

ES FORM 1.00

**KENTUCKY UTILITIES COMPANY  
ENVIRONMENTAL SURCHARGE REPORT**

**Net Jurisdictional E(m) and  
Jurisdictional Environmental Surcharge Billing Factor  
For the Expense Month of**

**GROUP 1 (Total Revenue)**

Group 1 E(m) -- ES Form 1.10, line 16 =

Group 1 ES Billing Factor -- ES Form 1.10, line 18 =

**GROUP 2 (Net Revenue)**

Group 2 E(m) -- ES Form 1.10, line 16 =

Group 2 ES Billing Factor -- ES Form 1.10, line 18 =

Effective Date for Billing:

Submitted by: \_\_\_\_\_

Title: Manager, Revenue Requirements/Cost of Service

Date Submitted:

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**

**Calculation of Total E(m) and  
Jurisdictional Surcharge Billing Factor**

**For the Expense Month of**

**Calculation of Total E(m)**

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

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

	Pre-2020 Environmental Compliance Plans	2020 Environmental Compliance Plan
(1) RB	=	
(2) RB / 12	=	
(3) $(ROR + (ROR - DR) (TR / (1 - TR)))$	=	
(4) OE	=	
(5) BAS	=	
(6) BR	=	
(7) E(m) <span style="float: right;">(2) x (3) + (4) - (5) + (6)</span>	=	
(8) Total E(m) = sum of Pre-2020 E(m) + 2020 E(m)	=	

**Calculation of Adjusted Net Jurisdictional E(m)**

(9) Jurisdictional Allocation Ratio for Expense Month -- ES Form 3.10	=
(10) Jurisdictional E(m) = Total E(m) x Jurisdictional Allocation Ratio [(8) x (9)]	=
(11) Adjustment for (Over)/Under-collection pursuant to Case No.	=
(12) Prior Period Adjustment (if necessary)	=
(13) Revenue Collected through Base Rates	=
(14) Adjusted Net Jurisdictional E(m) [(10) + (11) + (12) - (13)]	=

**Calculation of Group Environmental Surcharge Billing Factors**

	GROUP 1 (Total Revenue)	GROUP 2 (Net Revenue)
(15) Revenue as a Percentage of 12-month Total Revenue ending with the Current Month -- ES Form 3.00	=	
(16) Group E(m) [(14) x (15)]	=	
(17) Group R(m) = Average Monthly Group Revenue for the 12 Months Ending with the Current Expense Month -- ES Form 3.00	=	
(18) Group Environmental Surcharge Billing Factors [(16) ÷ (17)]	=	

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
Revenue Requirements of Environmental Compliance Costs  
For the Expense Month of

**Determination of Environmental Compliance Rate Base**

	Pre-2020 Environmental Compliance Plans	2020 Environmental Compliance Plan
Eligible Pollution Control Plant		
Eligible Pollution CWIP Excluding AFUDC		
Subtotal		
Additions:		
Inventory - Emission Allowances per ES Form 2.31, 2.32, 2.33 and 2.34		
Less: Allowance Inventory Baseline		
Net Emission Allowance Inventory		
Cash Working Capital Allowance		
Net Unamortized Closure Cost Balance - Active Stations <sup>1</sup>		
Net Unamortized Closure Cost Balance - Retired Stations <sup>1</sup>		
Subtotal		
Deductions:		
Accumulated Depreciation on Eligible Pollution Control Plant		
Pollution Control Deferred Income Taxes		
Pollution Control Deferred Investment Tax Credit		
Subtotal		
Environmental Compliance Rate Base		

**Determination of Pollution Control Operating Expenses**

	Pre-2020 Environmental Compliance Plans	2020 Environmental Compliance Plan
Monthly Operations & Maintenance Expense		
Monthly Depreciation & Amortization Expense		
Monthly Taxes Other Than Income Taxes - Eligible Plant		
Monthly Taxes Other Than Income Taxes - Closure Costs		
Amortization of Monthly Closure Costs - Active Stations		
Amortization of Monthly Closure Costs - Retired Stations		
Amortization of Excess ADIT with gross-up		
Monthly Emission Allowance Expense from ES Form 2.31, 2.32, 2.33 and 2.34		
Add KU Current Month TC2 Emission Allowance Expense reported on ES Form 2.31, 2.32, 2.33 and 2.34		
Less Monthly Emission Allowance Expense in base rates		
Net Recoverable Emission Allowance Expense		
Monthly Surcharge Consultant Fee		
Construction Monitoring Consultant Fee		
Total Pollution Control Operations Expense		

**Determination of Beneficial Reuse Operating Expenses**

	Environmental Compliance Plan
Total Monthly Beneficial Reuse Expense	
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)	
Net Beneficial Reuse Operations Expense	

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

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
Amortization of Monthly CCR Closure Costs

For the Month Ended:

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Description	Accumulated CCR Closure Costs	Accumulated Amortization (Prior Month)	Current Month Amortization	Accumulated Amortization (Current Month)	Accumulated Deferred Income Taxes (ADIT)	Unamortized CCR Closure Cost Balance (Net of ADIT)
			$[(2)-(3)] / \text{Remaining Amort Months}$	(3)+(4)		(2)-(5)-(6)
<b>2016 Plan:</b> Amended Project 36 - Brown Station (Main Pond) Project 39 - Green River Station Project 39 - Pineville Station Project 39 - Tyrone Station Project 40 - Ghent Station Project 41 - Trimble County Station Project 42 - Brown Station (Aux. Pond)						
Net Total - All Projects:						

Note 1: The Accumulated Deferred Income Taxes (ADIT) includes Excess Deferred Taxes resulting from the Tax Cuts and Jobs Act.

