>OPERATING EXPENSES</u>								
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>								
21		<u>OTHER GAS SUPPLY EXPENSES:</u>								
22	801-803	NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES	-	-	(138,340,152)	-	-	(138,340,152)	100.000%	(138,340,152)
23	804	NATURAL GAS CITY GATE PURCHASES	-	-	-	-	-	-	100.000%	-
24	805	OTHER GAS PURCHASES	-	-	8,150,176	-	-	8,150,176	100.000%	8,150,176
25	806	EXCHANGE GAS	-	-	(1,089,281)	-	-	(1,089,281)	100.000%	(1,089,281)

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED

WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1 REMOVE DSM MECHANISM	ADJ 2 REMOVE GLT MECHANISM	ADJ 3 REMOVE GSC MECHANISM	ADJ 4 This adjustment left intentionally blank	ADJ 5 INTEREST SYNCHRONIZATION	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			\$	\$	\$	\$	\$	\$		\$
26	807	PURCHASED GAS EXPENSE	-	-	-	-	-	-	100.000%	-
27	808	GAS WITHDRAWN FROM STORAGE	-	-	328,191	-	-	328,191	100.000%	328,191
28	810	GAS USED FOR COMPRESSOR STATION FUEL	-	-	-	-	-	-	100.000%	-
29	812	GAS USED FOR OTHER UTILITY OPERATIONS	-	-	176,314	-	-	176,314	100.000%	176,314
30	813	OTHER GAS SUPPLY EXPENSES	-	-	-	-	-	-	100.000%	-
31		TOTAL OTHER GAS SUPPLY EXPENSES	-	-	(130,774,751)	-	-	(130,774,751)		(130,774,751)
32		<u>UNDERGROUND STORAGE EXPENSES:</u>								
33	814	OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
34	816	WELLS EXPENSE	-	-	-	-	-	-	100.000%	-
35	817	LINES EXPENSE	-	-	-	-	-	-	100.000%	-
36	818	COMPRESSOR STATION EXPENSES	-	-	-	-	-	-	100.000%	-
37	819	COMPRESSOR STATION FUEL AND POWER	-	-	-	-	-	-	100.000%	-
38	821	PURIFICATION EXPENSES	-	-	-	-	-	-	100.000%	-
39	823	GAS LOSSES	-	-	(1,675,967)	-	-	(1,675,967)	100.000%	(1,675,967)
40	824	OTHER EXPENSES	-	-	-	-	-	-	100.000%	-
41	825	STORAGE WELL ROYALTIES	-	-	-	-	-	-	100.000%	-
42	826	RENTS-STORAGE FIELDS	-	-	-	-	-	-	100.000%	-
43	830	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
44	832	MAINTENANCE OF RESERVOIRS AND WELLS	-	-	-	-	-	-	100.000%	-
45	833	MAINTENANCE OF LINES	-	-	-	-	-	-	100.000%	-
46	834	MAINTENANCE OF COMPRESSOR STATION EQUIPMENT	-	-	-	-	-	-	100.000%	-
47	835	MAINTENANCE OF REGULATING STATION EQUIPMENT	-	-	-	-	-	-	100.000%	-
48	836	MAINTENANCE OF PURIFICATION EQUIPMENT	-	-	-	-	-	-	100.000%	-
49	837	MAINTENANCE OF OTHER EQUIPMENT	-	-	-	-	-	-	100.000%	-
50		TOTAL UNDERGROUND STORAGE EXPENSES	-	-	(1,675,967)	-	-	(1,675,967)		(1,675,967)

JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT

DATA: __X__BASE PERIOD____FORECASTED PERIOD

TYPE OF FILING: _____ ORIGINAL X UPDATED X REVISED

WORKPAPER REFERENCE NO(S).: SCHEDULE WPD-2

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WITNESS: C. M. GARRETT

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LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED

WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1 REMOVE DSM MECHANISM	ADJ 2 REMOVE GLT MECHANISM	ADJ 3 REMOVE GSC MECHANISM	ADJ 4 This adjustment left intentionally blank	ADJ 5 INTEREST SYNCHRONIZATION	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			\$	\$	\$	\$	\$	\$		\$
99	923	OUTSIDE SERVICES	-	-	-	-	-	-	100.000%	-
100	924	PROPERTY INSURANCE	-	-	-	-	-	-	100.000%	-
101	925	INJURIES AND DAMAGES	-	-	-	-	-	-	100.000%	-
102	926	EMPLOYEE PENSION AND BENEFITS	-	-	-	-	-	-	100.000%	-
103	927	FRANCHISE REQUIREMENTS	-	-	-	-	-	-	100.000%	-
104	928	REGULATORY COMMISSION EXPENSES	-	-	-	-	-	-	100.000%	-
105	929	DUPLICATE CHARGES--CREDIT	-	-	-	-	-	-	100.000%	-
106	930.1	GENERAL ADVERTISING EXPENSES	-	-	-	-	-	-	100.000%	-
107	930.2	MISC GENERAL EXPENSES	-	-	-	-	-	-	100.000%	-
108	931	RENTS	-	-	-	-	-	-	100.000%	-
109	935	MAINTENANCE OF GENERAL PLANT	-	-	-	-	-	-	100.000%	-
110		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	-	-	-	-	-	-		-
111		TOTAL OPERATION AND MAINTENANCE EXPENSES	(3,249,555)	(680,611)	(132,740,249)	-	-	(136,670,415)		(136,670,415)
112	403-404	DEPRECIATION AND AMORTIZATION	-	(713,167)	-	-	-	(713,167)	100.000%	(713,167)
113	408.1	TAXES OTHER THAN INCOME TAXES	-	(254,697)	-	-	-	(254,697)	100.000%	(254,697)
114	409-411	FEDERAL INCOME TAXES	66,448	(512,725)	198,487	-	(38,643)	(286,432)	100.000%	(286,432)
115	409-411	STATE INCOME TAXES	16,654	(128,502)	49,746	-	(9,685)	(71,788)	100.000%	(71,788)
116	411.4	INVESTMENT TAX CREDIT	-	-	-	-	-	-	100.000%	-
117	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-	-	100.000%	-
118		TOTAL OPERATING EXPENSES	(3,166,453)	(2,289,702)	(132,492,015)	-	(48,328)	(137,996,498)		(137,996,498)
119		NET OPERATING INCOME	249,971	(1,928,821)	746,691	-	48,328	(883,832)		(883,832)

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
JURISDICTIONAL ADJUSTMENTS WORKPAPER
BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

DATA: __X__ BASE PERIOD _____ FORECASTED PERIOD _____
TYPE OF FILING: _____ ORIGINAL __X__ UPDATED __X__ REVISED
WORKPAPER REFERENCE NO(S): _____

SCHEDULE WPD-2
SHEET 1 OF 3

WITNESS: C. M. GARRETT

ADJ ID	Acct No.	Description	Actual Jan-18	Actual Feb-18	Actual Mar-18	Actual Apr-18	Actual May-18	Actual Jun-18	Actual Jul-18	Actual Aug-18	Actual Sep-18	Actual Oct-18	Actual Nov-18	Actual Dec-18	TOTAL \$(000)
ADJ 1 DSM:															
DSM	480	RESIDENTIAL	(134.684)	238.397	191.907	284.269	263.223	241.877	162.993	299.166	313.147	367.002	339.982	251.713	2818.992
DSM	481.1	COMMERCIAL	(2.349)	5.793	4.011	7.273	7.197	8.679	6.175	11.049	11.825	8.990	6.057	5.345	80.047
DSM	481.2	INDUSTRIAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
DSM	489	TRANSPORTATION OF GAS OF OTHERS	0.762	0.618	0.690	0.637	0.445	0.394	0.398	0.396	0.404	0.522	0.687	0.731	6.684
DSM	482	OTHER SALES TO PUBLIC AUTHORITIES	(0.210)	1.499	0.466	1.389	0.502	1.064	0.617	1.181	1.249	1.924	0.283	0.798	10.760
DSM	483-484	SALES FOR RESALE	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL DSM REVENUES			(136.481)	246.307	197.074	293.568	271.367	252.015	170.182	311.792	326.626	378.438	347.008	258.587	2916.483
DSM	908	908 - DSM PROGRAM EXP	290.245	237.133	209.096	282.653	261.485	242.627	163.886	300.216	314.592	364.268	334.392	248.962	3249.555
DSM	403-404	403 - DSM DEPRECIATION EXP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
ADJ 2 GAS LINE TRACKER (GLT):															
GLT	480	RESIDENTIAL	213.040	123.611	148.162	93.797	223.160	222.988	235.597	269.167	263.581	319.373	294.835	395.605	2802.917
GLT	481.1	COMMERCIAL	89.681	51.594	61.671	39.239	94.100	97.446	101.048	115.312	112.468	129.001	118.325	160.889	1170.774
GLT	481.2	INDUSTRIAL	9.323	5.625	6.532	4.304	11.278	11.870	12.328	14.141	13.783	14.952	12.369	15.927	132.432
GLT	489	TRANSPORTATION OF GAS OF OTHERS	0.665	0.738	0.922	1.278	3.967	4.346	5.042	6.102	6.577	4.609	2.258	2.663	39.166
GLT	482	OTHER SALES TO PUBLIC AUTHORITIES	4.776	1.949	2.758	2.651	5.741	5.686	5.564	6.391	6.197	7.673	7.368	9.529	66.284
GLT	483-484	SALES FOR RESALE	0.099	0.115	0.081	0.048	1.646	0.763	0.708	0.497	1.036	0.362	1.005	0.590	6.951
TOTAL GLT REVENUES			317.585	183.631	220.127	141.316	339.892	343.098	360.286	411.610	403.644	475.970	436.160	585.204	4218.523
GLT Expenses:															
GLT	874	874.1 - Other Mains/Serv Exp GLT	(0.367)	(4.518)	0.000	(10.890)	(1.655)	(1.124)	(1.383)	(2.755)	(2.143)	(5.060)	(4.445)	(1.466)	(35.806)
GLT	878	878.1 - Meter/Reg Expense GLT	75.645	74.289	79.106	87.677	81.406	69.439	66.323	77.320	67.012	105.867	92.911	145.464	1022.460
GLT	879	879.1 - Cust Install Expense GLT	(8.415)	(13.375)	(24.976)	(17.847)	(17.107)	(15.051)	(17.802)	(18.183)	(21.128)	(12.272)	(16.984)	(12.254)	(195.393)
GLT	880	880.1 - Other Gas Distribution Exp GLT	34.591	13.178	15.594	19.455	20.309	26.065	21.746	15.697	27.650	4.238	(8.020)	18.218	208.722
GLT	887	887.1 - Mtce-Gas Mains-Distr GLT	(13.159)	(69.267)	(54.497)	(172.960)	(16.772)	(18.957)	(2.872)	(14.770)	11.166	8.510	(4.243)	(11.482)	(359.302)
GLT	892	892.1 - Mtce-Oth Services - GLT	28.342	(32.776)	(28.745)	(11.730)	8.611	(0.807)	5.159	43.897	(19.198)	18.872	(10.327)	38.630	39.929
GLT	403-404	403.6 - Depreciation - GLT	42.026	44.369	47.113	50.181	53.121	55.958	59.201	62.858	66.764	70.877	77.277	83.420	713.167
GLT	403-404	403.6 - Depreciation (retirements) - GLT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL			158.664	11.901	33.596	(56.114)	127.914	115.523	130.372	164.066	130.122	191.033	126.170	260.532	1393.777
GLT	408.1	408.1 - Property Tax - GLT	21.225	21.225	21.225	21.225	21.225	21.225	21.225	21.225	21.225	21.225	21.225	21.225	254.697
ADJ 3 GSC:															
GSC	480	RESIDENTIAL	19332.652	10008.428	10474.992	6316.800	1731.115	1199.951	1153.166	1376.026	1641.827	3990.187	10971.688	12093.784	80290.618
GSC	481.1	COMMERCIAL	8880.713	4850.025	4777.032	3084.283	1134.542	959.722	902.300	1065.801	1176.264	2016.839	4682.051	5471.924	39001.497
GSC	481.2	INDUSTRIAL	706.194	639.782	649.088	418.717	408.485	321.700	282.810	378.239	464.960	673.454	707.478	466.532	6117.439
GSC	489	TRANSPORTATION OF GAS OF OTHERS													0.000
GSC	482	OTHER SALES TO PUBLIC AUTHORITIES	1151.630	743.996	630.814	395.930	154.094	65.100	72.632	105.944	70.417	317.130	622.246	729.772	5059.704
GSC	483-484	SALES FOR RESALE	120.638	140.385	73.304	8.259	229.196	103.399	95.467	71.583	155.620	50.558	144.899	82.759	1276.066
TOTAL GSC REVENUE			30191.827	16382.615	16605.231	10223.990	3657.432	2649.873	2506.375	2997.593	3509.089	7048.168	17128.362	18844.771	131745.325
GAS SUPPLY COST:															
GSC	801-803	803 - GAS TRANSMISSION LINE PURCHASES	17318.885	7673.559	7679.680	7230.779	7032.474	8736.110	11233.772	12560.521	12084.205	13598.855	17894.246	15297.066	138340.152
GSC	805	805 - GAS (OVER)/UNDER	1846.213	(1080.777)	(1197.073)	8.702	(157.384)	(296.484)	434.608	738.320	174.303	50.343	(2057.215)	(6613.732)	(8150.176)
GSC	806	806 - EXCHANGE GAS	2013.600	793.769	871.873	(873.792)	(3372.007)	(1447.504)	(332.264)	(86.764)	293.031	612.287	1319.746	1297.307	1089.281
GSC	807	807 - GAS PROCUREMENT EXP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSC	808	808 - GAS WITHDRAWN FR/DELIVERED TO STORAGE	10751.454	8917.270	8857.749	3797.178	98.377	(4676.167)	(8938.449)	(10338.912)	(9412.432)	(7336.654)	88.445	7863.952	(328.191)
GSC	812	812 - GAS USED FOR UTILITY OPERATIONS	(24.743)	(16.017)	(12.797)	(8.945)	(24.149)	(33.566)	(5.595)	(1.385)	(1.409)	(3.168)	(30.017)	(14.523)	(176.314)
GSC	813	813 - OTHER GAS SUPPLY EXPENSES	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSC	823	823 - GAS LOSSES	153.731	132.493	111.149	96.694	98.031	103.624	124.714	146.396	156.756	186.534	191.203	174.644	1675.967
GSC	904	904 - GSC UNCOLLECTIBLE EXPENSE	35.104	26.659	22.560	29.318	26.276	22.013	34.752	20.428	20.830	18.042	14.974	18.575	289.530
TOTAL GAS SUPPLY EXPENSES			32094.244	16446.955	16333.141	10279.935	3701.617	2408.026	2551.538	3038.603	3315.283	7126.238	17421.381	18023.288	132740.249

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
CALCULATION OF CURRENT TAX ADJUSTMENT FROM INTEREST SYNCHRONIZATION
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD

SCHEDULE WPD-2

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

SHEET 3 OF 3

WORKPAPER REFERENCE NO(S)::

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	WORKPAPER REFERENCE	BASE PERIOD	FORECASTED PERIOD
GAS:				
1	ADJUSTED JURISDICTIONAL CAPITALIZATION	J-1 , J-1.1/J-1.2	\$ 747,418,351	\$ 783,383,775
2	WEIGHTED COST OF DEBT	J-1 , J-1.1/J-1.2	1.86%	2.11%
3	INTEREST SYNCHRONIZATION		\$ 13,924,523	\$ 16,514,438
4	KENTUCKY JURISDICTIONAL INTEREST PER BOOKS (EXCLUDING OTHER INTEREST)		13,730,825	17,499,543
5	INTEREST SYNCHRONIZATION ADJUSTMENT (LINE 4 - 3)		\$ (193,698)	\$ 985,105
6	COMPOSITE FEDERAL AND STATE TAX RATE	WPH-1	24.9500%	24.9500%
7	CURRENT TAX ADJUSTMENT FROM INTEREST SYNCHRONIZATION		\$ (48,328)	\$ 245,784

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(e)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A jurisdictional federal and state income tax summary for both the base period and the forecasted period with all supporting schedules of the various components of jurisdictional income taxes.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE E

JURISDICTIONAL FEDERAL AND STATE INCOME TAX SUMMARY

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295 - ELECTRIC OPERATIONS

BASE PERIOD: FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED APRIL 30, 2020

SCHEDULE

DESCRIPTION

E-1	ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
E-2	DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
COMPUTATION OF FEDERAL AND STATE INCOME TAX - ELECTRIC
FOR THE BASE PERIOD TME DECEMBER 31, 2018 AND FORECAST PERIOD TME APRIL 30, 2020

DATA: ☐ BASE PERIOD ☒ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1
PAGE 1 OF 3
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	AT CURRENT RATES					AT PROPOSED RATES	
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD
		(1) \$	(2) \$	(3) \$	(4) \$	(5) \$	(6) \$	(7) \$
1	Operating Income Before Income Taxes	228,009,529	(25,105,893)	202,903,636	(7,205,770)	195,697,866	34,754,215	230,452,081
2	Interest Charges	45,624,816	8,666,016	54,290,832	0	54,290,832		54,290,832
3	Book Net Income before Income Tax & Credits	182,384,713	(33,771,909)	148,612,804	(7,205,770)	141,407,034	34,754,215	176,161,249
4	Permanent Differences:							
5	Section 199 Manufacturing Deduction	0	0	0		0	0	0
6	Other Permanent Differences	1,332,415	(720,415)	612,000		612,000		612,000
7	Total Permanent Differences	1,332,415	(720,415)	612,000	0	612,000	0	612,000
8	Temporary Differences:							
9	Bonus Depreciation	(44,681,619)	(46,633,721)	(91,315,340)	0	(91,315,340)	0	(91,315,340)
10	Federal Tax Depreciation	(181,266,333)	(23,862,246)	(205,128,579)	0	(205,128,579)	0	(205,128,579)
11	Federal Net Operating Loss	(137,956,162)	115,445,478	(22,510,684)	0	(22,510,684)	0	(22,510,684)
12	Other Temporary Differences	112,658,459	33,098,455	145,756,915	0	145,756,915	0	145,756,915
13	Total Temporary Differences	(251,245,654)	78,047,967	(173,197,688)	0	(173,197,688)	0	(173,197,688)
14	Subtotal	(67,528,526)	43,555,642	(23,972,884)	(7,205,770)	(31,178,654)	34,754,215	3,575,561
15	Total State Tax Expense	189,093	1,403,247	1,592,341	360,289	1,952,629	(1,737,711)	214,918
16	Federal Taxable Income	(67,339,433)	44,958,889	(22,380,544)	(6,845,482)	(29,226,025)	33,016,504	3,790,479
17	Federal Income Tax Rate	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
18	Current Federal Tax Before Adjustments	(14,141,281)	9,441,367	(4,699,914)	(1,437,551)	(6,137,465)	6,933,466	796,001
19	Federal tax adjustments:							
20	Other Current Adjustments	(1,218,292)	(657,060)	(1,875,352)	0	(1,875,352)	0	(1,875,352)
21	Prior Period Adjustments	(24,591)	24,591	0	0	0	0	0
22	Total Federal Current Tax Expense	(15,384,164)	8,808,898	(6,575,266)	(1,437,551)	(8,012,817)	6,933,466	(1,079,351)
23	State Current Tax Expense:							
24	Federal Taxable Income	(67,528,526)	43,555,642	(23,972,884)	(7,205,770)	(31,178,654)	34,754,215	3,575,561
25	State tax adjustments:							
26	Addback Federal Net Operating Loss	137,956,162	(115,445,478)	22,510,684	0	22,510,684	0	22,510,684
27	Addback Bonus Depreciation	44,681,619	46,633,721	91,315,340	0	91,315,340	0	91,315,340
28	Addback Federal Tax Depreciation	181,266,333	23,862,246	205,128,579	0	205,128,579	0	205,128,579
29	Addback Other Items	(525,699)	525,699	0	0	0	0	0
30	State Tax Depreciation	(294,975,753)	(24,252,776)	(319,228,529)	0	(319,228,529)	0	(319,228,529)
31	State Taxable Income	874,135	(25,120,946)	(24,246,811)	(7,205,770)	(31,452,581)	34,754,215	3,301,634
32	State Income Tax Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
33	State Current Tax Expense Before Adjustments	43,707	(1,256,047)	(1,212,341)	(360,289)	(1,572,629)	1,737,711	165,082
34	State Tax Credits and Adjustments:							
35	Kentucky Coal Credit	(271,366)	(108,634)	(380,000)	0	(380,000)	0	(380,000)
36	Other Current Adjustments	(6,000)	6,000	0	0	0	0	0
37	Prior Period Adjustments	44,566	(44,566)	0	0	0	0	0
38	Total State Current Tax Expense	(189,093)	(1,403,247)	(1,592,341)	(360,289)	(1,952,629)	1,737,711	(214,918)

WITNESS: C. M. GARRETT

WITNESS: C. M. GARRETT

		AT CURRENT RATES					AT PROPOSED RATES		
LINE NO.	DESCRIPTION	BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	
		\$	\$	\$	\$	\$	\$	\$	
39	INVESTMENT TAX CREDITS & INCOME TAXES DEFERRED IN PRIOR YEARS								
40	INVESTMENT TAX CREDIT:								
41	Amortization of ITC	(957,396)	(46,725)	(1,004,121)		(1,004,121)		(1,004,121)	
42	TOTAL INVESTMENT TAX CREDIT	(957,396)	(46,725)	(1,004,121)		(1,004,121)		(1,004,121)	
43	INCOME TAX DEFERRED - FEDERAL:								
44	Storm Damages	246,656	(1,226,860)	(980,203)		(980,203)		(980,203)	
45	Amortization Loss on Reacquired Debt	(170,556)	12,631	(157,925)		(157,925)		(157,925)	
46	Bonus Depreciation	9,383,140	9,793,081	19,176,221		19,176,221		19,176,221	
47	CCR Pond Closures	1,552,595	1,992,093	3,544,687		3,544,687		3,544,687	
48	Contributions In Aid of Const. & Capitalized Interest	(5,537,838)	2,144,623	(3,393,215)		(3,393,215)		(3,393,215)	
49	Contingency Reserve	(85,928)	85,928	0		0		0	
50	Cost of Removal	6,942,768	(1,102,681)	5,840,087		5,840,087		5,840,087	
51	Demand Side Management	(32,936)	40,490	7,554		7,554		7,554	
52	Environmental Cost Recovery	(2,217,842)	3,010,118	792,276		792,276		792,276	
53	Fuel Adjustment Clause - KY	412,766	(142,544)	270,222		270,222		270,222	
54	Post Retirement Benefits	532,262	46,421	578,682		578,682		578,682	
55	Pensions	67,121	107,327	174,448		174,448		174,448	
56	Federal Net Operating Loss	28,970,794	(24,243,550)	4,727,244		4,727,244		4,727,244	
57	Interest Rate Swaps	(152,854)	(4,288)	(157,142)		(157,142)		(157,142)	
58	ARO	0	0	0		0		0	
59	Obsolete Inventory	0	0	0		0		0	
60	OSS Adjustment Clause - KY	(44,129)	70,620	26,491		26,491		26,491	
61	Tax Gain/Loss	1,010,958	(1,014,916)	(3,959)		(3,959)		(3,959)	
62	Plant Outage Normalization	872,379	683,719	1,556,098		1,556,098		1,556,098	
63	R&D Regulatory Asset	(36,804)	(50)	(36,855)		(36,855)		(36,855)	
64	Refined Coal	(140,684)	171,033	30,349		30,349		30,349	
65	Regulatory Expenses	(25,350)	(93,432)	(118,783)		(118,783)		(118,783)	
66	Swap Termination	(189,048)	(76)	(189,124)		(189,124)		(189,124)	
67	Tax Repair Expensing	4,683,604	339,748	5,023,352		5,023,352		5,023,352	
68	TCJA Regulatory Liability - KY	(984,078)	984,078	0		0		0	
69	Tax Depreciation in excess of Book Depreciation	3,438,668	(5,599,112)	(2,160,444)		(2,160,444)		(2,160,444)	
70	Other Items	2,346,072	(2,346,072)	0		0		0	
71	ADJUSTMENTS:								
72	Prior Period Adjustments	58,953	(58,953)	0		0		0	
73	Federal Excess Deferreds - Protected	(4,807,220)	(2,128,478)	(6,935,699)		(6,935,699)		(6,935,699)	
74	Federal Excess Deferreds - Unprotected	(1,201,010)	6,743	(1,194,267)		(1,194,267)		(1,194,267)	
75	Permanent Loss on Tax Depreciation	116,448	3,370	119,818		119,818		119,818	
76	Credit Carryforwards	178,292	877,060	1,055,352		1,055,352		1,055,352	
77	Other	0	0	0		0		0	
78	TOTAL INCOME TAX DEFERRED - FEDERAL	SUM LN 44-77	45,187,198	(17,591,931)	27,595,267	0	27,595,267	0	27,595,267
79	TOTAL FEDERAL INCOME TAXES	LN 22+78	29,803,034	(8,783,033)	21,020,001	(1,437,551)	19,582,450	6,933,466	26,515,916

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
COMPUTATION OF FEDERAL AND STATE INCOME TAX - ELECTRIC
FOR THE BASE PERIOD TME DECEMBER 31, 2018 AND FORECAST PERIOD TME APRIL 30, 2020

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED X REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1
PAGE 3 OF 3
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	AT CURRENT RATES					AT PROPOSED RATES	
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD
		(1) \$	(2) \$	(3) \$	(4) \$	(5) \$	(6) \$	(7) \$
80	INCOME TAX DEFERRED - STATE:							
81	Storm Damages	61,819	(307,484)	(245,665)		(245,665)		(245,665)
82	Amortization Loss on Reacquired Debt	(42,746)	3,166	(39,580)		(39,580)		(39,580)
83	CCR Pond Closures	389,121	499,271	888,393		888,393		888,393
84	Contributions In Aid of Const. & Capitalized Interest	(1,387,929)	537,500	(850,430)		(850,430)		(850,430)
85	Contingency Reserve	(21,536)	21,536	0		0		0
86	Cost of Removal	1,740,042	(276,361)	1,463,681		1,463,681		1,463,681
87	Demand Side Management	(8,255)	10,148	1,893		1,893		1,893
88	Environmental Cost Recovery	(555,850)	754,416	198,566		198,566		198,566
89	Fuel Adjustment Clause - KY	103,450	(35,725)	67,725		67,725		67,725
90	Post Retirement Benefits	133,399	11,634	145,033		145,033		145,033
91	Pensions	16,822	26,899	43,721		43,721		43,721
92	Interest Rate Swaps	(38,309)	(1,075)	(39,384)		(39,384)		(39,384)
93	ARO	0	0	0		0		0
94	Obsolete Inventory	0	0	0		0		0
95	OSS Adjustment Clause - KY	(11,060)	17,699	6,639		6,639		6,639
96	Tax Gain/Loss	434,862	(435,855)	(992)		(992)		(992)
97	Plant Outage Normalization	218,641	171,358	389,999		389,999		389,999
98	R&D Regulatory Asset	(9,224)	(13)	(9,237)		(9,237)		(9,237)
99	Refined Coal	(35,259)	42,865	7,606		7,606		7,606
100	Regulatory Expenses	(6,353)	(23,417)	(29,770)		(29,770)		(29,770)
101	Swap Termination	(47,380)	(19)	(47,400)		(47,400)		(47,400)
102	Tax Repair Expensing	1,173,836	85,150	1,258,986		1,258,986		1,258,986
103	TCJA Regulatory Liability - KY	(246,636)	246,636	0		0		0
104	Tax Depreciation in excess of Book Depreciation	6,846,528	(1,382,732)	5,463,796		5,463,796		5,463,796
105	Other Items	434,166	(434,166)	0		0		0
106	ADJUSTMENTS:							
107	Prior Period Adjustments	(52,913)	52,913	0		0		0
108	Excess Deferrals - Protected	(729,467)	(97,204)	(826,671)		(826,671)		(826,671)
109	Excess Deferrals - Unprotected	0	(94,601)	(94,601)		(94,601)		(94,601)
110	Permanent Loss on Tax Depreciation	29,185	(3,372)	25,813		25,813		25,813
111	Other	0	0	0		0		0
112	TOTAL INCOME TAX DEFERRED - STATE	SUM LN 81-111	8,388,954	(610,832)	7,778,122	0	7,778,122	0
113	TOTAL STATE INCOME TAXES	LN 38+112	8,199,861	(2,014,080)	6,185,781	(360,289)	5,825,493	1,737,711
114	TOTAL INCOME TAXES	LN 42+79+113	37,045,499	(10,843,838)	26,201,661	(1,797,840)	24,403,822	33,074,998

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - ELECTRIC OPERATIONS
DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
FORECAST PERIOD FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD

SCHEDULE E-2

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT	UNADJUSTED TOTAL UTILITY	JURIS. PERCENT	UNADJUSTED JURISDICTIONAL AMOUNT	JURISDICTIONAL CODE / EXPLANATION
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ALL DATA 100% JURISDICTIONAL

SCHEDULE E

JURISDICTIONAL FEDERAL AND STATE INCOME TAX SUMMARY

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295 - GAS OPERATIONS

BASE PERIOD: FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED APRIL 30, 2020

SCHEDULE

DESCRIPTION

E-1 ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES

E-2 DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
COMPUTATION OF FEDERAL AND STATE INCOME TAX - GAS
FOR THE BASE PERIOD TME DECEMBER 31, 2018 AND FORECAST PERIOD TME APRIL 30, 2020

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED X REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1
PAGE 1 OF 3
WITNESS: C. M. GARRETT

			AT CURRENT RATES					AT PROPOSED RATES	
LINE NO.	DESCRIPTION		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
			\$	\$	\$	\$	\$	\$	\$
1	Operating Income Before Income Taxes		58,911,320	(12,445,874)	46,465,446	279,644	46,745,090	24,829,661	71,574,751
2	Interest Charges		13,924,523	2,589,915	16,514,438	0	16,514,438		16,514,438
3	Book Net Income before Income Tax & Credits	LN 1-2	44,986,797	(15,035,790)	29,951,007	279,644	30,230,651	24,829,661	55,060,312
4	Permanent Differences:								
5	Section 199 Manufacturing Deduction		0	0	0		0	0	0
6	Other Permanent Differences		321,060	(168,060)	153,000		153,000		153,000
7	Total Permanent Differences	LN 5+6	321,060	(168,060)	153,000	0	153,000	0	153,000
8	Temporary Differences:								
9	Bonus Depreciation		(4,649,615)	2,413,741	(2,235,874)	0	(2,235,874)	0	(2,235,874)
10	Federal Tax Depreciation		(37,749,110)	(18,597,421)	(56,346,531)	0	(56,346,531)	0	(56,346,531)
11	Federal Net Operating Loss		(16,027,824)	12,618,510	(3,409,314)	0	(3,409,314)	0	(3,409,314)
12	Other Temporary Differences		21,783,283	11,995,187	33,778,470	0	33,778,470	0	33,778,470
13	Total Temporary Differences	LN 9+10+11+12	(36,643,266)	8,430,016	(28,213,250)	0	(28,213,250)	0	(28,213,250)
14	Subtotal	LN 3+7+13	8,664,591	(6,773,834)	1,890,757	279,644	2,170,401	24,829,661	27,000,062
15	Total State Tax Expense	LN 39	(399,937)	961,742	561,805	(13,982)	547,822	(1,241,483)	(693,661)
16	Federal Taxable Income	LN 14+15	8,264,654	(5,812,092)	2,452,562	265,662	2,718,224	23,588,178	26,306,402
17	Federal Income Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
18	Current Federal Tax Before Adjustments	LN 16 x 17	1,735,577	(1,220,539)	515,038	55,789	570,827	4,953,517	5,524,344
19	Federal tax adjustments:								
20	Other Current Adjustments		0	0	0	0	0	0	0
21	Prior Period Adjustments		(1,205)	1,205	0	0	0	0	0
22	Total Federal Current Tax Expense	SUM LN 18-21	1,734,373	(1,219,335)	515,038	55,789	570,827	4,953,517	5,524,344
23	State Current Tax Expense:								
24	Federal Taxable Income	LN 14	8,664,591	(6,773,834)	1,890,757	279,644	2,170,401	24,829,661	27,000,062
25	State tax adjustments:								
26	Addback Federal Net Operating Loss		16,027,824	(12,618,510)	3,409,314	0	3,409,314	0	3,409,314
27	Addback Bonus Depreciation		4,649,615	(2,413,741)	2,235,874	0	2,235,874	0	2,235,874
28	Addback Federal Tax Depreciation		37,749,110	18,597,421	56,346,531	0	56,346,531	0	56,346,531
29	Addback Other Items		574,863	(574,863)	0	0	0	0	0
30	State Tax Depreciation		(57,636,341)	(17,482,228)	(75,118,569)	0	(75,118,569)	0	(75,118,569)
31	State Taxable Income	SUM LN 22-30	10,029,662	(21,265,754)	(11,236,092)	279,644	(10,956,448)	24,829,661	13,873,213
32	State Income Tax Rate		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
33	State Current Tax Expense Before Adjustments	LN 31 x 32	501,483	(1,063,288)	(561,805)	13,982	(547,822)	1,241,483	693,661
34	State Tax Credits and Adjustments:								
35	Kentucky Coal Credit		0	0	0	0	0	0	0
36	Other Current Adjustments		(75,000)	75,000	0	0	0	0	0
37	Prior Period Adjustments		(26,546)	26,546	0	0	0	0	0
38	Total State Current Tax Expense	SUM LN 33-37	399,937	(961,742)	(561,805)	13,982	(547,822)	1,241,483	693,661

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
COMPUTATION OF FEDERAL AND STATE INCOME TAX - GAS
FOR THE BASE PERIOD TME DECEMBER 31, 2018 AND FORECAST PERIOD TME APRIL 30, 2020

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1
PAGE 2 OF 3
WITNESS: C. M. GARRETT

		AT CURRENT RATES					AT PROPOSED RATES	
LINE NO.	DESCRIPTION	BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
		\$	\$	\$	\$	\$	\$	\$
39	INVESTMENT TAX CREDITS & INCOME TAXES DEFERRED IN PRIOR YEARS							
40	INVESTMENT TAX CREDIT:							
41	Amortization of ITC	(25,220)	20,567	(4,653)		(4,653)		(4,653)
42	TOTAL INVESTMENT TAX CREDIT	(25,220)	20,567	(4,653)		(4,653)		(4,653)
43	INCOME TAX DEFERRED - FEDERAL:							
44	Storm Damages	(3,345)	513	(2,832)		(2,832)		(2,832)
45	Amortization Loss on Reacquired Debt	(32,729)	(1,562)	(34,291)		(34,291)		(34,291)
46	Bonus Depreciation	976,419	(506,886)	469,534		469,534		469,534
47	Contributions In Aid of Const. & Capitalized Interest	(840,720)	190,667	(650,053)		(650,053)		(650,053)
48	Contingency Reserve	0	0	0		0		0
49	Cost of Removal	915,890	204,582	1,120,472		1,120,472		1,120,472
50	Demand Side Management	(266,481)	327,598	61,117		61,117		61,117
51	Gas Line Tracker - Current	(7,579)	185,135	177,556		177,556		177,556
52	Purchased Gas Adjustment - Current	1,625,960	(2,092,639)	(466,679)		(466,679)		(466,679)
53	Post Retirement Benefits	158,987	(33,334)	125,654		125,654		125,654
54	Pensions	20,049	17,830	37,879		37,879		37,879
55	Federal Net Operating Loss	3,365,843	(2,649,887)	715,956		715,956		715,956
56	Interest Rate Swaps	(38,214)	4,092	(34,121)		(34,121)		(34,121)
57	ARO	0	0	0		0		0
58	Obsolete Inventory	0	0	0		0		0
59	Tax Gain/Loss	29,856	(29,856)	0		0		0
60	R&D Regulatory Asset	0	0	0		0		0
61	Regulatory Expenses	(3,456)	(18,550)	(22,006)		(22,006)		(22,006)
62	Swap Termination	0	0	0		0		0
63	Tax Repair Expensing	1,210,682	(249,034)	961,648		961,648		961,648
64	TCJA Regulatory Liability - KY	(387,780)	387,780	0		0		0
65	Tax Depreciation in excess of Book Depreciation	(162,903)	3,193,783	3,030,880		3,030,880		3,030,880
66	Other Items	764,186	(764,186)	0		0		0
67	ADJUSTMENTS:							
68	Prior Period Adjustments	(7,204)	7,204	0		0		0
69	Federal Excess Deferreds - Protected	(1,142,397)	(687,421)	(1,829,818)		(1,829,818)		(1,829,818)
70	Federal Excess Deferreds - Unprotected	(165,930)	772	(165,158)		(165,158)		(165,158)
71	Permanent Loss on Tax Depreciation	0	0	0		0		0
72	Credit Carryforwards	0	0	0		0		0
73	Other	0	0	0		0		0
74	TOTAL INCOME TAX DEFERRED - FEDERAL	SUM LN 44-73	6,009,134	(2,513,398)	3,495,736	0	3,495,736	0
75	TOTAL FEDERAL INCOME TAXES	LN 22+74	7,743,507	(3,732,733)	4,010,774	55,789	4,066,563	9,020,080

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
COMPUTATION OF FEDERAL AND STATE INCOME TAX - GAS
FOR THE BASE PERIOD TME DECEMBER 31, 2018 AND FORECAST PERIOD TME APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1
PAGE 3 OF 3
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	AT CURRENT RATES					AT PROPOSED RATES	
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD
		(1) \$	(2) \$	(3) \$	(4) \$	(5) \$	(6) \$	(7) \$
76	INCOME TAX DEFERRED - STATE:							
77	Storm Damages	(838)	129	(710)		(710)		(710)
78	Amortization Loss on Reacquired Debt	(8,203)	(392)	(8,594)		(8,594)		(8,594)
79	Contributions In Aid of Const. & Capitalized Interest	(210,707)	47,786	(162,921)		(162,921)		(162,921)
80	Contingency Reserve	0	0	0		0		0
81	Cost of Removal	229,546	51,274	280,820		280,820		280,820
82	Demand Side Management	(66,787)	82,105	15,317		15,317		15,317
83	Gas Line Tracker - Current	(1,899)	46,400	44,500		44,500		44,500
84	Purchased Gas Adjustment - Current	407,509	(524,471)	(116,962)		(116,962)		(116,962)
85	Post Retirement Benefits	39,846	(8,354)	31,492		31,492		31,492
86	Pensions	5,025	4,469	9,494		9,494		9,494
87	Interest Rate Swaps	(9,577)	1,026	(8,552)		(8,552)		(8,552)
88	ARO	0	0	0		0		0
89	Obsolete Inventory	0	0	0		0		0
90	Tax Gain/Loss	15,682	(15,682)	0		0		0
91	R&D Regulatory Asset	0	0	0		0		0
92	Regulatory Expenses	(866)	(4,649)	(5,515)		(5,515)		(5,515)
93	Swap Termination	0	0	0		0		0
94	Tax Repair Expensing	303,429	(62,415)	241,014		241,014		241,014
95	TCJA Regulatory Liability - KY	(97,188)	97,188	0		0		0
96	Tax Depreciation in excess of Book Depreciation	1,005,869	741,752	1,747,621		1,747,621		1,747,621
97	Other Items	153,070	(153,070)	0		0		0
98	ADJUSTMENTS:							
99	Prior Period Adjustments	28,484	(28,484)	0		0		0
100	Excess Deferrals - Protected	(112,753)	(99,275)	(212,028)		(212,028)		(212,028)
101	Excess Deferrals - Unprotected	0	(12,053)	(12,053)		(12,053)		(12,053)
102	Permanent Loss on Tax Depreciation	0	0	0		0		0
103	Other	0	0	0		0		0
104	TOTAL INCOME TAX DEFERRED - STATE	SUM LN 77-103	1,679,641	163,282	1,842,923	0	1,842,923	0
105	TOTAL STATE INCOME TAXES	LN 38+104	2,079,579	(798,460)	1,281,119	13,982	1,295,101	2,536,584
106	TOTAL INCOME TAXES	LN 42+75+105	9,797,865	(4,510,626)	5,287,239	69,771	5,357,010	11,552,011

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2018-00295 - GAS OPERATIONS
DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
BASE YEAR FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
FORECAST PERIOD FOR THE 12 MONTHS ENDED APRIL 30, 2020

DATA: ☒ BASE PERIOD ☒ FORECASTED PERIOD

SCHEDULE E-2

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT	UNADJUSTED TOTAL UTILITY	JURIS. PERCENT	UNADJUSTED JURISDICTIONAL AMOUNT	JURISDICTIONAL CODE / EXPLANATION
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ALL DATA 100% JURISDICTIONAL

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(f)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

Summary schedules for both the base period and the forecasted period (the utility may also provide a summary segregating those items it proposes to recover in rates) of organization membership dues; initiation fees; expenditures at country clubs; charitable contributions; marketing, sales, and advertising expenditures; professional service expenses; civic and political activity expenses; expenditures for employee parties and outings; employee gift expenses; and rate case expenses.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Louisville Gas & Electric
Case No. 2018-00295
Filing Requirement Section 16(8)(f)
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

LGE FR_16(8)(f) Schedule F

Schedule	Description
F-1	Organization Membership Dues, Initiation Fees and Expenditures at Country Clubs
F-2	Charitable Contributions
F-3	Expenditures for Employee Parties and Outings, Employee Gift Expenses
F-4	Marketing and Sales Expenditures
F-5	Advertising Expenditures
F-6	Professional Service Expenses
F-7	Rate Case Expenses
F-8	Civic and Political Activity Expenses

Louisville Gas & Electric
Case No. 2018-00295
Organization Membership Dues, Initiation Fees and Expenditures at Country Clubs
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

LGE FR_16(8)(f)

Schedule F-1

Account No.	Organization/Membership	Dues
Base Period - Recoverable		
930	Electric Power Research Institute (EPRI)	1,272,133.68
930	Edison Electric Institute (EEI)	290,614.74
930	American Gas Association	204,803.98
930	Utility Air Regulatory Group (UARG)	109,917.99
930	Hunton Andrews Kurth LLP	62,475.00
930	Baker Botts LLP	56,119.50
930	Utility Solid Waste Activities Group (USWAG)	53,840.25
930	Steptoe & Johnson LLC	51,562.50
930	Utility Water Act Group (UWAG)	48,474.05
930	Hunton and Williams LLP	38,850.00
930	North American Transmission Forum	25,607.75
930	University of Louisville Research Foundation Inc.	19,000.00
930	Utilities Technology Council	10,842.00
930	Kentucky Gas Association	10,000.00
930	Chartwell Inc	7,127.70
930	Southeastern Electric Exchange	6,574.00
930	American Coal Ash Association	6,300.00
930	Carbon Utilization Research Council	6,300.00
921/930	Waterways Council Inc	5,801.42
921/930	Kentucky Society of CPAs	5,291.53
500/921/930	Various Vendors < \$5,000	105,834.30
Total Base Period - Recoverable		<u>2,397,470.39</u>
Base Period - Not Recoverable		
426	Edison Electric Institute (EEI)	46,677.60
426	Kentucky Chamber	25,525.40
426	American Gas Association	6,552.02
426	Carbon Utilization Research Council	6,300.00
426	Waterways Council Inc	4,108.90
426	Various Vendors < \$2,000	10,050.95
Total Base Period - Non-Recoverable		<u>99,214.87</u>

Account No.	Organization/Membership	Dues
Forecasted Test Period - Recoverable		
930	American Gas Association	195,000.00
930	Edison Electric Institute (EEI)	306,562.76
930	Electric Power Research Institute (EPRI)	1,217,304.00
930	Midwest Ozone Group (MOG)	31,625.00
930	Utility Air Regulatory Group (UARG)	128,800.00
930	Utility Water Act Group (UWAG)	52,440.00
930	Utility Solid Waste Activities Group (USWAG)	30,787.80
Various	Other Non-Specific LGE Dues	366,577.39
Total Forecasted Test Period - Recoverable		<u>2,329,096.95</u>

Note> Portion of Forecasted Test Period Recoverable Dues are not completed in specific vendor detail and are shown as "Other Non-Specific LGE Dues".