ES FORM 2.10

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
Plant, CWIP & Depreciation Expense

For the Month Ended:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Description	Eligible Plant In Service	Eligible Accumulated Depreciation	CWIP Amount Excluding AFUDC	Eligible Net Plant In Service	Unamortized ITC as of Date	Deferred Tax Balance as of Date	Monthly Depreciation Expense	Monthly Property Tax Expense
				(2)-(3)+(4)				
<b>2009 Plan:</b> Project 28 - Brown 3 SCR Project 29 - ATB Expansion at E.W. Brown Station (Phase II) Project 30 - Ghent CCP Storage (Landfill- Phase I) Project 31 - Trimble County Ash Treatment Basin (BAP/GSP) Project 32 - Trimble County CCP Storage (Landfill - Phase I) Project 33 - Beneficial Reuse								
Subtotal								
Less Retirements and Replacement resulting from implementation of 2009 Plan								
<b>Net Total - 2009 Plan:</b>								
<b>2011 Plan:</b> Project 29 - Brown Landfill (Phase I) Project 34 - E.W. Brown Station Air Compliance Project 35 - Ghent Station Air Compliance								
Subtotal								
Less Retirements and Replacement resulting from implementation of 2011 Plan								
<b>Net Total - 2011 Plan:</b>								
<b>2016 Plan:</b> Project 36 - Brown Landfill (Phase II) Project 37 - Ghent 2 WFGD Improvements Project 38 - Supplemental Mercury Control Project 40 - Ghent New Process Water Systems Project 41 - Trimble County New Process Water Systems Project 42 - Brown New Process Water Systems								
Subtotal								
Less Retirements and Replacement resulting from implementation of 2016 Plan								
<b>Net Total - 2016 Plan:</b>								
<b>2020 Plan:</b> Project 43 - Ghent ELG Water Treatment System, Diffuser, and BATW Recirculation System Project 44 - Trimble County ELG Water Treatment System								
Subtotal								
Less Retirements and Replacement resulting from implementation of 2020 Plan								
<b>Net Total - 2020 Plan:</b>								
<b>Net Total - All Plans:</b>								

Note 1: Trimble County projects for the 2009 Plan and 2020 Plan are proportionately shared by KU at 48% and LG&E at 52%

Note 2: Project 29 as approved in the 2009 ECR Plan recovers costs associated with the Brown Aux Pond (Phase II). In the 2011 Plan, Project 29 was amended to recover costs associated with the conversion of the Brown Main Ash Pond to the Brown Landfill (Phase I)

Note 3: The Deferred Tax Balance includes Excess Deferred Taxes resulting from the Tax Cuts and Jobs Act.

**KENTUCKY UTILITIES COMPANY  
ENVIRONMENTAL SURCHARGE REPORT**

Inventory of Emission Allowances

For the Month Ended:

Vintage Year	Number of Allowances				Total Dollar Value Of Vintage Year				Comments and Explanations
	SO <sub>2</sub> CAIR	SO <sub>2</sub> CSAPR	NO <sub>x</sub> Ozone Season	NO <sub>x</sub> Annual	SO <sub>2</sub> CAIR	SO <sub>2</sub> CSAPR	NO <sub>x</sub> Ozone Season	NO <sub>x</sub> Annual	
Current Year									
2021									
2022									
2023									
2024									
2025									
2026									
2027									
2028									
2029									
2030									
2031									
2032									
2033									
2034									
2035									
2036									
2037									
2038									
2039									
2040									
2041 - 2050									

In the "Comments and Explanation" Column, describe any allowance inventory adjustment other than the assignment of allowances by EPA. Inventory adjustments include, but are not limited to, purchases, allowances acquired as part of other purchases, and the sale of allowances.