Forecasted Test Period - Not Recoverable		
426	Edison Electric Institute (EEI)	52,553.68
426	Other Non-Specific LGE Dues	80,449.20
Total Forecasted Test Period - Non-Recoverable		<u>133,002.88</u>

Note> Portion of Forecasted Test Period Non-Recoverable Dues are not completed in specific vendor detail and are shown as "Other Non-Specific LGE Dues".

Louisville Gas & Electric
Case No. 2018-00295
Charitable Contributions
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

LGE FR_16(8)(f)

Schedule F-2

Account No.	Charitable Organization	Total Utility
Base Period - Not Recoverable		
426.1	LG&E AND KU FOUNDATION INC	\$ 6,000,000
426.1	ASSOCIATION OF COMMUNITY MINISTRIES INC	700,000
426.1	GREATER LOUISVILLE INC	419,000
426.1	KENTUCKY DERBY FESTIVAL INC	358,412
426.1	HOME ENERGY ASSIST	180,000
426.1	COMMUNITY WINTERHELP INC	150,662
426.1	ENERGY CONSERVATION ASSOC	100,100
426.1	METRO UNITED WAY INC	80,000
426.1	FUND FOR THE ARTS INC	79,768
426.1	LOUISVILLE METRO GOVERNMENT	78,829
426.1	THE LOUISVILLE FREE PUBLIC LIBRARY FOUNDATION	74,500
426.1	LOUISVILLE ZOO	65,000
426.1	J.B. SPEED ART MUSEUM	57,000
426.1	HABITAT FOR HUMANITY OF METRO LOU	52,000
426.1	LEADERSHIP LOUISVILLE FOUNDATION	42,500
426.1	ACTORS THEATRE OF LOUISVILLE	40,090
426.1	LINCOLN FOUNDATION	40,000
426.1	DOWNTOWN DEVELOPMENT CORPORATION	35,000
426.1	AMERICAN RED CROSS	32,250
426.1	UNIVERSITY OF LOUISVILLE	26,700
426.1	CENTER FOR INFRASTRUCTURE RESEARCH	25,000
426.1	KENTUCKY CHAMBER OF COMMERCE	21,750
426.1	CATHOLIC EDUCATION FOUNDATION	20,000
426.1	COMMUNITY FOUNDATION OF LOUISVILLE INC	20,000
426.1	THE LOUISVILLE ORCHESTRA INC	19,136
426.1	JUNIOR ACHIEVEMENT OF KENTUCKIANA	18,545
426.1	KENTUCKY SCIENCE CENTER	17,750
426.1	UNIVERSITY OF LOUISVILLE FOUNDATION INC	16,895
426.1	CASA	16,000
426.1	J B SPEED ART MUSEUM	16,000
426.1	RIVERSIDE THE FARNSLEY MOREMAN LANDING INC	15,250
426.1	CONWAY DATA INC	15,000
426.1	LOUISVILLE URBAN LEAGUE	15,000
426.1	JEFFERSON COUNTY PUBLIC EDUCATION FOUNDATION INC	13,000
426.1	KENTUCKY DERBY MUSEUM	12,750

Account No.	Charitable Organization	Total Utility
426.1	SOUTHWEST COMMUNITY MINISTRIES INC	11,250
426.1	THE FRAZIER HISTORY MUSEUM	11,000
426.1	THE CENTER FOR WOMEN & FAMILIES INC.	10,600
426.1	KENTUCKY SHAKESPEARE FESTIVAL INC	10,100
426.1	KENTUCKY SAFETY AND HEALTH NETWORK INC	10,100
426.1	LEADERSHIP KENTUCKY FOUNDATION INC	10,000
426.1	REPUBLICAN STATE LEADERSHIP COMMITTEE	10,000
426.1	FRIENDS OF THE LOUISVILLE ZOO INC	10,000
426.1	COMMUNITY FOUNDATION OF LOUISVILLE CORPORATE DEPOSITORY	10,000
426.1	LOUISVILLE BALLET	10,000
426.1	THE KENTUCKY CENTER	10,000
426.1	STAGE ONE FAMILY THEATRE	10,000
426.1	MARYHURST	10,000
426.1	BELLARMINE UNIVERSITY	10,000
426.1	VENDOR < \$10,000	449,284
Total Base Period		9,466,222

Forecasted Test Period - Not Recoverable

426.1	ASSOC OF COMMUNITY MINISTRIES / METROMATCH	700,000
426.1	KENTUCKY DERBY FESTIVAL INC	197,000
426.1	HOME ENERGY ASSISTANCE	180,000
426.1	METRO UNITED WAY OF LOUISVILLE	125,000
426.1	COMMUNITY WINTERHELP INC	115,000
426.1	PROJECT WARM	100,000
426.1	LIGHT UP LOUISVILLE	75,000
426.1	THE LOUISVILLE FREE PUBLIC LIBRARY FOUNDATION	75,000
426.1	LOUISVILLE METRO PARKS	70,000
426.1	J.B. SPEED ART MUSEUM	57,500
426.1	UNIVERSITY OF LOUISVILLE FOUNDATION INC	50,000
426.1	HABITAT FOR HUMANITY OF METRO LOU	40,000
426.1	LEADERSHIP LOUISVILLE FOUNDATION	40,000
426.1	LINCOLN FOUNDATION	40,000
426.1	PLANT FOR THE PLANET	37,200
426.1	LOUISVILLE DOWNTOWN DEVELOPMENT CORPORATION	36,500
426.1	FUND FOR THE ARTS INC	35,400
426.1	ACTORS THEATRE OF LOUISVILLE	30,000
426.1	AMERICAN RED CROSS	30,000
426.1	UNIVERSITY OF LOUISVILLE	25,760
426.1	KENTUCKY CENTER FOR THE ARTS FOUNDATION	25,000
426.1	UNIVERSITY OF LOUISVILLE SCHOOL OF ENGINEERING	25,000
426.1	BELLARMINE UNIVERSITY	22,500

Account No.	Charitable Organization	Total Utility
426.1	CATHOLIC EDUCATION FOUNDATION	20,000
426.1	COMMUNITY FOUNDATION OF LOUISVILLE	20,000
426.1	LOUISVILLE ORCHESTRA	19,500
426.1	KENTUCKY SCIENCE CENTER	17,750
426.1	RIVERSIDE FARNSLEY-MOREMEN	17,500
426.1	JUNIOR ACHIEVEMENT OF KENTUCKIANA	15,000
426.1	STAGE ONE FAMILY THEATRE	15,000
426.1	EXCEL AWARDS	13,000
426.1	BIG BROTHERS BIG SISTERS	12,000
426.1	KENTUCKY DERBY MUSEUM	12,000
426.1	KENTUCKY OPERA	11,500
426.1	CASA	11,000
426.1	SOUTHWEST COMMUNITY FESTIVAL	11,000
426.1	55,000 DEGREES LOUISVILLE PROMISE	10,000
426.1	LEADERSHIP KENTUCKY	10,000
426.1	LOUISVILLE BALLET	10,000
426.1	LOUISVILLE MAYOR'S LUNCHEON	10,000
426.1	LOUISVILLE URBAN LEAGUE	10,000
426.1	LOUISVILLE ZOO	10,000
426.1	MARYHURST	10,000
426.1	REPUBLICAN STATE LEADERSHIP COMMITTEE	10,000
426.1	SCHOOL SUPPLY DRIVE	10,000
426.1	SOUTH LOUISVILLE COMMUNITY MINISTRIES	10,000
426.1	THE FRAZIER HISTORY MUSEUM	10,000
426.1	VARIOUS FORECASTED TEST PERIOD CHARITABLE CONTRIBUTIONS	449,790
Total Forecasted Period		2,886,900

Louisville Gas & Electric
Case No. 2018-00295
Expenditures for Employee Parties and Outings, Employee Gift Expenses
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

LGE FR_16(8)(f)

Schedule F-3

Account No.	Description	Total Utility
<u>Base Period - Recoverable</u>		
Various	Safety Recognition	4,288
	Total Safety Recognition	4,288
<u>Base Period - Not Recoverable</u>		
426.5	All Other Employee Recognition	301,813
	Total All Other Employee Recognition	301,813
	Total Base Period	306,101
<u>Forecasted Test Period - Recoverable</u>		
Various	Safety Recognition	2,208
	Total Safety Recognition	2,208
<u>Forecasted Test Period - Not Recoverable</u>		
426.5	All Other Employee Recognition	651,766
	Total All Other Employee Recognition	651,766
	Total Forecast Period	653,975

Louisville Gas & Electric
Case No. 2018-00295
Marketing and Sales Expenditures
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

LGE FR_16(8)(f)

Schedule F-4

		<u>Base Period</u>	<u>Forecasted Test Period</u>
<u>Account No.</u>	<u>Description of Expenses</u>	<u>Total Utility</u>	<u>Total Utility</u>
<u>Customer Service & Informational</u>			
907	Supervision	444,735	471,314
908	Customer Assistance	385,823	574,144
910	Miscellaneous Customer Service & Informational	757,734	919,161
Totals		<u>1,588,292</u>	<u>1,964,620</u>

NOTE> Account 908, Customer Assistance, excludes amounts from Demand Side Management Programs (DSM), which are not recovered through base rates.

<u>Sales Expense</u>			
911	Supervision	-	-
912	Demonstration & Selling	-	-
916	Miscellaneous Sales Expense	-	-
Totals		<u>-</u>	<u>-</u>

Louisville Gas & Electric
Case No. 2018-00295
Advertising Expenditures
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

LGE FR_16(8)(f)

Schedule F-5

		<u>Base Period</u>	<u>Forecasted Test Period</u>
<u>Account No.</u>	<u>Description of Expenses</u>	<u>Total Utility</u>	<u>Total Utility</u>
<u>Recoverable Expenses</u>			
909	Informational or Safety Advertising	696,095	1,779,452
	Totals	<u>696,095</u>	<u>1,779,452</u>
<u>Not Recoverable Expenses</u>			
913	Sales or Promotional Advertising	985,526	1,327,264
930.1	Institutional or Other Advertising	30,509	6,996
	Totals	<u>1,016,035</u>	<u>1,334,260</u>

Note> Account 913 and 930.1 are Non-Recoverable expenses for base rate recovery and have been part of proforma adjustments in historical test year rate cases.

Louisville Gas & Electric
Case No. 2018-00295
Professional Service Expenses
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

LGE FR_16(8)(f)

Schedule F-6

Professional Services	Base Period	Forecasted Test Period
	Total	Total
Description of Expenses	Utility	Utility
Computer Hardware and Software	6,842,421	7,936,325
Contracted Labor and Materials	5,214,459	5,518,331
Legal Fees	3,457,048	3,824,573
Consulting Fees	1,352,634	1,236,708
Accounting and Audit Fees	781,487	840,766
Other	1,150,743	1,537,734
Totals	18,798,792	20,894,437

Louisville Gas & Electric
Case No. 2018-00295
Rate Case Expenses
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

LGE FR_16(8)(f)

Schedule F-7

Account No.	Description of Expense	Utility
<u>Total Estimated Kentucky Rate Case Expenses</u>		
182	Legal	\$ 926,449
182	Consultants	\$ 239,023
182	Newspaper Advertising	\$ 908,617
Total Estimated Kentucky Rate Case Expenses		\$ 2,074,089
<u>Electric</u>		
182	Legal	\$ 705,654
182	Consultants	185,234
182	Newspaper Advertising	689,401
Total Estimated Kentucky Electric Rate Case Expenses		\$ 1,580,289
<u>Gas</u>		
182	Legal	\$ 220,796
182	Consultants	53,789
182	Newspaper Advertising	219,216
Total Estimated Kentucky Gas Rate Case Expenses		\$ 493,800

		Base Period	Forecasted Test Period
Account No.	Description of Expenses	Total Utility	Total Utility
<u>Regulatory Commission Expenses</u>			
928	FERC Annual Charge	418,413	441,708
928	Rate Case Amortization - Electric	745,806	787,814
928	Rate Case Amortization - Gas	192,268	251,882
928	Miscellaneous - Electric	247,404	314,893
928	Miscellaneous - Gas	650	
Totals		1,604,541	1,796,296

Louisville Gas & Electric
Case No. 2018-00295
Civic and Political Activity Expenses
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

LGE FR_16(8)(f)

Schedule F-8

		<u>Base Period</u>	<u>Forecasted Test Period</u>
<u>Account No.</u>	<u>Item</u>	<u>Total Utility</u>	<u>Total Utility</u>
Not Recoverable Expenses			
426.4	Civic/Political	606,641	734,925
Totals		<u>606,641</u>	<u>734,925</u>

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(g)
Sponsoring Witnesses: Daniel K. Arbough / Gregory J. Meiman

Description of Filing Requirement:

Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll taxes, straight time and overtime hours, and executive compensation by title.

Response:

See attached for non-confidential information responsive to this request. All confidential information responsive to this request is being provided under seal pursuant to a Petition for Confidential Protection. Note that the attached payroll analysis includes an allocation of LG&E and KU Services (LKS) labor dollars.

On an annual basis the Company relies on benchmark information in calibrating the level of its primary components of compensation and benefits arrangements.

With regard to compensation, various third-party benchmarking and salary planning surveys from the energy services and general industries are utilized. The 50th percentile is used to establish the market midpoint of the annual salary ranges. Compensation is then managed within the low (70% of midpoint) and high (130% of midpoint) based on various factors including education, experience, performance, time in job and tenure. Compensation is considered competitive or "at market" if it is within +/- 10% of the market midpoint. A separate study from Willis Towers Watson is attached, which validates the Company's current compensation is at market. Please also see Mr. Meiman's testimony.

With regard to retirement and welfare benefits, the Company strives to keep the levels of those benefits consistent with market. The Company does so by setting benefit levels in the aggregate so that the entire package of benefits is aligned with market. A separate study from Mercer is attached, which validates the Company's current retirement and welfare benefit levels are at market. Please also see Mr. Meiman's testimony.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals for non-confidential information responsive to this request. All confidential information responsive to this request is being provided under seal pursuant to the Petition for Confidential Protection submitted on November 29, 2018. Note that the attached payroll analysis includes an allocation of LG&E and KU Services ("LKS") labor dollars and employees.

CONFIDENTIAL INFORMATION REDACTED

Case No. 2018-00295
Attachment to Filing Requirement
807 KAR 5:001 Sec. 16(8)(g) Attachment 2
Meiman

Louisville Gas and Electric Company

Case No. 2018-00295

Officer Compensation

Updated Base Period: January 1, 2018 - December 31, 2018

Job Title	Salary ¹	Other Compensation ²
Chairman and CEO ⁴		
Chairman CEO and President		
Chief Financial Officer		
Chief Information Officer		
Chief Operating Officer		
Controller/VP Accounting ⁵		
Gen Counsel/Compl/Corp Secr		
Treasurer		
VP Communications&Corp Respon		
VP Corporate Resp&Comm Affairs		
VP Customer Services		
VP Deputy Gen Cnsl/Env/Corp Sec ³		
VP Electric Distribution		
VP Energy Supply and Analysis		
VP External Affairs		
VP Gas Distribution		
VP Human Resources		
VP Power Production		
VP Project Engineering		
VP State Regulation and Rates		
VP Transmission		
Average of all Officers	\$275,387	\$302,698

¹ Amounts are pro-rated to reflect retirements as noted.

² Other Compensation includes cash based short-term incentives and stock based long-term incentives at target. None of the incentive pay is included in the cost of service.

³ VP Deputy Gen Cnsl/Env/Corp Sec retired 5/1/18.

⁴ Chairman and CEO retired 4/1/18.

⁵ VP Accounting retired 3/1/18.

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(h)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A computation of the gross revenue conversion factor for the forecasted period.

Response:

See attached.

Base Period Update Response:

No update is required for this section.

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(i)
Sponsoring Witness: Daniel K. Arbough

Description of Filing Requirement:

Comparative income statements (exclusive of dividends per share or earnings per share), revenue statistics and sales statistics for the five (5) most recent calendar years from the application filing date, the base period, the forecasted period, and two (2) calendar years beyond the forecast period.

Response:

See attached. Note that the attached does not reflect any impact from rate case activity beyond 2018.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Louisville Gas and Electric Company
Case No. 2018-00295
Comparative Income Statement
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

	Most Recent Five Calendar Years					Base Period	Test Year	Schedule I-1 Forecasted		
	2013	2014	2015	2016	2017	12/31/2018	4/30/2020	2020	2021	2022
Total Company										
INCOME STATEMENT										
Operating Revenues										
Electric Operating Revenues	\$ 1,096,596,442	\$ 1,177,644,420	\$ 1,146,077,403	\$ 1,139,116,720	\$ 1,144,298,965	\$ 1,167,787,105	\$ 1,204,788,795	\$ 1,202,326,491	\$ 1,210,237,189	\$ 1,221,721,400
Gas Operating Revenues	324,221,274	360,282,966	319,521,344	288,728,401	311,929,143	324,611,484	332,172,729	335,066,048	333,979,260	336,478,750
Total Operating Revenues	<u>1,420,817,715</u>	<u>1,537,927,386</u>	<u>1,465,598,747</u>	<u>1,427,845,121</u>	<u>1,456,228,108</u>	<u>1,492,398,589</u>	<u>1,536,961,524</u>	<u>1,537,392,539</u>	<u>1,544,216,450</u>	<u>1,558,200,150</u>
Operating Expenses										
Fuel for Electric Generation	379,035,049	415,537,575	339,561,704	310,667,468	300,117,026	313,804,062	299,815,688	296,287,706	306,620,880	313,501,143
Power Purchased	48,124,184	47,842,269	59,903,876	55,379,006	53,308,448	55,805,401	49,827,806	48,292,768	48,661,599	45,257,685
Gas Supply Expenses	159,274,580	194,255,411	142,271,053	104,509,026	118,144,946	131,652,535	124,073,292	122,598,163	119,315,783	118,964,950
Other Operation Expenses	245,282,973	254,080,283	248,995,045	240,168,560	242,717,424	254,419,243	263,669,170	268,644,751	274,689,940	280,611,731
Maintenance	113,413,021	111,790,202	114,048,758	101,251,004	97,927,490	111,926,324	125,778,744	118,288,397	122,168,950	125,425,536
Depreciation & Amortization Expense	147,663,032	156,614,817	161,973,258	169,774,453	182,980,634	194,758,854	261,695,254	270,314,492	279,304,046	289,558,389
Regulatory Debits	-	-	-	95,997	326,452	573,607	1,546,257	2,138,053	2,977,184	3,601,638
Current Income Taxes	94,253,688	105,650,291	117,499,240	126,093,671	134,143,057	67,881,176	53,685,809	52,563,160	44,813,074	41,652,454
Property and Other Taxes	32,517,048	34,200,411	37,400,046	39,887,728	41,853,436	45,095,036	49,358,483	51,041,302	55,106,777	59,116,328
Investment Tax Credit	-	-	-	2,942,920	8,291	-	-	-	-	-
Amortization of Investment Tax Credit	(2,100,342)	(1,788,780)	(1,338,634)	(1,229,230)	(1,113,447)	(982,616)	(1,008,774)	(962,101)	(941,301)	(931,841)
Loss(Gain) from Disposition of Utility Plant	-	-	-	-	-	(63,088)	-	-	-	-
Loss(Gain) from Disposition of Allowances	(282)	(427)	(123)	(72)	(33,526)	(39,992)	-	-	-	-
Total Operating Expenses	<u>1,217,462,951</u>	<u>1,318,182,052</u>	<u>1,220,314,223</u>	<u>1,149,540,530</u>	<u>1,170,380,230</u>	<u>1,174,830,542</u>	<u>1,228,441,729</u>	<u>1,229,206,690</u>	<u>1,252,716,933</u>	<u>1,276,758,012</u>
Net Operating Income	<u>203,354,764</u>	<u>219,745,334</u>	<u>245,284,525</u>	<u>278,304,591</u>	<u>285,847,878</u>	<u>317,568,047</u>	<u>308,519,794</u>	<u>308,185,849</u>	<u>291,499,517</u>	<u>281,442,138</u>
Other Income less deductions	(2,656,846)	(2,494,255)	(3,419,680)	(3,834,530)	(2,120,217)	(8,495,966)	(2,354,098)	(2,353,628)	(2,354,353)	(2,337,392)
Income before Interest Charges	<u>200,697,919</u>	<u>217,251,078</u>	<u>241,864,845</u>	<u>274,470,061</u>	<u>283,727,661</u>	<u>309,072,081</u>	<u>306,165,697</u>	<u>305,832,220</u>	<u>289,145,164</u>	<u>279,104,745</u>
Interest Charges	41,997,315	49,119,128	56,445,271	71,240,573	69,631,895	76,657,826	97,621,106	98,814,449	102,539,421	106,856,437
Net Income	<u>\$ 158,700,603</u>	<u>\$ 168,131,950</u>	<u>\$ 185,419,574</u>	<u>\$ 203,229,488</u>	<u>\$ 214,095,766</u>	<u>\$ 232,414,255</u>	<u>\$ 208,544,591</u>	<u>\$ 207,017,771</u>	<u>\$ 186,605,742</u>	<u>\$ 172,248,308</u>

Louisville Gas and Electric Company
Case No. 2018-00295
Comparative Income Statement
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

Electric Only	Most Recent Five Calendar Years					Base Period	Test Year	Schedule I-1 Forecasted		
	2013	2014	2015	2016	2017	12/31/2018	4/30/2020	2020	2021	2022
INCOME STATEMENT										
Operating Revenues										
Electric Operating Revenues	\$ 1,096,596,442	\$ 1,177,644,420	\$ 1,146,077,403	\$ 1,139,116,720	\$ 1,144,298,965	\$ 1,167,787,105	\$ 1,204,788,795	1,202,326,491	1,210,237,189	1,221,721,400
Total Operating Revenues	1,096,596,442	1,177,644,420	1,146,077,403	1,139,116,720	1,144,298,965	1,167,787,105	1,204,788,795	1,202,326,491	1,210,237,189	1,221,721,400
Operating Expenses										
Fuel for Electric Generation	379,035,049	415,537,575	339,561,704	310,667,468	300,117,026	313,804,062	299,815,688	296,287,706	306,620,880	313,501,143
Power Purchased	48,124,184	47,842,269	59,903,876	55,379,006	53,308,448	55,805,401	49,827,806	48,292,768	48,661,599	45,257,685
Other Operation Expenses	198,769,150	206,129,577	195,985,246	186,587,605	185,279,886	190,636,910	198,513,303	202,646,038	207,137,810	211,729,207
Maintenance	95,645,484	92,657,578	94,604,630	84,348,864	80,959,958	91,614,338	92,795,554	93,629,624	95,879,188	94,062,798
Depreciation & Amortization Expense	121,609,186	127,028,861	129,668,819	135,445,288	146,685,802	157,363,682	221,495,055	227,506,445	233,427,450	241,028,255
Regulatory Debits	-	-	-	95,997	326,452	573,607	1,546,257	2,138,053	2,977,184	3,601,638
Current Income Taxes	71,467,084	85,591,214	96,759,782	103,862,569	110,811,619	57,699,872	45,967,519	42,866,766	36,889,302	35,529,970
Property and Other Taxes	25,031,903	26,115,114	28,340,155	29,938,281	31,439,291	33,778,950	36,773,893	37,740,847	40,069,212	42,894,511
Investment Tax Credit	-	-	-	2,942,920	8,291	-	-	-	-	-
Amortization of Investment Tax Credit	(1,987,122)	(1,691,460)	(1,260,914)	(1,168,810)	(1,066,927)	(957,396)	(1,004,121)	(961,181)	(940,781)	(931,321)
Loss(Gain) from Disposition of Utility Plant	-	-	-	-	-	(63,088)	-	-	-	-
Loss(Gain) from Disposition of Allowances	(282)	(427)	(123)	(72)	(33,526)	(39,992)	-	-	-	-
Total Operating Expenses	937,694,636	999,210,301	943,563,176	908,099,116	907,836,320	900,216,346	945,730,955	950,147,065	970,721,845	986,673,886
Net Operating Income	158,901,806	178,434,119	202,514,227	231,017,604	236,462,645	267,570,759	259,057,840	252,179,426	239,515,344	235,047,514
Gas Only										
Gas Only	Most Recent Five Calendar Years					Base Period	Test Year	Forecasted		
	2013	2014	2015	2016	2017	12/31/2018	4/30/2020	2020	2021	2022
INCOME STATEMENT										
Operating Revenues										
Gas Operating Revenues	\$ 324,221,274	\$ 360,282,966	\$ 319,521,344	\$ 288,728,401	\$ 311,929,143	\$ 324,611,484	\$ 332,172,729	\$ 335,066,048	\$ 333,979,260	\$ 336,478,750
Total Operating Revenues	324,221,274	360,282,966	319,521,344	288,728,401	311,929,143	324,611,484	332,172,729	335,066,048	333,979,260	336,478,750
Operating Expenses										
Gas Supply Expenses	159,274,580	194,255,410	142,271,053	104,509,026	118,144,946	131,652,535	124,073,292	122,598,163	119,315,783	118,964,950
Other Operation Expenses	46,513,823	47,950,706	53,009,798	53,580,955	57,437,538	63,782,333	65,155,867	65,998,713	67,552,130	68,882,524
Maintenance	17,767,537	19,132,623	19,444,128	16,902,140	16,967,532	20,311,986	32,983,190	24,658,774	26,289,762	31,362,738
Depreciation & Amortization Expense	26,053,846	29,585,956	32,304,438	34,329,164	36,294,831	37,395,172	40,200,199	42,808,046	45,876,595	48,530,134
Current Income Taxes	22,786,604	20,059,077	20,739,458	22,231,102	23,331,438	10,181,304	7,718,290	9,696,394	7,923,772	6,122,484
Property and Other Taxes	7,485,145	8,085,298	9,059,891	9,949,447	10,414,145	11,316,086	12,584,590	13,300,455	15,037,565	16,221,817
Amortization of Investment Tax Credit	(113,220)	(97,320)	(77,720)	(60,420)	(46,520)	(25,220)	(4,653)	(920)	(520)	(520)
Total Operating Expenses	279,768,315	318,971,751	276,751,047	241,441,414	262,543,910	274,614,196	282,710,775	279,059,625	281,995,087	290,084,127

Louisville Gas and Electric Company

Case No. 2018-00295

Comparative Income Statement

Base Period: Twelve Months Ended December 31, 2018

Forecasted Test Period: Twelve Months Ended April 30, 2020

Net Operating Income	44,452,959	41,311,215	42,770,297	47,286,987	49,385,233	49,997,288	49,461,954	56,006,423	51,984,173	46,394,624
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Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(j)
Sponsoring Witness: Daniel K. Arbough

Description of Filing Requirement:

A cost of capital summary for both the base period and forecasted period with supporting schedules providing details on each component of the capital structure.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE J

COST OF CAPITAL

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295

BASE PERIOD : FOR THE 12 MONTHS ENDED DECEMBER 31, 2018

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED APRIL 30, 2020

SCHEDULE

DESCRIPTION

J-1	COST OF CAPITAL SUMMARY
J-1.1/J-1.2	AVERAGE FORECASTED PERIOD CAPITAL STRUCTURE
J-2	EMBEDDED COST OF SHORT-TERM DEBT
J-3	EMBEDDED COST OF LONG-TERM DEBT
B-1.1	JURISDICTIONAL RATE BASE FOR CAPITAL ALLOCATION

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295

COST OF CAPITAL SUMMARY

AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: AS OF END OF BASE PERIOD

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

WORKPAPER REFERENCE NO(S).:

SCHEDULE J-1

PAGE 2 OF 4

WITNESS: D. K. ARBOUGH

LINE NO.	CLASS OF CAPITAL	WORKPAPER REFERENCE	AMOUNT	JURISDICTIONAL RATE BASE PERCENTAGE	JURISDICTIONAL CAPITAL	ADJUSTMENT AMOUNT	JURISDICTIONAL ADJUSTED CAPITAL	PERCENT OF TOTAL	COST RATE	WEIGHTED COST
	(A)	(B)	(C)	(D)	(E=CxD)	(F)	(G=E+F)	(H)	(I)	(J=HxI)
			\$	%	\$	\$	\$		%	%
ELECTRIC:										
1	SHORT-TERM DEBT	J-2	279,133,251	81.97%	228,805,526	(72,362,755)	156,442,771	6.39%	2.94%	0.19%
2	LONG-TERM DEBT	J-3	1,792,446,210	81.97%	1,469,268,158	(464,675,364)	1,004,592,794	41.02%	4.08%	1.67%
3	COMMON EQUITY		<u>2,298,010,005</u>	81.97%	<u>1,883,678,801</u>	<u>(595,738,176)</u>	<u>1,287,940,625</u>	<u>52.59%</u>	<u>10.42%</u>	<u>5.48%</u>
4	TOTAL CAPITAL		<u><u>4,369,589,466</u></u>		<u><u>3,581,752,485</u></u>	<u><u>(1,132,776,295)</u></u>	<u><u>2,448,976,190</u></u>	<u><u>100.00%</u></u>		<u><u>7.34%</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295

COST OF CAPITAL SUMMARY

AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: AS OF END OF BASE PERIOD

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

WORKPAPER REFERENCE NO(S).:

SCHEDULE J-1

PAGE 4 OF 4

WITNESS: D. K. ARBOUGH

LINE NO.	CLASS OF CAPITAL	WORKPAPER REFERENCE	AMOUNT	JURISDICTIONAL RATE BASE PERCENTAGE	JURISDICTIONAL CAPITAL	ADJUSTMENT AMOUNT	JURISDICTIONAL ADJUSTED CAPITAL	PERCENT OF TOTAL	COST RATE	WEIGHTED COST
	(A)	(B)	(C)	(D)	(E=CxD)	(F)	(G=E+F)	(H)	(I)	(J=HxI)
			\$	%	\$	\$	\$		%	%
GAS:										
1	SHORT-TERM DEBT	J-2	279,133,251	18.03%	50,327,725	(2,581,978)	47,745,747	6.39%	2.94%	0.19%
2	LONG-TERM DEBT	J-3	1,792,446,210	18.03%	323,178,052	(16,580,097)	306,597,954	41.02%	4.08%	1.67%
3	COMMON EQUITY		<u>2,298,010,005</u>	18.03%	<u>414,331,204</u>	<u>(21,256,554)</u>	<u>393,074,650</u>	<u>52.59%</u>	<u>10.42%</u>	<u>5.48%</u>
4	TOTAL CAPITAL		<u><u>4,369,589,466</u></u>		<u><u>787,836,981</u></u>	<u><u>(40,418,629)</u></u>	<u><u>747,418,351</u></u>	<u><u>100.00%</u></u>		<u><u>7.34%</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295

EMBEDDED COST OF SHORT-TERM DEBT

AS OF DECEMBER 31, 2018

DATA: ☒ BASE PERIOD ☐ FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD

SCHEDULE J-2

TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☒ REVISED

PAGE 1 OF 3

WORKPAPER REFERENCE NO(S):

WITNESS: D. K. ARBOUGH

LINE NO.	ISSUE	AMOUNT OUTSTANDING	INTEREST RATE	INTEREST REQUIREMENT
	(A)	(B)	(C)	(D=BxC)
		\$	%	\$
1	Commercial Paper	279,133,251	2.944%	8,218,047
2				-
3				-
4	Total	279,133,251	2.944%	8,218,047
5	Weighted Cost of Short-Term Debt	2.944%		

DATA: X BASE PERIOD FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD
TYPE OF FILING: ORIGINAL X UPDATED X REVISED
WORKPAPER REFERENCE NO(S):

WITNESS: D. K. ARBOUGH

LINE NO.	DEBT ISSUE TYPE	COUPON RATE	DATE ISSUED (DAY/MO/YR)	MATURITY DATE (DAY/MO/YR)	PRINCIPAL AMOUNT	UNAMORT. (DISCOUNT) OR PREMIUM	UNAMORT. DEBT EXPENSE	UNAMORT. LOSS ON REACQUIRED DEBT	CARRYING VALUE	ANNUAL COST					TOTAL
										INTEREST	AMORT. (DISCOUNT) OR PREMIUM	AMORT. DEBT EXPENSE	AMORT. LOSS ON REACQUIRED DEBT	LETTER OF CREDIT AND OTHER FEES	
1	LG&E_473044BV6_PCB Variable due Sep 1, 2026	1.92%	Mar. 6, 2002	Sep 1, 2026	22,500,000		76,590	593,546	21,829,864	432,000		9,209	77,401	22,500	541,109
2	LG&E_546749AK8_PCB Variable due Feb 1, 2035	2.20%	Apr. 13, 2005	Feb 1, 2035	40,000,000		44,596	1,360,867	38,594,536	880,000		76,242	84,562		1,040,804
3	LG&E_546749AL6_PCB Variable Series DD due Nov 1, 2027	2.55%	Mar. 22, 2002	Nov 1, 2027	35,000,000		175,948	530,361	34,293,690	892,500		51,021	60,025		1,003,546
4	LG&E_546749AM4_PCB Variable due Oct 1, 2033	1.50%	Nov. 20, 2003	Oct 1, 2033	128,000,000		99,465	4,601,344	123,299,191	1,920,000		383,482	313,572		2,617,054
5	LG&E_546751AH1_PCB Variable due June 1, 2033	1.25%	Apr. 26, 2007	June 1, 2033	35,200,000		69,031	473,354	34,657,615	440,000		154,585	32,822		627,407
6	LG&E_546751AJ7_PCB Variable \$31 mil due June 1, 2033	1.25%	Apr. 26, 2007	June 1, 2033	31,000,000		65,888	509,801	30,424,311	387,500		147,545	35,349		570,395
7	LG&E_896224AW2_PCB Variable Series EE due Nov 1, 2027	2.55%	Mar. 22, 2002	Nov 1, 2027	35,000,000		175,948	528,753	34,295,299	892,500		51,021	59,843		1,003,364
8	LG&E_896224AX0_PCB Variable Series CC due Sep 1, 2026	2.30%	Mar. 6, 2002	Sep 1, 2026	27,500,000		246,814	584,020	26,669,166	632,500		59,222	76,158		767,881
9	LG&E_896224AY8_PCB Variable due Sep 1, 2044	1.88%	Sep. 15, 2016	Sep. 1, 2044	125,000,000		824,904	3,697,578	120,477,518	2,350,000		25,345	143,959	125,000	2,644,304
10	LG&E_896221AD0_PCB 3.75% due June 1, 2033	3.75%	Apr. 26, 2007	June 1, 2033	60,000,000		636,402	57,992,086	2,250,000		44,096	95,099		-	2,389,195
11	LG&E_546676AU1_FMB 5.125% due Nov. 15, 2040	5.13%	Nov. 16, 2010	Nov. 15, 2040	285,000,000	(2,260,864)	2,607,789		280,131,346	14,606,250	103,294	119,144			14,828,688
12	LG&E_546676AV9_FMB 4.65% due Nov 1, 2043	4.65%	Nov. 14, 2013	Nov. 15, 2043	250,000,000	(1,492,170)	2,269,229		246,238,601	11,625,000	59,956	91,179			11,776,135
13	LG&E_546676AW7_FMB 3.30% due Oct 1, 2025	3.30%	Sep. 28, 2015	Oct 1, 2025	300,000,000	(86,976)	1,603,063		298,309,961	9,900,000	12,879	237,370			10,150,249
14	LG&E_546676AX5_FMB 4.375% due Oct. 1, 2045	4.38%	Sep. 28, 2015	Oct 1, 2045	250,000,000	(184,953)	2,291,533		247,523,513	10,937,500	6,910	85,610			11,030,020
15	LG&E_2017 Term Loan \$100M	3.01%	Oct. 26, 2017	Oct. 25, 2019	100,000,000		47,133		99,952,867	3,010,000		57,165		-	3,067,165
16	LG&E_2018 Term Loan \$100M	2.93%	Jan. 11, 2018	Oct. 25, 2019	100,000,000				100,000,000	2,930,000				-	2,930,000
17	Revolving Credit Facility						1,955,537	103,720	(2,059,258)	-	-	480,331	25,476	506,944	1,012,751
18	Called Bonds							184,098	(184,098)				21,231		21,231
19	JP Morgan Chase Bank 5.495%			Nov. 1, 2020						2,995,978					2,995,978
20	Morgan Stanley Capital Services 3.657%			Oct 1, 2033						608,368					608,368
21	Morgan Stanley Capital Services 3.645%			Oct 1, 2033						604,726					604,726
22	Bank of America 3.695%									-					-
23	2013 30-Year - Swap Hedging FMB - 4.65%									(1,433,704)					(1,433,704)
24	2015 10-Year - Swap Hedging FMB -3.30%									1,405,380					1,405,380
25	2015 30-Year - Swap Hedging FMB - 4.375%									986,056					986,056
26															
27				TOTALS		1,824,200,000	(4,024,964)	13,189,872	14,538,954	1,792,446,210	69,252,554	183,039	2,072,566	1,025,498	73,188,101
28															
29															4.08%

LOUISVILLE GAS AND ELECTRIC COMPANY

Net Original Cost Rate Base as of December 31, 2018

Title of Account (1)	Total Electric (2)	ECR (3)	DSM (4)	ARO (5)	Trimble County Inventories (6)	Pro Forma Adjustments (7)	Base Electric (8) (2 + 3 + 4 + 5 + 6 + 7)	Total Gas (9)	GLT (10)	DSM (11)	ARO (12)	Pro Forma Adjustments (13)	Base Gas (14) (9 + 10 + 11 + 12 + 13)	Total Company (15) (2 + 9)
1. Utility Plant at Original Cost (a)	\$ 6,206,094,635	\$ 1,501,399,555	\$ 8,678,567	\$ 85,407,699	\$ -	\$ -	\$ 4,610,608,815	\$ 1,376,126,199	\$ 47,145,477	\$ -	\$ 24,722,592	\$ -	\$ 1,304,258,130	\$ 7,582,220,834
2. Deduct:														
3. Reserve for Depreciation (a)	1,854,762,994	92,529,487	3,596,591	45,848,980	-	-	1,712,787,935	393,331,900	875,631	-	3,178,841	-	389,277,428	2,248,094,894
4. Net Utility Plant	4,351,331,641	1,408,870,067	5,081,975	39,558,718	-	-	2,897,820,879	982,794,299	46,269,846	-	21,543,751	-	914,980,702	5,334,125,940
5. Deduct:														
6. Customer Advances for Construction	2,574,830	-	-	-	-	-	2,574,830	6,749,116	-	-	-	-	6,749,116	9,323,946
7. Accumulated Deferred Income Taxes (a)	953,806,209	270,136,323	1,344,223	-	-	-	682,325,663	231,305,248	5,841,052	-	-	-	225,464,196	1,185,111,457
8. Total Deductions	956,381,039	270,136,323	1,344,223	-	-	-	684,900,493	238,054,364	5,841,052	-	-	-	232,213,312	1,194,435,403
9. Net Plant Deductions	3,394,950,602	1,138,733,744	3,737,753	39,558,718	-	-	2,212,920,386	744,739,935	40,428,793	-	21,543,751	-	682,767,391	4,139,690,537
10. Add:														
11. Material and Supplies (b)(c)	85,257,311	143	-	-	5,791,944	-	79,465,223	1,579,559	-	-	-	-	1,579,559	86,836,870
12. Gas Stored Underground (b)	-	-	-	-	-	-	-	29,408,144	-	-	-	-	29,408,144	29,408,144
13. Prepayments (b)(d)	12,829,602	-	-	-	-	-	12,829,602	3,400,089	-	-	-	-	3,400,089	16,229,691
14. Cash Working Capital	78,825,565	725,138	-	-	-	-	78,100,427	10,034,214	-	-	-	-	10,034,214	88,859,779
15. Unamortized Closure Costs	16,691,203	16,691,203	-	-	-	-	-	-	-	-	-	-	-	16,691,203
16. Total Additions	193,603,681	17,416,484	-	-	5,791,944	-	170,395,252	44,422,006	-	-	-	-	44,422,006	238,025,686
17. Total Net Original Cost Rate Base	<u>\$ 3,588,554,282</u>	<u>\$ 1,156,150,229</u>	<u>\$ 3,737,753</u>	<u>\$ 39,558,718</u>	<u>\$ 5,791,944</u>	<u>\$ -</u>	<u>\$ 2,383,315,638</u>	<u>\$ 789,161,941</u>	<u>\$ 40,428,793</u>	<u>\$ -</u>	<u>\$ 21,543,751</u>	<u>\$ -</u>	<u>\$ 727,189,396</u>	<u>\$ 4,377,716,224</u>
18. ARO Balance Sheet Offset				(39,558,718)			39,558,718				(21,543,751)		21,543,751	-
19. Total Net Original Cost Rate Base for Capital Allocation	<u>\$ 3,588,554,282</u>	<u>\$ 1,156,150,229</u>	<u>\$ 3,737,753</u>	<u>\$ -</u>	<u>\$ 5,791,944</u>	<u>\$ -</u>	<u>\$ 2,422,874,356</u>	<u>\$ 789,161,941</u>	<u>\$ 40,428,793</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 748,733,148</u>	<u>\$ 4,377,716,224</u>
20. Percentage of Rate Base to Total Company Rate Base	<u>81.97%</u>	<u>26.41%</u>	<u>0.09%</u>	<u>0.00%</u>	<u>0.13%</u>	<u>0.00%</u>	<u>55.35%</u>	<u>18.03%</u>	<u>0.92%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>17.10%</u>	<u>100.00%</u>

- (a) Common utility plant and the reserve for depreciation are allocated 69% to the Electric Department and 31% to the Gas Department.
 (b) Average for 13 months.
 (c) Includes emission allowances.
 (d) Excludes PSC fees.

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(k)
Sponsoring Witness: Daniel K. Arbough

Description of Filing Requirement:

Comparative financial data and earnings measures for the ten (10) most recent calendar years, the base period, and the forecast period.

Response:

See attached. Note that the attached does not reflect any impact from rate case activity beyond 2018.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Louisville Gas and Electric Company
Case No. 2018-00295
Comparative financial data
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

Line No.	Description	Forecasted Period (a)	Base Period	Ten most recent calendar years									
				2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
1	Utility Plant in Service (\$000)												
2	Common												
3	Common General Plant	\$ 182,355	\$ 173,038	\$ 158,823	\$ 160,117	\$ 170,281	\$ 167,861	\$ 158,964	\$ 153,000	\$ 159,632	\$ 160,482	\$ 163,407	\$ 158,551
4	Common Intangible Plant	93,101	115,156	113,776	99,488	95,663	86,140	77,667	66,225	63,132	59,170	62,628	31,879
5	Total Common	275,457	288,194	272,599	259,605	265,944	254,001	236,631	219,225	222,764	219,652	226,034	190,431
6	Less: Accumulated Provision for Depreciation and Amortization	127,691	154,236	139,692	132,287	138,395	135,128	117,206	99,961	97,371	93,637	106,227	100,810
7	Common Plant in Service-Net	\$ 147,766	\$ 133,958	\$ 132,907	\$ 127,318	\$ 127,549	\$ 118,873	\$ 119,425	\$ 119,264	\$ 125,393	\$ 126,015	\$ 119,807	\$ 89,621
8	Electric Plant												
9	Electric Distribution	\$ 1,617,375	\$ 1,451,637	\$ 1,370,550	\$ 1,300,532	\$ 1,232,856	\$ 1,161,485	\$ 1,090,365	\$ 1,050,893	\$ 987,725	\$ 938,834	\$ 892,658	\$ 822,054
10	Electric General	23,682	22,497	21,212	20,707	17,652	20,991	17,796	16,107	15,950	16,572	16,833	16,861
11	Hydro Production Plant	158,321	149,370	146,144	127,493	96,726	96,133	61,910	60,974	42,552	41,697	41,596	40,750
12	Electric Intangible Plant	2	2	2	2	2	2	3	2	2	3	2	2
13	Electric Other Production	416,802	398,611	398,638	384,920	365,284	245,297	242,886	242,259	237,783	231,168	231,250	226,801
14	Electric Steam Production	3,523,929	3,054,008	3,024,098	3,001,852	2,743,677	2,624,427	2,250,838	2,207,315	2,155,753	1,946,276	1,903,881	1,973,883
15	Electric Transmission	510,482	464,208	432,831	424,956	382,269	347,911	319,310	304,594	292,320	282,788	242,968	257,660
16	Total Electric Plant - Gross	6,250,593	5,540,333	5,393,475	5,260,462	4,838,466	4,496,246	3,983,108	3,882,144	3,732,085	3,457,338	3,329,188	3,338,011
17	Less: Accumulated Depreciation and Amortization	1,927,843	1,748,382	1,680,042	1,616,514	1,589,337	2,008,999	1,925,797	1,852,617	1,783,823	1,720,718	1,635,096	1,618,966
18	Electric Plant in Service-Net	\$ 4,322,750	\$ 3,791,951	\$ 3,713,433	\$ 3,643,948	\$ 3,249,129	\$ 2,487,247	\$ 2,057,311	\$ 2,029,527	\$ 1,948,262	\$ 1,736,619	\$ 1,694,092	\$ 1,719,045
19	Gas Plant												
20	Gas Distribution	\$ 1,062,357	\$ 984,030	\$ 943,963	\$ 883,475	\$ 818,369	\$ 756,502	\$ 700,841	\$ 645,232	\$ 611,817	\$ 574,219	\$ 544,481	\$ 511,327
21	Gas General Plant	15,362	13,897	12,382	12,101	11,065	10,992	9,476	9,274	8,467	9,305	9,226	9,038
22	Gas Intangible Plant	-	-	-	-	-	-	-	2	1	1	1	1
23	Gas Storage	208,872	179,769	169,849	161,620	141,096	134,450	98,723	96,675	83,235	81,507	70,864	65,901
24	Gas Transmission	113,496	58,909	55,163	55,055	52,773	48,384	35,751	29,332	23,001	16,662	14,879	12,902
25	Total Gas Plant - Gross	1,400,086	1,236,605	1,181,357	1,112,251	1,023,303	950,328	844,791	780,515	726,521	681,694	639,451	599,168
26	Less: Accumulated Depreciation and Amortization	383,981	345,541	324,732	304,227	288,205	272,699	261,130	249,178	236,680	228,744	220,515	219,391
27	Gas Plant in Service-Net	\$ 1,016,105	\$ 891,064	\$ 856,625	\$ 808,024	\$ 735,098	\$ 677,629	\$ 583,661	\$ 531,337	\$ 489,841	\$ 452,950	\$ 418,936	\$ 379,777
28	Plant Held for Future Use	3,120	3,120	3,127	3,127	5,867	5,867	5,523	1,892	649	4,832	4,832	4,832
29	Construction Work In Progress	176,679	513,967	304,939	133,728	389,846	676,320	651,432	258,365	215,276	385,324	342,127	374,023
30	Property Under Operating Lease (net Accumulated Depreciation)	14,067	-	-	-	-	-	-	-	-	-	-	-
31	Net Utility Plant	\$ 5,680,488	\$ 5,334,060	\$ 5,011,031	\$ 4,716,145	\$ 4,507,489	\$ 3,965,936	\$ 3,417,353	\$ 2,940,385	\$ 2,779,422	\$ 2,705,740	\$ 2,579,794	\$ 2,567,298
32	Capital Structure: (\$000)												
33	(\$'s Based on Period-End Accounts)												
34	Short-Term Debt	\$ 97,017	\$ 279,133	\$ 198,888	\$ 168,714	\$ 141,969	\$ 263,956	\$ 19,997	\$ 54,993	\$ -	\$ 174,876	\$ 170,400	\$ 221,999
35	Long-Term Debt	2,089,483	1,792,446	1,690,490	1,599,871	1,621,983	1,323,716	1,321,995	1,072,821	1,071,346	907,104	869,131	867,878
36	Preferred Stock	-	-	-	-	-	-	-	-	-	-	-	-
37	Common Equity	2,472,885	2,138,596	2,138,596	2,086,500	1,940,270	1,783,851	1,570,219	1,424,518	1,376,846	1,335,909	1,252,740	1,234,461
38	Total	\$ 4,659,385	\$ 4,210,175	\$ 4,027,974	\$ 3,855,085	\$ 3,704,222	\$ 3,371,523	\$ 2,912,211	\$ 2,552,332	\$ 2,448,192	\$ 2,417,889	\$ 2,292,271	\$ 2,324,338

Louisville Gas and Electric Company
Case No. 2018-00295
Comparative financial data
Base Period: Twelve Months Ended December 31, 2018
Forecasted Test Period: Twelve Months Ended April 30, 2020

Line No.	Description	Forecasted Period (a)	Base Period	Ten most recent calendar years										
				2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	
39	Condensed Income Statement Data: (\$000)													
40	Operating Revenues	\$ 1,536,962	\$ 1,492,399	\$ 1,456,228	\$ 1,427,845	\$ 1,465,599	\$ 1,537,927	\$ 1,420,818	\$ 1,323,625	\$ 1,364,325	\$ 1,318,559	\$ 1,280,993	\$ 1,473,319	
41	Operating Expenses (Excluding Income Taxes)	1,126,406	1,062,837	995,489	981,845	1,066,753	1,180,120	1,092,793	1,055,288	1,096,778	1,068,371	1,088,146	1,230,788	
42	Federal and State Income Taxes	13,096	6,721	6,341	(19,107)	(10,019)	(14,305)	69,186	1,992	20,229	34,922	29,167	44,325	
43	Deferred Federal and State Income Taxes	40,590	61,161	127,802	145,201	127,519	119,956	25,067	70,969	54,236	30,037	9,777	(4,758)	
44	Property and Other Taxes	49,358	45,095	41,853	39,888	37,400	34,200	32,517	31,027	28,121	22,571	23,544	23,957	
45	Investment Tax Credit	-	-	8	2,943	-	-	-	-	-	-	3,649	8,121	
46	Amortization of Investment Tax Credit	(1,009)	(983)	(1,113)	(1,229)	(1,339)	(1,789)	(2,100)	(2,848)	(2,806)	(2,502)	(3,044)	(3,871)	
47	Net Operating Income	308,520	317,568	285,848	278,304	245,285	219,745	203,355	167,197	167,767	165,160	129,754	174,757	
48	Other Income (Deductions), Net	(2,354)	(8,496)	(2,120)	(3,834)	(3,420)	(2,494)	(2,657)	(2,052)	1,079	10,717	13,106	(31,218)	
49	Income before Interest Charges	306,166	309,072	283,728	274,470	241,865	217,251	200,698	165,145	168,846	175,877	142,860	143,539	
50	Interest Charges	97,621	76,658	69,632	71,241	56,445	49,119	41,997	42,222	44,660	48,163	47,743	53,339	
51	Net Income Available for Common Equity	\$ 208,545	\$ 232,414	\$ 214,096	\$ 203,229	\$ 185,420	\$ 168,132	\$ 158,701	\$ 122,923	\$ 124,186	\$ 127,714	\$ 95,117	\$ 90,200	
52	Cash Flow (in millions)													
53	Net operating cash flows	479	443	512	482	554	371	366	305	325	181	309	197	
54	Net investing cash flows	(475)	(554)	(458)	(439)	(689)	(656)	(577)	(286)	(42)	(170)	(176)	(232)	
55	Net Free Cash Flow before dividends	\$ 4	\$ (111)	\$ 54	\$ 43	\$ (135)	\$ (285)	\$ (211)	\$ 19	\$ 283	\$ 11	\$ 133	\$ (35)	
56	Cost of Capital:													
57	Embedded Cost of Debt (Short and Long Term)	4.46%	3.70%	3.80%	3.80%	3.93%	3.16%	3.56%	3.43%	3.81%	3.97%	4.40%	4.34%	
58	Fixed Charge Coverages:													
59	Ratio of Earnings to Fixed Charges	3.6	4.7	5.5	5.3	5.9	6.3	8.1	5.4	5.2	4.7	3.7	3.8	
60	Stock and Bond Ratings:													
61	Moody's Senior Secured	N/A	A1	A1	A1	A1	A1	A1	A2	A2	A2	N/A	N/A	
62	S&P Senior Secured	N/A	A	A	A	A	A-	A-	A-	A-	A	N/A	N/A	
63	Fitch Senior Secured	N/A	N/A	N/A	N/A	N/A	A+	A+	A+	A+	A+	N/A	N/A	
64	Moody's Commercial Paper	N/A	P-2	P-2	P-2	P-2	P-2	P-2	P-2	P-2	P-2	P-1	P-1	
65	S&P Commercial Paper	N/A	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	
66	Fitch Commercial Paper	N/A	N/A	N/A	N/A	N/A	F2	F2	F2	F2	F2	N/A	N/A	
67	Common Stock Related Data:													
68	Dividend Payout Ratio (Declared Basis)	0.65	0.67	0.90	0.63	0.64	0.67	0.62	0.61	0.67	0.43	0.84	0.44	
69	Rate of Return Measures:													
70	Return on Common Equity (13 Month Average)	8.55%	10.11%	10.29%	10.07%	10.08%	10.23%	10.59%	8.77%	9.12%	9.94%	7.78%	7.68%	

(a) Data for forecast does not reflect any impact from rate case activity.

(68) Prior to 2010, under the Company's previous owner, dividends were netted with capital contributions whenever the owner made contributions to the Company. In November and December 2010, dividend payments changed due to the acquisition of Louisville Gas and Electric Company by PPL Corporation.

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(1)
Sponsoring Witness: Robert M. Conroy

Description of Filing Requirement:

A narrative description and explanation of all proposed tariff changes.

Response:

Please refer to the testimony of Robert M. Conroy and also refer to the Proposed Tariff Sheets under KAR 5:001 Section 16(1)(b)(3)[Tab No. 4] and the Side By Side Comparisons under KAR 5:001 Section 16(1)(b)(4)[Tab No. 5].

Base Period Update Response:

No update is required for this section.

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(m)
Sponsoring Witness: William Steven Seelye

Description of Filing Requirement:

A revenue summary for both the base period and forecasted period with supporting schedules, which provide detailed billing analyses for all customer classes.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2018-00295
Base Period Revenues at Current Electric Rates
for the Twelve Months Ending December 31, 2018
Electric Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORK PAPER REFERENCE NO(S):

Schedule M-1.1-E
Page 1 of 1
Witness: W. S. SEELYE

Rate Class	Total Revenue at Current Rates
Residential Service	\$ 460,471,965
Residential Time-of-Day Service	\$ 79,885
General Service	\$ 154,085,708
Power Service-Secondary	\$ 156,861,409
Power Service-Primary	\$ 10,294,941
Time-of-Day Secondary Service	\$ 97,398,582
Time-of-Day Primary Service	\$ 137,357,739
Retail Transmission Service	\$ 64,585,881
Fluctuating Load Service	\$ 0
Curtable Service Riders	\$ (4,311,993)
Lighting Energy Service	\$ 264,080
Traffic Energy Service	\$ 326,541
Outdoor Sports Lighting Service Secondary	\$ 17,292
Outdoor Sports Lighting Service Primary	\$ 0
School Power Service	\$ 5,084,528
School Time of Day Service	\$ 488,750
Electric Vehicle Charging Service	\$ 2,195
Lighting Service & Restricted Lighting Service	\$ 21,348,325
Special Contracts	<u>\$ 3,532,127</u>
Sales to Ultimate Consumers	\$ 1,107,887,954
Other Operating Revenues:	
Late Payment Charge	\$ 2,764,434
Electric Service Revenues	\$ 1,966,751
Rent from Electric Property	\$ 4,129,320
Other Miscellaneous Revenue	<u>\$ 13,270,426</u>
TOTAL	\$ 1,130,018,885

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2018-00295
Average Bill at Current Electric Rates
for the Twelve Months Ended December 31, 2018
Electric Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORK PAPER REFERENCE NO(S):

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Rate Class	Customer Months	kWh	Average Consumption, kWh	Annual Revenue at Current Rates	Average Current Bill
Residential Service Rate	4,406,520	4,392,467,083	997	\$ 460,471,965	\$ 104.52
Residential Time-of-Day Service Rate	693	844,557	1,219	\$ 79,885	\$ 115.30
Residential Service Rates	4,407,213	4,393,311,640	997	\$ 460,551,850	\$ 104.52
General Service Rate	548,169	1,311,999,801	2,393	\$ 154,085,708	\$ 281.04
Power Service Secondary Rate	33,073	1,696,360,823	51,291	\$ 156,861,409	\$ 4,742.85
Power Service Primary Rate	783	93,902,886	119,927	\$ 10,294,941	\$ 13,148.07
Power Service Rates	33,856	1,790,263,709	52,879	\$ 167,156,350	\$ 4,937.30
Time of Day Secondary Service Rate	5,245	1,223,514,598	233,273	\$ 97,398,582	\$ 18,569.83
Time of Day Primary Service Rate	1,504	2,047,629,300	1,361,456	\$ 137,357,739	\$ 91,328.31
Time of Day Service Rates	6,749	3,271,143,898	484,686	\$ 234,756,321	\$ 34,783.89
Retail Transmission Service Rate	153	1,066,954,049	6,973,556	\$ 64,585,880	\$ 422,129.95
Fluctuating Load Service Rate	0	0	0	\$ 0	\$ 0.00
Curtable Service Riders	33	0	0	\$ (4,311,993)	\$ 0.00
Special Contracts	24	57,044,400	2,376,850	\$ 3,532,127	\$ 147,171.94
Lighting Energy Service Rate	2,055	3,912,222	1,904	\$ 264,080	\$ 128.52
Traffic Energy Service Rate	11,376	3,309,752	291	\$ 326,541	\$ 28.71
Outdoor Sports Lighting Service Secondary Rate	12	51,640	4,303	\$ 17,292	\$ 1,440.93
Outdoor Sports Lighting Service Primary Rate	0	0	0	\$ 0	\$ 0.00
Outdoor Sports Lighting Service Rates	12	51,640	4,303	\$ 17,292	\$ 1,440.93
School Power Service Rate	730	51,406,135	70,419	\$ 5,084,528	\$ 6,965.07
School Time of Day Service Rate	37	5,114,700	138,235	\$ 488,750	\$ 13,209.46
Electric Vehicle Charging Rate	43	3,078	72	\$ 2,195	\$ 51.35
Lighting Service and Restricted Lighting Service	1,077,605	102,913,926	96	\$ 21,348,325	\$ 19.91

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2018-00295
Summary of Base Electric Revenues
for the Twelve Months Ended December 31, 2018
Electric Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
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	Base Period Revenues	Adjustment to Remove Fuel Adjustment Clause	Adjustment to Remove DSM	Adjustment to Remove ECR	Adjustment to Remove Off- System Sales Adjustment Clause	Adjustment to Remove Rent from Electric Property	Adjustment to Remove TCJA	Actual Net Revenue at Base Rates	Calculated Net Base Period Revenue at Base Rates
Residential Service Rate	\$ 460,471,965	\$ (664,086)	\$ 11,278,355	\$ 4,767,101	\$ (3,419,491)	\$ 0	\$ (14,849,861)	\$ 463,359,947	\$ 463,359,947
Residential Time-of-Day Rate	\$ 79,885	\$ (125)	\$ 2,155	\$ 651	\$ (682)	\$ 0	\$ (3,011)	\$ 80,895	\$ 80,895
Residential Service Rates	\$ 460,551,850	\$ (664,211)	\$ 11,280,510	\$ 4,767,753	\$ (3,420,173)	\$ 0	\$ (14,852,872)	\$ 463,440,842	\$ 463,440,842
General Service Rate	\$ 154,085,708	\$ (141,937)	\$ 1,912,301	\$ 1,844,226	\$ (1,140,429)	\$ 0	\$ (3,424,350)	\$ 155,035,898	\$ 155,035,898
Power Service Secondary Rate	\$ 156,861,409	\$ (155,191)	\$ 1,090,572	\$ 1,728,881	\$ (1,522,801)	\$ 3,693	\$ (4,379,840)	\$ 160,096,095	\$ 160,096,095
Power Service Primary Rate	\$ 10,294,941	\$ (6,941)	\$ 64,793	\$ 75,812	\$ (87,600)	\$ 0	\$ (241,403)	\$ 10,490,280	\$ 10,490,280
Power Service Rates	\$ 167,156,350	\$ (162,133)	\$ 1,155,366	\$ 1,804,693	\$ (1,610,402)	\$ 3,693	\$ (4,621,243)	\$ 170,586,375	\$ 170,586,375
Time of Day Secondary Service Rate	\$ 97,398,582	\$ (114,734)	\$ 154,772	\$ 942,865	\$ (1,092,113)	\$ 1,231	\$ (3,180,757)	\$ 100,687,318	\$ 100,687,318
Time of Day Primary Service Rate	\$ 137,357,739	\$ (201,074)	\$ 139,471	\$ 1,496,451	\$ (1,889,005)	\$ 0	\$ (5,321,182)	\$ 143,388,469	\$ 143,388,469
Time to Day Service Rates	\$ 234,756,321	\$ (315,808)	\$ 294,243	\$ 2,439,316	\$ (2,981,118)	\$ 1,231	\$ (8,501,940)	\$ 244,075,788	\$ 244,075,788
Retail Transmission Service Rate	\$ 64,585,881	\$ (87,053)	\$ 0	\$ 862,042	\$ (1,056,070)	\$ 0	\$ (2,634,048)	\$ 67,501,010	\$ 67,501,010
Fluctuating Load Service Rate	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Curtailable Service Rider-1 Transmission	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Curtailable Service Rider-1 Primary	\$ (155,751)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (155,751)	\$ (155,751)
Curtailable Service Rider-2 Transmission	\$ (4,156,241)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (4,156,241)	\$ (4,156,241)
Curtailable Service Rider-2 Primary	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Curtailable Service Riders	\$ (4,311,993)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (4,311,993)	\$ (4,311,993)
Special Contract Customer	\$ 3,532,127	\$ (4,231)	\$ 0	\$ 37,953	\$ (49,265)	\$ 0	\$ (150,562)	\$ 3,698,232	\$ 3,698,232
Lighting Energy Rate	\$ 264,080	\$ (120)	\$ 0	\$ 3,772	\$ (3,671)	\$ 0	\$ (9,631)	\$ 273,731	\$ 273,731
Traffic Energy Rate	\$ 326,541	\$ (129)	\$ 0	\$ 3,825	\$ (3,205)	\$ 0	\$ (8,251)	\$ 334,300	\$ 334,300
Outdoor Sports Lighting Service Secondary Rate	\$ 17,292	\$ (10)	\$ 8	\$ (14)	\$ (42)	\$ 0	\$ (157)	\$ 17,507	\$ 17,507
Outdoor Sports Lighting Service Primary Rate	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Outdoor Sports Lighting Service Rates	\$ 17,292	\$ (10)	\$ 8	\$ (14)	\$ (42)	\$ 0	\$ (157)	\$ 17,507	\$ 17,507
School Power Service Rate	\$ 5,084,528	\$ (4,831)	\$ 37,149	\$ 69,700	\$ (50,786)	\$ 0	\$ (121,019)	\$ 5,154,317	\$ 5,154,317
School Time of Day Service Rate	\$ 488,750	\$ (533)	\$ 857	\$ 9,763	\$ (5,127)	\$ 0	\$ (12,045)	\$ 495,837	\$ 495,837
Electric Vehicle Charging Service Rate	\$ 2,195	\$ (8)	\$ 0	\$ 15	\$ 0	\$ 0	\$ 0	\$ 2,188	\$ 2,188
Lighting Service Rate	\$ 11,926,796	\$ (1,005)	\$ 0	\$ 131,721	\$ (64,366)	\$ 0	\$ (158,982)	\$ 12,019,428	\$ 12,019,428
Restricted Lighting Service Rate	\$ 9,421,529	\$ (617)	\$ 0	\$ 106,258	\$ (37,086)	\$ 0	\$ (91,728)	\$ 9,444,701	\$ 9,444,701
Lighting and Restricted Lighting Service Rates	\$ 21,348,325	\$ (1,622)	\$ 0	\$ 237,979	\$ (101,452)	\$ 0	\$ (250,710)	\$ 21,464,129	\$ 21,464,129
TOTAL ULTIMATE CONSUMERS	\$ 1,107,887,954	\$ (1,382,625)	\$ 14,680,434	\$ 12,081,022	\$ (10,421,739)	\$ 4,924	\$ (34,586,828)	\$ 1,127,768,159	\$ 1,127,768,159
Late Payment Charges	\$ 2,764,434							\$ 2,764,434	\$ 2,764,434
Electric Service Revenues	\$ 1,966,751							\$ 1,966,751	\$ 1,966,751
Rent from Electric Property	\$ 4,129,320							\$ 4,129,320	\$ 4,129,320
Other Miscellaneous Electric Revenue	\$ 13,270,426							\$ 13,270,426	\$ 13,270,426
TOTAL JURISDICTIONAL	\$ 1,130,018,885	\$ (1,382,625)	\$ 14,680,434	\$ 12,081,022	\$ (10,421,739)	\$ 4,924	\$ (34,586,828)	\$ 1,149,899,089	\$ 1,149,899,089

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2018-00295
Detailed Calculation of Base Period Electric Revenues
for the Twelve Months Ending December 31, 2018
Electric Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
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	Customer Months	Total kWh	Unit Charges	Calculated Revenue
RESIDENTIAL RATE RS, inclusive of Volunteer Fire Department				
Basic Service Charge	4,371,541		\$ 12.25	\$ 53,551,377
Water Heating Service	34,979		\$ 0	\$ 0
Partial Month, Prorated and Corrected Billings				\$ (98,046)
Energy Charge (Jan)		437,248,191	\$ 0.08865	\$ 38,762,052
Energy Charge (Feb-Dec)		3,955,218,892	\$ 0.09382	\$ 371,078,636
Minimum and Partial Month Billings, Energy				\$ 65,927
Total Calculated at Base Rates				\$ 463,359,947
Correction Factor				<u>1.000000</u>
Total After Application of Correction Factor				\$ 463,359,947
FAC Mechanism Revenue				\$ (664,086)
DSM Mechanism Revenue				\$ 11,278,355
ECR Mechanism Revenue				\$ 4,767,101
OSS Mechanism Revenue				\$ (3,419,491)
TCJA Surcredit				\$ (14,849,861)
Total Base Period Adjusted Revenues				<u>\$ 460,471,965</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2018-00295
Detailed Calculation of Base Period Electric Revenues
for the Twelve Months Ending December 31, 2018
Electric Operations

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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
RESIDENTIAL RATE RTOD, Residential Time-of-Day Demand and Residential Time-of-Day Energy					
Basic Service Charge	693			\$ 12.25	\$ 8,489
Partial Month, Prorated and Corrected Billings					\$ (64)
Energy Charge, (RTOD-Demand only) (Jan)			0	\$ 0.04666	\$ 0
Energy Charge, (RTOD-Demand only) (Feb-Dec)			128,381	\$ 0.05183	\$ 6,654
Energy Charge, Off-Peak (RTOD-Energy only) (Jan)			63,127	\$ 0.06365	\$ 4,018
Energy Charge, Off-Peak (RTOD-Energy only) (Feb-Dec)			573,724	\$ 0.06882	\$ 39,484
Energy Charge, Peak (RTOD-Energy only) (Jan)			6,838	\$ 0.22966	\$ 1,570
Energy Charge, Peak (RTOD-Energy only) (Feb-Dec)			72,487	\$ 0.23483	\$ 17,022
Minimum and Partial Month Billings, Energy					\$ 2
Peak Demand		314		\$ 7.68	\$ 2,408
Off-Peak Demand		410		\$ 3.51	\$ 1,437
Minimum and Partial Month Billings, Demand					\$ (125)
Total Calculated at Base Rates					\$ 80,895
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor					\$ 80,895
FAC Mechanism Revenue					\$ (125)
DSM Mechanism Revenue					\$ 2,155
ECR Mechanism Revenue					\$ 651
OSS Mechanism Revenue					\$ (682)
TCJA Surcredit					\$ (3,011)
Total Base Period Adjusted Revenues					<u>\$ 79,885</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
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	Customer Months	Total kWh	Unit Charges	Calculated Revenue
GENERAL SERVICE RATE GS				
Single Phase Basic Service Charge	346,123		\$ 31.50	\$ 10,902,875
Single Phase Water/Space Heating Service	1,818		\$ 0	\$ 0
Single Phase Partial Month, Prorated and Corrected Billings				\$ 47,983
Single Phase Energy Charge (Jan)		36,806,525	\$ 0.09647	\$ 3,550,725
Single Phase Energy Charge (Feb-Dec)		347,562,198	\$ 0.10297	\$ 35,788,480
Single Phase Minimum and Partial Month Billings, Energy				\$ 4,217
Three Phase Basic Service Charge	192,315		\$ 50.40	\$ 9,692,676
Three Phase Space Heating Service	7,913		\$ 0	\$ 0
Three Phase Partial Month, Prorated and Corrected Billings				\$ 53,181
Three Phase Energy Charge (Jan)		80,302,743	\$ 0.09647	\$ 7,746,806
Three Phase Energy Charge (Feb-Dec)		847,328,335	\$ 0.10297	\$ 87,249,399
Three Phase Minimum and Partial Month Billings, Energy				\$ (443)
Total Calculated at Base Rates				\$ 155,035,898
Correction Factor				<u>1.000000</u>
Total After Application of Correction Factor				\$ 155,035,898
FAC Mechanism Revenue				\$ (141,937)
DSM Mechanism Revenue				\$ 1,912,301
ECR Mechanism Revenue				\$ 1,844,226
OSS Mechanism Revenue				\$ (1,140,429)
TCJA Surcredit				\$ (3,424,350)
Total Base Period Adjusted Revenues				<u>\$ 154,085,708</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
POWER SERVICE RATE PS-Secondary					
Basic Service Charge	33,073			\$ 90.00	\$ 2,976,570
Partial Month, Prorated and Corrected Billings					\$ 44,853
Energy Charge			1,696,360,823	\$ 0.03756	\$ 63,715,313
Minimum and Partial Month Billings, Energy					\$ (716)
Summer Demand, kW		3,079,566		\$ 22.04	\$ 67,873,640
Winter Demand, kW (Jan)		397,429		\$ 17.56	\$ 6,978,850
Winter Demand, kW (Feb-Apr, Oct-Dec)		1,066,380		\$ 19.39	\$ 20,677,099
Partial Month and Prorated Billings, Demand					\$ (3,019,192)
Redundant Capacity Rider		534,389		\$ 1.59	\$ 849,679
Total Calculated at Base Rates					\$ 160,096,095
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor					\$ 160,096,095
FAC Mechanism Revenue					\$ (155,191)
DSM Mechanism Revenue					\$ 1,090,572
ECR Mechanism Revenue					\$ 1,728,881
OSS Mechanism Revenue					\$ (1,522,801)
TCJA Surcredit					\$ (4,379,840)
Rent from Electric Property					\$ 3,693
Total Base Period Adjusted Revenues					<u>\$ 156,861,409</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2018-00295
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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
POWER SERVICE RATE PS-Primary					
Basic Service Charge	783			\$ 240.00	\$ 187,920
Partial Month, Prorated and Corrected Billings					\$ 2,536
Energy Charge			93,902,886	\$ 0.03609	\$ 3,388,955
Minimum and Partial Month Billings, Energy					\$ 0
Summer Demand, kW		267,445		\$ 19.38	\$ 5,183,078
Winter Demand, kW (Jan)		19,342		\$ 15.03	\$ 290,716
Winter Demand, kW (Feb-Apr, Oct-Dec)		90,201		\$ 16.86	\$ 1,520,790
Partial Month and Prorated Billings, Demand					\$ (214,759)
Redundant Capacity Rider		91,003		\$ 1.44	\$ 131,044
Total Calculated at Base Rates					\$ 10,490,280
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor					\$ 10,490,280
FAC Mechanism Revenue					\$ (6,941)
DSM Mechanism Revenue					\$ 64,793
ECR Mechanism Revenue					\$ 75,812
OSS Mechanism Revenue					\$ (87,600)
TCJA Surcredit					\$ (241,403)
Total Base Period Adjusted Revenues					<u>\$ 10,294,941</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2018-00295
Detailed Calculation of Base Period Electric Revenues
for the Twelve Months Ending December 31, 2018
Electric Operations

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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
TIME OF DAY SECONDARY SERVICE RATE TODS					
Basic Service Charge	5,245			\$ 200.00	\$ 1,049,000
Partial Month, Prorated and Corrected Billings					\$ 4,259
Energy Charge			1,223,514,598	\$ 0.03734	\$ 45,686,035
Minimum and Partial Month Billings, Energy					\$ (0)
Demand kW Base (Jan)		281,497		\$ 4.61	\$ 1,297,699
Demand kW Base (Feb-Dec)		3,356,632		\$ 5.21	\$ 17,488,055
Demand kW Intermediate (Jan)		210,345		\$ 4.91	\$ 1,032,792
Demand kW Intermediate (Feb-Dec)		2,524,184		\$ 5.51	\$ 13,908,254
Demand kW Peak (Jan)		204,131		\$ 6.70	\$ 1,367,680
Demand kW Peak (Feb-Dec)		2,461,857		\$ 7.30	\$ 17,971,558
Partial Month and Prorated Billings, Demand					\$ 24,885
Redundant Capacity Rider		539,058		\$ 1.59	\$ 857,102
Economic Development Rider					\$ 0
Total Calculated at Base Rates					\$ 100,687,318
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor					\$ 100,687,318
FAC Mechanism Revenue					\$ (114,734)
DSM Mechanism Revenue					\$ 154,772
ECR Mechanism Revenue					\$ 942,865
OSS Mechanism Revenue					\$ (1,092,113)
TCJA Surcredit					\$ (3,180,757)
Rent from Electric Property					\$ 1,231
Total Base Period Adjusted Revenues					<u><u>\$ 97,398,582</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2018-00295
Detailed Calculation of Base Period Electric Revenues
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Electric Operations

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	Customer Months	Demand kVA	Total kWh	Unit Charges	Calculated Revenue
TIME OF DAY PRIMARY SERVICE RATE TODP					
Basic Service Charge	1,504			\$ 330.00	\$ 496,320
Partial Month, Prorated and Corrected Billings					\$ 10,990
Energy Charge			2,047,629,300	\$ 0.03505	\$ 71,769,407
Minimum and Partial Month Billings, Energy					\$ 2,807
Demand kVA Base (Jan)		441,795		\$ 3.01	\$ 1,329,804
Demand kVA Base (Feb-Dec)		4,837,002		\$ 3.48	\$ 16,832,765
Demand kVA Intermediate (Jan)		337,971		\$ 4.76	\$ 1,608,741
Demand kVA Intermediate (Feb-Dec)		4,107,892		\$ 5.23	\$ 21,484,275
Demand kVA Peak (Jan)		330,447		\$ 6.49	\$ 2,144,601
Demand kVA Peak (Feb-Dec)		3,995,977		\$ 6.96	\$ 27,811,999
Partial Month and Prorated Billings, Demand					\$ (103,238)
Redundant Capacity Rider		0		\$ 1.44	\$ 0
Economic Development Rider					\$ (255,392)
Total Calculated at Base Rates					\$ 143,133,077
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor					\$ 143,133,077
FAC Mechanism Revenue					\$ (201,074)
DSM Mechanism Revenue					\$ 139,471
ECR Mechanism Revenue					\$ 1,496,451
OSS Mechanism Revenue					\$ (1,889,005)
TCJA Surcredit					\$ (5,321,182)
Total Base Period Adjusted Revenues					\$ <u>137,357,739</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2018-00295
Detailed Calculation of Base Period Electric Revenues
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Electric Operations

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	Customer Months	Demand kVA	Total kWh	Unit Charges	Calculated Revenue
RETAIL TRANSMISSION SERVICE RATE RTS					
Basic Service Charge	153			\$ 1,500.00	\$ 229,500
Partial Month, Prorated and Corrected Billings					\$ 4,500
Energy Charge			1,066,954,049	\$ 0.03378	\$ 36,041,708
Minimum and Partial Month Billings, Energy					\$ 0
Demand kVA Base (Jan)		223,638		\$ 1.43	\$ 319,802
Demand kVA Base (Feb-Dec)		2,331,832		\$ 1.86	\$ 4,337,207
Demand kVA Intermediate (Jan)		200,210		\$ 4.82	\$ 965,011
Demand kVA Intermediate (Feb-Dec)		2,015,640		\$ 5.25	\$ 10,582,108
Demand kVA Peak (Jan)		198,906		\$ 6.57	\$ 1,306,814
Demand kVA Peak (Feb-Dec)		1,981,428		\$ 7.00	\$ 13,869,998
Partial Month and Prorated Billings, Demand					\$ (155,639)
Economic Development Rider					\$ 0
Total Calculated at Base Rates					\$ 67,501,010
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor					\$ 67,501,010
FAC Mechanism Revenue					\$ (87,053)
DSM Mechanism Revenue					\$ 0
ECR Mechanism Revenue					\$ 862,042
OSS Mechanism Revenue					\$ (1,056,070)
TCJA Surcredit					\$ (2,634,048)
Total Base Period Adjusted Revenues					<u>\$ 64,585,880</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
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	Customer Months	Demand kVA	Total kWh	Unit Charges	Calculated Revenue
FLUCTUATING LOAD SERVICE RATE FLS					
Primary Delivery					
Basic Service Charge	0			\$ 330.00	\$ 0
Partial Month, Prorated and Corrected Billings				\$	0
Energy Charge			0	\$ 0.03505	\$ 0
Minimum and Partial Month Billings, Energy				\$	0
Demand kVA Base (Jan)		0		\$ 2.68	\$ 0
Demand kVA Base (Feb-Dec)		0		\$ 3.11	\$ 0
Demand kVA Intermediate (Jan)		0		\$ 4.24	\$ 0
Demand kVA Intermediate (Feb-Dec)		0		\$ 4.67	\$ 0
Demand kVA Peak (Jan)		0		\$ 5.96	\$ 0
Demand kVA Peak (Feb-Dec)		0		\$ 6.39	\$ 0
Partial Month and Prorated Billings, Demand				\$	0
Transmission Delivery					
Basic Service Charge	0			\$ 1,500.00	\$ 0
Partial Month, Prorated and Corrected Billings				\$	0
Energy Charge			0	\$ 0.03378	\$ 0
Minimum and Partial Month Billings, Energy				\$	0
Demand kVA Base (Jan)		0		\$ 1.27	\$ 0
Demand kVA Base (Feb-Dec)		0		\$ 1.70	\$ 0
Demand kVA Intermediate (Jan)		0		\$ 4.30	\$ 0
Demand kVA Intermediate (Feb-Dec)		0		\$ 4.73	\$ 0
Demand kVA Peak (Jan)		0		\$ 6.03	\$ 0
Demand kVA Peak (Feb-Dec)		0		\$ 6.46	\$ 0
Partial Month and Prorated Billings, Demand				\$	0
Total Calculated at Base Rates				\$	0
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor				\$	0
FAC Mechanism Revenue				\$	0
DSM Mechanism Revenue				\$	0
ECR Mechanism Revenue				\$	0
OSS Mechanism Revenue				\$	0
TCJA Surcredit				\$	0
Total Base Period Adjusted Revenues				\$	<u>0</u>

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	Customer Months	Curtailable Demand	Unit Charges	Calculated Revenue
CURTAILABLE SERVICE RIDERS				
CSR-1 Transmission Voltage Service	0	0	\$ (3.56)	\$ 0
CSR-1 Primary Voltage Service	10	42,439	\$ (3.67)	\$ (155,751)
CSR-2 Transmission Voltage Service	23	704,448	\$ (5.90)	\$ (4,156,241)
CSR-2 Primary Voltage Service	0	0	\$ (6.00)	\$ 0
Non-Compliance Charge	0	0	\$ 16.00	\$ 0
Total Calculated at Base Rates				\$ (4,311,993)
Correction Factor				<u>1.000000</u>
Total After Application of Correction Factor				\$ (4,311,993)
Total Base Period Revenues				<u>\$ (4,311,993)</u>

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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
SPECIAL CONTRACT					
Basic Service Charge	24			\$ 0	\$ 0
Partial Month, Prorated and Corrected Billings				\$	0
Energy Charge			57,044,400	\$ 0.03560	\$ 2,030,781
Minimum and Partial Month Billings, Energy				\$	0
Demand, kW (Jan)		9,878		\$ 12.89	\$ 127,333
Demand, kW (Feb-Dec)		108,230		\$ 14.23	\$ 1,540,119
Partial month and corrected billings				\$	(0)
Total Calculated at Base Rates				\$	3,698,232
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor				\$	3,698,232
FAC Mechanism Revenue				\$	(4,231)
DSM Mechanism Revenue				\$	0
ECR Mechanism Revenue				\$	37,953
OSS Mechanism Revenue				\$	(49,265)
TCJA Surcredit				\$	(150,562)
Total Base Period Adjusted Revenues				\$	<u>3,532,127</u>

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	Customer Months	Total kWh	Unit Charges	Calculated Revenue
LIGHTING ENERGY SERVICE RATE LE				
Basic Service Charge	2,055		\$ 0	\$ 0
Partial Month, Prorated and Corrected Billings			\$	0
Energy Charge (Jan)		468,058	\$ 0.06637	\$ 31,065
Energy Charge (Feb-Dec)		3,444,164	\$ 0.07046	\$ 242,676
Minimum and Partial Month Billings, Energy			\$	(10)
Total Calculated at Base Rates			\$	273,731
Correction Factor				<u>1.000000</u>
Total After Application of Correction Factor			\$	273,731
FAC Mechanism Revenue			\$	(120)
DSM Mechanism Revenue			\$	0
ECR Mechanism Revenue			\$	3,772
OSS Mechanism Revenue			\$	(3,671)
TCJA Surcredit			\$	(9,631)
Total Base Period Adjusted Revenues			\$	<u>264,080</u>

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	Customer Months	Total kWh	Unit Charges	Calculated Revenue
TRAFFIC ENERGY SERVICE RATE TE				
Basic Service Charge	11,376		\$ 4.00	\$ 45,504
Partial Month, Prorated and Corrected Billings				\$ 12,231
Energy Charge (Jan)		301,800	\$ 0.07985	\$ 24,099
Energy Charge (Feb-Dec)		3,007,952	\$ 0.08394	\$ 252,487
Minimum and Partial Month Billings, Energy				\$ (21)
Total Calculated at Base Rates				\$ 334,300
Correction Factor				<u>1.000000</u>
Total After Application of Correction Factor				\$ 334,300
FAC Mechanism Revenue				\$ (129)
DSM Mechanism Revenue				\$ 0
ECR Mechanism Revenue				\$ 3,825
OSS Mechanism Revenue				\$ (3,205)
TCJA Surcredit				\$ (8,251)
Total Base Period Adjusted Revenues				\$ <u>326,541</u>

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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
OUTDOOR SPORTS LIGHTING SERVICE RATE OSL-SECONDARY					
Basic Service Charge	12			\$ 90.00	\$ 1,080
Partial Month, Prorated and Corrected Billings					\$ 0
Energy Charge			51,640	\$ 0.03773	\$ 1,948
Minimum and Partial Month Billings, Energy					\$ 0
Peak Demand, kW		401		\$ 15.57	\$ 6,246
Base Demand, kW (Jan)		137		\$ 4.29	\$ 589
Base Demand, kW (Feb-Apr, Oct-Dec)		1,563		\$ 4.89	\$ 7,643
Partial Month and Prorated Billings, Demand					\$ 0
Redundant Capacity Rider		0		\$ 1.59	\$ 0
Total Calculated at Base Rates					\$ 17,507
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor					\$ 17,507
FAC Mechanism Revenue					\$ (10)
DSM Mechanism Revenue					\$ 8
ECR Mechanism Revenue					\$ (14)
OSS Mechanism Revenue					\$ (42)
TCJA Surcredit					\$ (157)
Total Base Period Adjusted Revenues					<u><u>\$ 17,292</u></u>

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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
OUTDOOR SPORTS LIGHTING SERVICE RATE OSL-PRIMARY					
Basic Service Charge	0			\$ 240.00	\$ 0
Partial Month, Prorated and Corrected Billings					\$ 0
Energy Charge			0	\$ 0.03627	\$ 0
Minimum and Partial Month Billings, Energy					\$ 0
Peak Demand, kW		0		\$ 14.01	\$ 0
Base Demand, kW (Jan)		0		\$ 3.01	\$ 0
Base Demand, kW (Feb-Apr, Oct-Dec)		0		\$ 3.48	\$ 0
Partial Month and Prorated Billings, Demand					\$ 0
Redundant Capacity Rider		0		\$ 1.44	\$ 0
Total Calculated at Base Rates				\$	0
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor				\$	0
FAC Mechanism Revenue				\$	0
DSM Mechanism Revenue				\$	0
ECR Mechanism Revenue				\$	0
OSS Mechanism Revenue				\$	0
TCJA Surcredit				\$	0
Total Base Period Adjusted Revenues				<u>\$</u>	<u>0</u>

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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
SCHOOL POWER SERVICE RATE SPS					
Basic Service Charge	730			\$ 90.00	\$ 65,700
Partial Month, Prorated and Corrected Billings					\$ (1,833)
Energy Charge			51,406,135	\$ 0.03774	\$ 1,940,068
Minimum and Partial Month Billings, Energy					\$ (0)
Summer Demand, kW		108,203		\$ 18.56	\$ 2,008,256
Winter Demand, kW (Jan)		16,003		\$ 14.53	\$ 232,530
Winter Demand, kW (Feb-Apr, Oct-Dec)		66,661		\$ 16.36	\$ 1,090,573
Partial Month and Prorated Billings, Demand					\$ (191,291)
Redundant Capacity Rider		6,487		\$ 1.59	\$ 10,314
Total Calculated at Base Rates					\$ 5,154,317
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor					\$ 5,154,317
FAC Mechanism Revenue					\$ (4,831)
DSM Mechanism Revenue					\$ 37,149
ECR Mechanism Revenue					\$ 69,700
OSS Mechanism Revenue					\$ (50,786)
TCJA Surcredit					\$ (121,019)
Total Base Period Adjusted Revenues					<u>\$ 5,084,528</u>

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	Customer Months	Demand kW	Total kWh	Unit Charges	Calculated Revenue
SCHOOL TIME OF DAY SERVICE RATE STOD					
Basic Service Charge	37			\$ 200.00	\$ 7,400
Partial Month, Prorated and Corrected Billings					\$ 215
Energy Charge			5,114,700	\$ 0.03752	\$ 191,904
Minimum and Partial Month Billings, Energy					\$ 0
Demand kW Base (Jan)		3,124		\$ 4.13	\$ 12,904
Demand kW Base (Feb-Dec)		19,838		\$ 4.73	\$ 93,832
Demand kW Intermediate (Jan)		2,084		\$ 4.64	\$ 9,670
Demand kW Intermediate (Feb-Dec)		15,678		\$ 5.24	\$ 82,154
Demand kW Peak (Jan)		2,008		\$ 6.13	\$ 12,311
Demand kW Peak (Feb-Dec)		14,679		\$ 6.73	\$ 98,790
Partial Month and Prorated Billings, Demand					\$ (13,416)
Redundant Capacity Rider		46		\$ 1.59	\$ 74
Total Calculated at Base Rates					\$ 495,837
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor					\$ 495,837
FAC Mechanism Revenue					\$ (533)
DSM Mechanism Revenue					\$ 857
ECR Mechanism Revenue					\$ 9,763
OSS Mechanism Revenue					\$ (5,127)
TCJA Surcredit					\$ (12,045)
Total Base Period Adjusted Revenues					\$ <u>488,750</u>

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	Customer Months	Total kWh	Unit Charges	Calculated Revenue
ELECTRIC VEHICLE CHARGING RATE EVC				
Energy Portion of Charging Unit Fee	43	3,078	\$ 2.86	\$ 2,188
Total Calculated at Base Rates				\$ 2,188
Correction Factor				<u>1.000000</u>
Total After Application of Correction Factor				\$ 2,188
FAC Mechanism Revenue				\$ (8)
DSM Mechanism Revenue				\$ 0
ECR Mechanism Revenue				\$ 15
OSS Mechanism Revenue				\$ 0
TCJA Surcredit				\$ 0
Total Base Period Adjusted Revenues				<u>\$ 2,195</u>

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	Total Lights		Present Rates		Base Period Revenue
LIGHTING SERVICE, Sheet No. 35					
Overhead Service					
High Pressure Sodium					
Cobra Head, 16000 Lumen, Fixture Only					
January	8,084	\$	13.60	\$	109,942
February-December	76,651	\$	14.44	\$	1,106,840
Cobra Head, 28500 Lumen, Fixture Only					
January	12,971	\$	15.88	\$	205,979
February-December	122,013	\$	16.85	\$	2,055,919
Cobra Head, 50000 Lumen, Fixture Only					
January	6,373	\$	18.14	\$	115,606
February-December	58,595	\$	19.20	\$	1,125,024
Directional, 16000 Lumen, Fixture Only					
January	449	\$	14.55	\$	6,533
February-December	4,833	\$	15.39	\$	74,380
Directional, 50000 Lumen, Fixture Only					
January	13,588	\$	18.97	\$	257,764
February-December	140,747	\$	20.03	\$	2,819,162
Open Bottom, 9500 Lumen, Fixture Only					
January	3,868	\$	11.81	\$	45,681
February-December	39,357	\$	12.78	\$	502,982
Metal Halide					
Directional, 32000 Lumen, Fixture Only					
January	880	\$	19.54	\$	17,195
February-December	10,038	\$	20.65	\$	207,285
Light Emitting Diode (LED)					
Cobra Head, 8179 Lumen, Fixture Only					
January	0	\$	14.28	\$	0
February-December	133	\$	16.33	\$	2,172
Cobra Head, 14166 Lumen, Fixture Only					
January	0	\$	17.30	\$	0
February-December	601	\$	19.34	\$	11,623
Cobra Head, 23214 Lumen, Fixture Only					
January	0	\$	26.52	\$	0
February-December	61	\$	27.49	\$	1,677
Yard Light, 5007 Lumen, Fixture Only					
January	1	\$	9.43	\$	9
February-December	598	\$	11.53	\$	6,895

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	Total Lights		Present Rates		Base Period Revenue
LIGHTING SERVICE, Sheet No. 35.1					
Underground Service					
High Pressure Sodium					
Colonial, 4-Sided, 5800 Lumen, Smooth Pole					
January	226	\$	21.25	\$	4,803
February-December	2,441	\$	22.17	\$	54,117
Colonial, 4-Sided, 9500 Lumen, Smooth Pole					
January	2,992	\$	21.97	\$	65,734
February-December	33,153	\$	22.94	\$	760,530
Colonial, 4-Sided, 16000 Lumen, Smooth Pole					
January	155	\$	22.04	\$	3,416
February-December	2,785	\$	22.88	\$	63,721
Acorn, 5800 Lumen, Smooth Pole					
January	63	\$	21.65	\$	1,364
February-December	1,077	\$	22.57	\$	24,308
Acorn, 9500 Lumen, Smooth Pole					
January	2,400	\$	24.09	\$	57,816
February-December	24,858	\$	25.06	\$	622,941
Acorn, 16000 Lumen, Smooth Pole					
January	45	\$	24.03	\$	1,081
February-December	700	\$	24.87	\$	17,409
London 5800 Lumen, Fluted Pole					
January	58	\$	37.04	\$	2,148
February-December	642	\$	37.96	\$	24,370
London, 9500 Lumen, Fluted Pole					
January	314	\$	37.03	\$	11,627
February-December	3,341	\$	38.00	\$	126,958
Victorian, 5800 Lumen, Fluted Pole					
January	64	\$	34.73	\$	2,223
February-December	704	\$	35.65	\$	25,098
Victorian, 9500 Lumen, Fluted Pole					
January	238	\$	36.83	\$	8,766
February-December	2,611	\$	37.80	\$	98,696
Dark Sky, 4000 Lumen, Smooth Pole					
January	56	\$	25.27	\$	1,415
February-December	627	\$	26.56	\$	16,653
Dark Sky, 9500 Lumen, Smooth Pole					
January	29	\$	25.86	\$	750
February-December	301	\$	26.83	\$	8,076
Victorian/London Bases					
	4,610	\$	3.71	\$	17,103

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	Total Lights		Present Rates		Base Period Revenue
LIGHTING SERVICE, Sheet No. 35.2					
Underground Service (continued)					
High Pressure Sodium					
Cobra Head, 16000 Lumen, Smooth Pole					
January	26	\$	28.32	\$	736
February-December	293	\$	29.16	\$	8,544
Cobra Head, 28500 Lumen, Smooth Pole					
January	783	\$	30.54	\$	23,913
February-December	7,395	\$	31.51	\$	233,016
Cobra Head, 50000 Lumen, Smooth Pole					
January	48	\$	36.33	\$	1,744
February-December	524	\$	37.39	\$	19,592
Contemporary Fixture only, 16000 Lumen					
January	0	\$	17.24	\$	0
February-December	0	\$	18.08	\$	0
Contemporary Fixture with Pole, 16000 Lumen					
January	63	\$	32.02	\$	2,017
February-December	738	\$	32.86	\$	24,251
Contemporary Fixture only, 28500 Lumen					
January	44	\$	19.08	\$	840
February-December	487	\$	20.05	\$	9,764
Contemporary Fixture with Pole, 28500 Lumen					
January	258	\$	34.51	\$	8,904
February-December	3,007	\$	35.48	\$	106,688
Contemporary Fixture only, 50000 Lumen					
January	89	\$	23.08	\$	2,054
February-December	996	\$	24.14	\$	24,043
Contemporary Fixture with Pole, 50000 Lumen					
January	519	\$	40.13	\$	20,827
February-December	5,251	\$	41.19	\$	216,289
Metal Halide					
Contemporary Fixture only, 32000 Lumen					
January	15	\$	21.32	\$	320
February-December	201	\$	22.43	\$	4,508
Contemporary Fixture with Pole, 32000 Lumen					
January	132	\$	32.44	\$	4,282
February-December	1,464	\$	33.55	\$	49,117
Light Emitting Diode (LED)					
Cobra Head, 8179 Lumen, Fixture Only					
January	0	\$	52.58	\$	0
February-December	0	\$	54.63	\$	0
Cobra Head, 14166 Lumen, Fixture Only					
January	0	\$	55.60	\$	0
February-December	0	\$	57.64	\$	0
Cobra Head, 23214 Lumen, Fixture Only					
January	0	\$	64.82	\$	0
February-December	0	\$	65.79	\$	0
Yard Light, 5007 Lumen, Fixture Only					
January	0	\$	45.39	\$	0
February-December	47	\$	48.35	\$	2,272
Poles/Bases					
Wood Pole installed before 7/1/2004	59,981	\$	2.15	\$	128,959
Fluted 10' Pole	36	\$	12.91	\$	465
Wood Pole Installed before 3/1/2010	4,603	\$	11.32	\$	52,106
Old Town Base	336	\$	3.62	\$	1,216
Chesapeake Base	1,500	\$	3.83	\$	5,745
Open Bottom Base	0	\$	3.73	\$	0
Victorian Base	(54)	\$	3.56	\$	(192)

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	Total Lights		Present Rates		Base Period Revenue
RESTRICTED LIGHTING SERVICE, Sheet No. 36					
Overhead Service					
Mercury Vapor					
Cobra/Open Bottom, 8000 Lumen, Fixture Only					
January	3,587	\$	10.29	\$	36,910
February-December	37,048	\$	10.88	\$	403,082
Cobra Head, 13000 Lumen, Fixture Only					
January	2,924	\$	11.68	\$	34,152
February-December	30,556	\$	12.36	\$	377,672
Cobra Head, 25000 Lumen, Fixture Only					
January	3,720	\$	14.31	\$	53,233
February-December	32,127	\$	15.12	\$	485,760
Cobra Head, 60000 Lumen, Fixture Only					
January	30	\$	29.01	\$	870
February-December	274	\$	30.57	\$	8,376
Directional, 25000 Lumen, Fixture Only					
January	656	\$	16.38	\$	10,745
February-December	6,819	\$	17.19	\$	117,219
Directional, 60000 Lumen, Fixture Only					
January	286	\$	30.24	\$	8,649
February-December	2,786	\$	31.80	\$	88,595
Open Bottom, 4000 Lumen, Fixture Only					
January	73	\$	8.88	\$	648
February-December	760	\$	9.43	\$	7,167
Metal Halide					
Directional, 12000 Lumen, Fixture Only					
January	47	\$	13.66	\$	642
February-December	481	\$	14.50	\$	6,975
Directional, 12000 Lumen, Fixture and Wood Pole					
January	8	\$	16.33	\$	131
February-December	88	\$	17.17	\$	1,511
Directional, 32000 Lumen, Fixture and Wood Pole					
January	47	\$	21.83	\$	1,026
February-December	529	\$	22.94	\$	12,135
Directional, 32000 Lumen, Fixture and Metal Pole					
January	2	\$	29.29	\$	59
February-December	22	\$	30.40	\$	669
Directional, 107800 Lumen, Fixture Only					
January	640	\$	40.97	\$	26,221
February-December	6,477	\$	43.23	\$	280,001
Directional, 107800 Lumen, Fixture and Wood Pole					
January	59	\$	44.16	\$	2,605
February-December	659	\$	46.42	\$	30,591

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2018-00295
Detailed Calculation of Base Period Electric Revenues
for the Twelve Months Ending December 31, 2018
Electric Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-E
Page 24 of 25
Witness: W. S. SEELYE

	Total Lights		Present Rates		Base Period Revenue
RESTRICTED LIGHTING SERVICE, Sheet No. 36.1					
Overhead Service (continued)					
Wood Pole					
Wood Pole installed before 3/1/2010	516	\$	11.32	\$	5,841
Wood Pole installed before 7/1/2004	16,204	\$	2.15	\$	34,839
Underground Service					
High Pressure Sodium					
Cobra/Contemporary, 16000 Lumen, Fixture and Decorative Smooth Pole					
January	490	\$	26.80	\$	13,132
February-December	5,177	\$	27.64	\$	143,092
Cobra/Contemporary, 28500 Lumen, Fixture and Decorative Smooth Pole					
January	2,375	\$	29.38	\$	69,778
February-December	22,323	\$	30.35	\$	677,503
Cobra/Contemporary, 50000 Lumen, Fixture and Decorative Smooth Pole					
January	2,357	\$	33.58	\$	79,148
February-December	25,353	\$	34.64	\$	878,228
Coach Acorn, 5800 Lumen, Fixture and Decorative Smooth Pole					
January	1,379	\$	15.77	\$	21,747
February-December	13,594	\$	16.69	\$	226,884
Coach Acorn, 9500 Lumen, Fixture and Decorative Smooth Pole					
January	17,827	\$	18.93	\$	337,465
February-December	184,317	\$	19.90	\$	3,667,908
Coach Acorn, 16000 Lumen, Fixture and Decorative Smooth Pole					
January	2,488	\$	23.50	\$	58,468
February-December	25,342	\$	24.34	\$	616,824
Contemporary, 120000 Lumen, Fixture Only					
January	6	\$	44.12	\$	265
February-December	66	\$	47.45	\$	3,132
Contemporary, 120000 Lumen, Fixture and Decorative Smooth Pole					
January	10	\$	75.25	\$	753
February-December	110	\$	78.58	\$	8,644
Acorn, 9500 Lumen, Bronze Decorative Pole					
January	50	\$	25.24	\$	1,262
February-December	550	\$	26.21	\$	14,416
Acorn, 16000 Lumen, Bronze Decorative Pole					
January	117	\$	26.76	\$	3,131
February-December	1,287	\$	28.08	\$	36,139
Victorian, 5800 Lumen, Fixture Only					
January	46	\$	21.21	\$	976
February-December	506	\$	22.13	\$	11,198
Victorian, 9500 Lumen, Fixture Only					
January	243	\$	22.22	\$	5,399
February-December	2,673	\$	23.19	\$	61,987
London, 5800 Lumen, Fixture Only					
January	106	\$	21.37	\$	2,265
February-December	1,166	\$	22.29	\$	25,990
London, 9500 Lumen, Fixture Only					
January	99	\$	22.72	\$	2,249
February-December	1,075	\$	23.69	\$	25,467

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2018-00295
Detailed Calculation of Base Period Electric Revenues
for the Twelve Months Ending December 31, 2018
Electric Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-E
Page 25 of 25
Witness: W. S. SEELYE

	Total Lights		Present Rates		Calculated Revenue at Present Rates
RESTRICTED LIGHTING SERVICE, Sheet 36.2					
Underground Service (continued)					
High Pressure Sodium					
London, 5800 Lumen, Fixture and Pole					
January	34	\$	35.02	\$	1,191
February-December	374	\$	35.94	\$	13,442
London, 9500 Lumen, Fixture and Pole					
January	302	\$	35.92	\$	10,848
February-December	3,322	\$	36.89	\$	122,549
Victorian, 5800 Lumen, Fixture and Pole					
January	13	\$	34.04	\$	443
February-December	143	\$	34.96	\$	4,999
Victorian, 9500 Lumen, Fixture and Pole					
January	10	\$	36.16	\$	362
February-December	110	\$	37.13	\$	4,084
Poles/Bases					
Old Town	948	\$	3.62	\$	3,432
Chesapeake	2,328	\$	3.83	\$	8,916
Victorian/London	2,890	\$	3.71	\$	10,722
Poles					
Smooth 10' Pole	1,858	\$	10.82	\$	20,104
Fluted 10' Pole	3,324	\$	12.91	\$	42,913
Mercury Vapor					
Cobra Head, 8000 Lumen, Fixture with Pole					
January	44	\$	18.32	\$	806
February-December	470	\$	18.91	\$	8,888
Cobra Head, 13000 Lumen, Fixture with Pole					
January	431	\$	20.12	\$	8,672
February-December	4,593	\$	20.80	\$	95,534
Cobra Head, 25000 Lumen, Fixture with Pole					
January	563	\$	23.98	\$	13,501
February-December	4,648	\$	24.79	\$	115,224
Coach, 4000 Lumen, Fixture with Pole					
January	72	\$	13.30	\$	958
February-December	792	\$	13.85	\$	10,969
Coach, 8000 Lumen, Fixture with Pole					
January	1,336	\$	15.07	\$	20,134
February-December	14,128	\$	15.66	\$	221,244
Metal Halide					
Contemporary Fixture only, 12000 Lumen					
January	0	\$	15.30	\$	0
February-December	0	\$	16.14	\$	0
Contemporary Fixture with Pole, 12000 Lumen					
January	71	\$	25.78	\$	1,830
February-December	781	\$	26.62	\$	20,790
Contemporary Fixture only, 107800 Lumen					
January	9	\$	43.94	\$	395
February-December	55	\$	46.20	\$	2,541
Contemporary Fixture with Pole, 107800 Lumen					
January	70	\$	55.04	\$	3,853
February-December	636	\$	57.30	\$	36,443
Incandescent					
Continental Jr., 1500 Lumen, Fixture and Decorative Smooth Pole					
January	16	\$	9.47	\$	152
February-December	176	\$	9.96	\$	1,753
Continental Jr., 6000 Lumen, Fixture and Decorative Smooth Pole					
January	40	\$	13.49	\$	540
February-December	428	\$	14.20	\$	6,078
Prorated and corrected billings				\$	(25,766)
Total Lighting Service				\$	21,464,129
Correction Factor					<u>1.000000</u>
Total After Application of Correction Factor				\$	21,464,129
FAC Mechanism Revenue				\$	(1,622)
DSM Mechanism Revenue				\$	0
ECR Mechanism Revenue				\$	237,979
OSS Mechanism Revenue				\$	(101,452)
TCJA Surcredit				\$	(250,710)
Total Test Year Adjusted Revenues				\$	<u>21,348,325</u>

CASE NO. 2018-00295
BASE PERIOD REVENUES AT CURRENT GAS RATES
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
Gas Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.1-G
Witness: W. S. SEELYE
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Rate Class	Total Revenue at Present Rates
Residential Gas Service (RGS) and Volunteer Fire Department (VFD)	\$ 216,284,561
Commercial Gas Service (CGS)	\$ 92,916,295
Industrial Gas Service (IGS)	\$ 11,514,324
As Available Gas Service (AAGS)	\$ 1,119,998
Firm Transportation (FT)	\$ 5,281,418
Special Contract Intra-Company Sales	\$ 3,500,590
Distributed Generation Gas Service (DGGS)	\$ 14,727
Substitute Gas Sales Service - Commercial (SGSS)	\$ 124,237
Substitute Gas Sales Service - Industrial (SGSS)	\$ -
Local Gas Delivery Service (LGDS)	\$ -
SUBTOTAL	\$ 330,756,149
Other Operating Revenues:	
Late Payment Charges	\$ 1,148,992
Miscellaneous Service Revenue	\$ 102,020
Rent from Gas Property	\$ 392,284
Other Gas Revenue	\$ 11,001
TOTAL	\$ 332,410,446

CASE NO. 2018-00295
AVERAGE BILL AT CURRENT GAS RATES
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
Gas Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
 TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
 WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.2-G
Witness: W. S. SEELYE
Page 1 of 1

	Customer Months	Billed Mcf	Average Consumption Mcf	Annual Revenue at Current Rates	Average Current Bill
Residential Gas Service (RGS) and Volunteer Fire Department (VFD)	3,565,662	20,407,510	5.7	\$ 216,284,561	\$ 60.66
Commercial Gas Service (CGS)	308,440	10,975,309	35.6	\$ 92,916,295	\$ 301.25
Industrial Gas Service (IGS)	2,942	1,870,925	635.9	\$ 11,514,324	\$ 3,913.77
As Available Gas Service (AAGS)	70	330,066	4,715.2	\$ 1,119,998	\$ 15,999.97
Firm Transportation (FT)	894	13,552,879	15,159.8	\$ 5,281,418	\$ 5,907.63
Special Contract Intra-Company Sales	12	321,266	26,772.2	\$ 3,500,590	\$ 291,715.86
Distributed Generation Gas Service (DGGS)	19	28	1.4	\$ 14,727	\$ 775.08
Substitute Gas Sales Service - Commercial (SGSS)	11	13,581	1,234.6	\$ 124,237	\$ 11,294.25
Substitute Gas Sales Service - Industrial (SGSS)	0	0	0.0	\$ -	\$ -
Local Gas Delivery Service (LGDS)	0	0	0.0	\$ -	\$ -

CASE NO. 2018-00295
SUMMARY OF BASE GAS REVENUES
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
Gas Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-G
WITNESS: W. S. SEELYE
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Rate Class	Base Rate Revenue	GLT Revenue	GSC Revenue	DSM Revenue	WNA Revenue	TCJA Credit	Total Current Revenue
Residential Gas Service and Volunteer Fire Dept - Rate (RGS) and Rate (VFD)	\$ 132,383,629	\$ 2,758,212	\$ 83,352,335	\$ 4,375,871	\$ (2,731,936)	\$ (3,853,552)	\$ 216,284,561
Commercial Gas Service - Rate (CGS)	\$ 48,643,363	\$ 1,197,983	\$ 44,768,266	\$ 120,674	\$ (895,813)	\$ (918,177)	\$ 92,916,295
Industrial Gas Service - Rate (IGS)	\$ 5,405,482	\$ 147,975	\$ 6,213,483	\$ -	\$ -	\$ (252,616)	\$ 11,514,324
As-Available Gas Service - Rate (AAGS)	\$ 373,461	\$ 8,701	\$ 785,756	\$ 985	\$ -	\$ (48,905)	\$ 1,119,998
Firm Transportation Service (Non-Standby) Rate (FT)	\$ 6,646,012	\$ 26,429	\$ 463,976	\$ 6,691	\$ -	\$ (1,861,690)	\$ 5,281,418
Special Contract - Intra-Company Sales	\$ 2,266,533	\$ 6,951	\$ 1,276,066	\$ -	\$ -	\$ (48,960)	\$ 3,500,590
Distributed Generation Gas Service (DGGs)	\$ 13,890	\$ 732	\$ 110	\$ -	\$ -	\$ (5)	\$ 14,727
Substitute Gas Sales Service - Commercial (SGSS)	\$ 66,880	\$ 157	\$ 57,364	\$ 142	\$ -	\$ (306)	\$ 124,237
Substitute Gas Sales Service - Industrial (SGSS)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Gas Delivery Service (LGDS)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Sales to Ultimate Consumers and Inter-Company	\$ 195,799,250	\$ 4,147,140	\$ 136,917,357	\$ 4,504,364	\$ (3,627,749)	\$ (6,984,212)	\$ 330,756,149
Late Payment Charges	\$ 1,148,992						\$ 1,148,992
Miscellaneous Service Revenue	\$ 102,020						\$ 102,020
Rent from Gas Property	\$ 392,284						\$ 392,284
Other Gas Revenue	\$ 11,001						\$ 11,001
Total Sales to Ultimate Consumers and Inter-Company	\$ 197,453,547	\$ 4,147,140	\$ 136,917,357	\$ 4,504,364	\$ (3,627,749)	\$ (6,984,212)	\$ 332,410,446

CASE NO. 2018-00295
 DETAILED CALCULATION OF BASE PERIOD GAS REVENUES
 FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
 Gas Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
 TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
 WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-G
 WITNESS: W. S. SEELYE
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Rate Class	Customer Months	MCF	Present Rates	Calculated Revenue @ Present Rates
<u>RATE RGS and VFD:</u>				
Residential Gas Service (RGS) and Volunteer Fire Dept (VFD)				
<u>Customer Months for the 12-Month Period</u>				
Basic Service Charge	3,565,662		\$ 16.35	\$ 58,298,574
Distribution Cost Component		20,407,510	\$ 3.6300	\$ 74,079,263
<u>Billing Adjustments</u>				<u>\$ 5,501</u>
Subtotal				\$ 132,383,337
Subtotal after application of Correction Factor			Correction Factor = 0.999998	\$ 132,383,629
Gas Line Tracker				\$ 2,758,212
Gas Supply Clause				\$ 83,352,335
Demand-Side Management				\$ 4,375,871
Weather Normalization Adjustment				\$ (2,731,936)
TCJA Credit				\$ (3,853,552)
Total Rate RGS and VFD				<u>\$ 216,284,561</u>

CASE NO. 2018-00295
 DETAILED CALCULATION OF BASE PERIOD GAS REVENUES
 FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
 Gas Operations

DATA: X BASE PERIOD FORECAST PERIOD
 TYPE OF FILING: ORIGINAL X UPDATED REVISED
 WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-G
 WITNESS: W. S. SEELYE
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Rate Class	Customer Months	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates
<u>RATE CGS:</u>					
Firm Commercial Gas Service Rate (CGS)					
<u>Customer Months for the 12-Month Period</u>					
Basic Service Charge (meters < 5000 cfh)	294,583			\$ 60	\$ 17,674,980
Basic Service Charge (meters 5000 cfh or >)	13,857			\$ 285	\$ 3,949,245
<u>Distribution Cost Component</u>					
On Peak Mcf		9,830,341		\$ 2.5133	\$ 24,706,595
Off Peak Mcf			1,144,968	\$ 2.0133	\$ 2,305,164
Cashouts				\$	\$ 2,072
Billing Adjustments				\$	\$ 3,118
Subtotal				\$	\$ 48,641,174
Subtotal after application of Correction Factor			Correction Factor=	0.999955	\$ 48,643,363
Gas Transportation Service/Firm Balancing Service Rider to Rate (CGS)					
Administrative Charges	0			\$ 550	\$ -
<u>Customer Months for the 12-Month Period</u>					
Basic Service Charge - Low Capacity	0			\$ 60	\$ -
Basic Service Charge - High Capacity	0			\$ 285	\$ -
<u>Distribution Cost Component</u>					
On Peak Mcf		0		\$ 2.5133	\$ -
Off Peak Mcf			0	\$ 2.0133	\$ -
Billing Adjustments				\$	\$ -
Subtotal				\$	\$ -
Subtotal after application of Correction Factor			Correction Factor=	0.999955	\$ -
Gas Line Tracker				\$	\$ 1,197,983
Gas Supply Clause				\$	\$ 44,768,266
Demand-Side Management				\$	\$ 120,674
Weather Normalization Adjustment				\$	\$ (895,813)
TCJA Credit				\$	\$ (918,177)
Rider PS-TS-2					
Pool Manager Fee	0			\$ 75	\$ -
Total Rate CGS				\$	\$ 92,916,295

CASE NO. 2018-00295
DETAILED CALCULATION OF BASE PERIOD GAS REVENUES
FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
Gas Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-G
WITNESS: W. S. SEELYE
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Rate Class	Customer Months	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates
<u>RATE IGS:</u>					
Firm Industrial Gas Service Rate (IGS)					
<u>Customer Months for the 12-Month Period</u>					
Basic Service Charge (meters < 5000 cfh)	1,492			\$ 165	\$ 246,180
Basic Service Charge (meters 5000 cfh or >)	1,378			\$ 750	\$ 1,033,500
<u>Distribution Cost Component</u>					
On Peak Mcf		831,657		\$ 2.1929	\$ 1,823,740
Off Peak Mcf			615,479	\$ 1.6929	\$ 1,041,945
Billing Adjustments				\$	\$ 851
Cashouts				\$	\$ 513,609
Subtotal - Retail				\$	4,659,824
Subtotal after application of Correction Factor			Correction Factor =	0.999880	\$ 4,659,265
Gas Transportation Service/Firm Balancing Service Rider to Rate (IGS)					
Administrative Charges	72			\$ 550	\$ 39,600
<u>Customer Months for the 12-Month Period</u>					
Basic Service Charge (meters < 5000 cfh)	0			\$ 165	\$ -
Basic Service Charge (meters 5000 cfh or >)	72			\$ 750	\$ 54,000
<u>Distribution Cost Component</u>					
On Peak Mcf		101,987		\$ 2.1929	\$ 223,647
Off Peak Mcf			321,802	\$ 1.6929	\$ 544,778
Bill Adjustments				\$	\$ (122,859)
Subtotal - TS-2 Rider				\$	739,167
Subtotal Rate IGS after application of Correction Factor			Correction Factor =	1.000000	\$ 739,167
Gas Line Tracker				\$	\$ 147,975
Gas Supply Clause				\$	\$ 6,213,483
Demand-Side Management				\$	\$ 1
Weather Normalization Adjustment				\$	\$ -
TCJA Credit				\$	\$ (252,616)
Rider PS-TS-2					
Pool Manager Fee	94			\$ 75	\$ 7,050
Total Rate (IGS)				\$	11,514,325

CASE NO. 2018-00295
 DETAILED CALCULATION OF BASE PERIOD GAS REVENUES
 FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
 Gas Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
 TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
 WORK PAPER REFERENCE NO(S):

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Rate Class	Customer Months	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates
<u>RATE AAGS:</u>					
As Available Gas Service Rate (AAGS)					
<u>Customer Months for the 12-Month Period</u>					
Basic Service Charge	48			\$ 500.00	\$ 24,000
Distribution Charge		160,310		\$ 1.0644	\$ 170,634
Billing Adjustments					\$ 127
Cashouts (TS-2 BSC)					\$ 11,502
Subtotal					\$ 206,262
Subtotal after application of Correction Factor			Correction Factor =	0.999992	\$ 206,264
Gas Transportation Service Rider TS-2 to Rate (AAGS)					
Administration Charge	22			\$ 550.00	\$ 1,100
<u>Customer Months for the 12-Month Period</u>					
Basic Service Charge	22			\$ 500.00	\$ 11,000
Distribution Charge		169,756		\$ 1.0644	\$ 180,689
Billing Adjustments					\$ (25,592)
Subtotal					\$ 167,196
Subtotal after application of Correction Factor			Correction Factor	1.000000	\$ 167,196
Gas Line Tracker					\$ 8,701
Gas Supply Clause					\$ 785,756
Demand-Side Management					\$ 985
Weather Normalization Adjustment					\$ -
TCJA Credit					\$ (48,905)
Rider PS-TS-2					
Pool Manager Fee	0			\$ 75	\$ -
Total Rate AAGS					<u>\$ 1,119,998</u>

CASE NO. 2018-00295
 DETAILED CALCULATION OF BASE PERIOD GAS REVENUES
 FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
 Gas Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
 TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
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Rate Class	Customer Months	MCF	Present Rates	Calculated Revenue @ Present Rates
<u>RATE FT:</u>				
Firm Transportation Service (Transportation Only) Rate (FT)				
Administrative Charges	894		\$ 550.00	\$ 491,700
<u>Customers Months for the 12-Month Period</u>				
Distribution Cost Component		13,552,879	\$ 0.4440	\$ 6,017,478
Billing Adjustments				\$ 77,981
Cashout				\$ (5,197)
Subtotal				\$ 6,581,962
Subtotal after application of Correction Factor		Correction Factor =	1.000000	\$ 6,581,962
Gas Line Tracker				\$ 26,429
Gas Supply Clause				\$ 56,527
Demand-Side Management				\$ 6,691
Weather Normalization Adjustment				\$ -
TCJA Credit				\$ (1,861,690)
<u>RATE PS-FT:</u>				
Pooling Service Rate PS - FT				
Pool Manager Fee	854		\$ 75	\$ 64,050
Gas Supply Clause				\$ 407,450
Subtotal				\$ 471,500
Total Rate FT				\$ 5,281,418

CASE NO. 2018-00295
 DETAILED CALCULATION OF BASE PERIOD GAS REVENUES
 FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
 Gas Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
 TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
 WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-G
 WITNESS: W. S. SEELYE
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Rate Class	Customer Months	MCF		Present Rates	Calculated Revenue @ Present Rates
<u>INTRA-COMPANY SPECIAL CONTRACTS</u>					
Intra-Company Special Contract - Sales Service					
Customers for the 12-Month Period	12			\$ 750	\$ 9,000
Distribution Cost Component		321,266	Mcf	\$ 0.2992	\$ 96,123
Demand Charge		198,720	Mcfd	\$ 10.8978	\$ 2,165,611
Billing Adjustments					\$ (4,201)
Subtotal					\$ 2,266,533
Subtotal after application of Correction Factor			Correction Factor	1.000000	\$ 2,266,533
Gas Line Tracker					\$ 6,951
Gas Supply Clause					\$ 1,276,066
Demand-Side Management					\$ -
Weather Normalization Adjustment					\$ -
TCJA Credit					\$ (48,960)
Total Intra-Company Special Contract - Sales Service					<u>\$ 3,500,590</u>

CASE NO. 2018-00295
 DETAILED CALCULATION OF BASE PERIOD GAS REVENUES
 FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
 Gas Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
 TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
 WORK PAPER REFERENCE NO(S):

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Rate Class	Customer Months	MCF	Present Rates	Calculated Revenue @ Present Rates
Rate DGGGS:				
Distributed Generation Gas Service (DGGGS) - Sales Service				
<u>Customer Months for the 12-Month Period</u>				
Basic Service Charge (meters < 5000 cfh)	19		\$ 165.00	\$ 3,135
Basic Service Charge (meters 5000 cfh or >)	0		\$ 750.00	\$ -
Distribution Charge		28	\$ 0.2992	\$ 8
Demand Charge		991	10.8978	\$ 10,799
Cashouts			\$	\$ -
Bill Adjustments			\$	\$ 2
Subtotal				\$ 13,945
Subtotal after application of Correction Factor			Correction Factor = 0.996056	\$ 13,890
Gas Transportation Service Rider TS-2 to Rate (DGGGS)				
Administration Charge	0		\$ 550.00	\$ -
<u>Customer Months for the 12-Month Period</u>				
Basic Service Charge	0		\$ 165.00	\$ -
Distribution Cost Component		0	\$ 0.2992	\$ -
Demand Charge		0	\$ 10.8978	\$ -
Bill Adjustments			\$	\$ -
Cashouts			\$	\$ -
Subtotal				\$ -
Subtotal after application of Correction Factor			Correction Factor = 0.996056	\$ -
Gas Line Tracker				\$ 732
Gas Supply Clause				\$ 110
Demand-Side Management				\$ -
Weather Normalization Adjustment				\$ -
TCJA Credit				\$ (5)
Rider PS-TS-2				
Pool Manager Fee	0		\$ 75	\$ -
Total Rate DGGGS				\$ 14,727

CASE NO. 2018-00295
 DETAILED CALCULATION OF BASE PERIOD GAS REVENUES
 FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
 Gas Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
 TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
 WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-G
 WITNESS: W. S. SEELYE
 Page 9 of 11

Rate Class	Customer Months	MCF	Present Rates	Calculated Revenue @ Present Rates
<u>RATE SGSS-C:</u>				
Substitute Gas Sales Service - Commercial (SGSS)				
Customer Months for the 12-Month Period				
Customer Charges	11		\$ 285.00	\$ 3,135
Distribution Charge		13,581	\$ 0.3600	\$ 4,889
Demand Charge		9,751	\$ 6.0400	\$ 58,897
Bill Adjustments			\$	(42)
Subtotal			\$	66,879
Subtotal after application of Correction Factor		Correction Factor =	1.000018	\$ 66,880
Gas Line Tracker			\$	157
Gas Supply Clause			\$	57,364
Demand-Side Management			\$	142
Weather Normalization Adjustment			\$	-
TCJA Credit			\$	(306)
Total Rate SGSS			\$	124,237

CASE NO. 2018-00295
 DETAILED CALCULATION OF BASE PERIOD GAS REVENUES
 FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
 Gas Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
 TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
 WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-G
 WITNESS: W. S. SEELYE
 Page 10 of 11

Rate Class	Customer Months	MCF	Present Rates	Calculated Revenue @ Present Rates
<u>RATE SGSS-I:</u>				
Substitute Gas Sales Service - Industrial (SGSS)				
Customer Months for the 12-Month Period				
Customer Charges	0		\$ 750.00	\$ -
Distribution Charge		-	\$ 0.2992	\$ -
Demand Charge		-	\$ 10.9000	\$ -
Bill Adjustments			\$	\$ -
Subtotal				\$ -
Subtotal after application of Correction Factor		Correction Factor =	0.000000	\$ -
Gas Line Tracker			\$	\$ -
Gas Supply Clause			\$	\$ -
Demand-Side Management			\$	\$ -
Weather Normalization Adjustment			\$	\$ -
TCJA Credit			\$	\$ -
Total Rate SGSS				\$ -

CASE NO. 2018-00295
 DETAILED CALCULATION OF BASE PERIOD GAS REVENUES
 FOR THE 12 MONTHS ENDED DECEMBER 31, 2018
 Gas Operations

DATA: ☒ BASE PERIOD ☐ FORECAST PERIOD
 TYPE OF FILING: ☐ ORIGINAL ☒ UPDATED ☐ REVISED
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SCHEDULE M-1.3-G
 WITNESS: W. S. SEELYE
 Page 11 of 11

Rate Class	Customer Months	MCF	Present Rates	Calculated Revenue @ Present Rates
<u>RATE LGDS:</u>				
Local Gas Delivery Service (LGDS)				
Administration Charge	0		\$ 550.00	\$ -
<u>Customer Months for the 12-Month Period</u>				
Customer Charges	0		\$ 1,310.00	\$ -
Distribution Charge		-	\$ 0.0388	\$ -
Demand Charge		-	\$ 2.5700	\$ -
Bill Adjustments			\$	\$ -
Subtotal				\$ -
Subtotal after application of Correction Factor		Correction Factor =	0.000000	\$ -
Gas Line Tracker			\$	\$ -
Gas Supply Clause			\$	\$ -
Demand-Side Management			\$	\$ -
Weather Normalization Adjustment			\$	\$ -
TCJA Credit			\$	\$ -
Total Rate LGDS			\$	\$ -

Louisville Gas and Electric Company
Case No. 2018-00295
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 4/30/20; Base Period 12ME 12/31/18)

Filing Requirement
807 KAR 5:001 Section 16(8)(n)
Sponsoring Witness: Robert M. Conroy

Description of Filing Requirement:

A typical bill comparison under present and proposed rates for all customer classes.

Response:

See attached.

Base Period Update Response:

No update is required for this section.