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
Inventory of CAIR Emission Allowances (SO<sub>2</sub>) - Current Vintage Year

For the Expense Month of

	Beginning Inventory	Allocations/Purchases	Utilized (Coal Fuel)	Utilized (Other Fuels)	Sold	Ending Inventory	Allocation, Purchase, or Sale Date & Vintage Years
<b>TOTAL EMISSION ALLOWANCES IN INVENTORY, ALL CLASSIFICATIONS</b>							
Quantity							
Dollars							
\$/Allowance							
<b>ALLOCATED ALLOWANCES FROM EPA: COAL FUEL</b>							
Quantity							
Dollars							
<b>ALLOCATED ALLOWANCES FROM EPA: OTHER FUELS</b>							
Quantity							
Dollars							
<b>ALLOWANCES FROM PURCHASES:</b>							
From Market:							
Quantity							
Dollars							
\$/Allowance							
From LG&E							
Quantity							
Dollars							
\$/Allowance							

Emission Allowance Expense for Other Power Generation is excluded from expense reported on Form 2.00 for recovery through the monthly billing factor

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
Inventory of CSAPR Emission Allowances (SO<sub>2</sub>) - Current Vintage Year

For the Expense Month of

	Beginning Inventory	Allocations/Purchases	Utilized (Coal Fuel)	Utilized (Other Fuels)	Sold	Ending Inventory	Allocation, Purchase, or Sale Date & Vintage Years
<b>TOTAL EMISSION ALLOWANCES IN INVENTORY, ALL CLASSIFICATIONS</b>							
Quantity							
Dollars							
\$/Allowance							
<b>ALLOCATED ALLOWANCES FROM EPA: COAL FUEL</b>							
Quantity							
Dollars							
<b>ALLOCATED ALLOWANCES FROM EPA: OTHER FUELS</b>							
Quantity							
Dollars							
<b>ALLOWANCES FROM PURCHASES:</b>							
From Market:							
Quantity							
Dollars							
\$/Allowance							
From LG&E							
Quantity							
Dollars							
\$/Allowance							

Emission Allowance Expense for Other Power Generation is excluded from expense reported on Form 2.00 for recovery through the monthly billing factor



**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
Inventory of Emission Allowances (NOx) - Ozone Season Allowance Allocation

For the Expense Month of

	Beginning Inventory	Allocations/Purchases	Utilized (Coal Fuel)	Utilized (Other Fuels)	Sold	Ending Inventory	Allocation, Purchase, or Sale Date & Vintage Years
<b>TOTAL EMISSION ALLOWANCES IN INVENTORY, ALL CLASSIFICATIONS</b>							
Quantity							
Dollars							
\$/Allowance							
<b>ALLOCATED ALLOWANCES FROM EPA: COAL FUEL</b>							
Quantity							
Dollars							
<b>ALLOCATED ALLOWANCES FROM EPA: OTHER FUELS</b>							
Quantity							
Dollars							
<b>ALLOWANCES FROM PURCHASES:</b>							
From Market:							
Quantity							
Dollars							
\$/Allowance							
From LG&E:							
Quantity							
Dollars							
\$/Allowance							

Emission Allowance Expense for Other Power Generation is excluded from expense reported on Form 2.00 for recovery through the monthly billing factor.

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
Inventory of Emission Allowances (NOx) - Annual Allowance Allocation

For the Expense Month of

	Beginning Inventory	Allocations/Purchases	Utilized (Coal Fuel)	Utilized (Other Fuels)	Sold	Ending Inventory	Allocation, Purchase, or Sale Date & Vintage Years
<b>TOTAL EMISSION ALLOWANCES IN INVENTORY, ALL CLASSIFICATIONS</b>							
Quantity							
Dollars							
\$/Allowance							
<b>ALLOCATED ALLOWANCES FROM EPA: COAL FUEL</b>							
Quantity							
Dollars							
<b>ALLOCATED ALLOWANCES FROM EPA: OTHER FUELS</b>							
Quantity							
Dollars							
<b>ALLOWANCES FROM PURCHASES:</b>							
From Market:							
Quantity							
Dollars							
\$/Allowance							
From LG&E:							
Quantity							
Dollars							
\$/Allowance							

Emission Allowance Expense for Other Power Generation is excluded from expense reported on Form 2.00 for recovery through the monthly billing factor.

ES FORM 2.40

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
O&M Expenses and Determination of Cash Working Capital Allowance

**For the Month Ended:**

Environmental Compliance Plan		
O&M Expenses	Pre-2020 Environmental Compliance Plans	2020 Environmental Compliance Plan
11th Previous Month		
10th Previous Month		
9th Previous Month		
8th Previous Month		
7th Previous Month		
6th Previous Month		
5th Previous Month		
4th Previous Month		
3rd Previous Month		
2nd Previous Month		
Previous Month		
Current Month		
Total 12 Month O&M		

Determination of Working Capital Allowance		
12 Months O&M Expenses		
One Eighth (1/8) of 12 Month O&M Expenses	1/8	1/8
Pollution Control Cash Working Capital Allowance		

ES FORM 2.50

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
Pollution Control - Operations & Maintenance Expenses

For the Month Ended:

O&M Expense Account	E. W. Brown	Ghent	Trimble County	Total
<b>2009 Plan</b>				
506154 - ECR NOx Operation -- Consumables				
506155 - ECR NOx Operation -- Labor and Other				
512151 - ECR NOx Maintenance				
506159 - ECR Sorbent Injection Operation				
506152 - ECR Sorbent Reactant - Reagent Only				
512152 - ECR Sorbent Injection Maintenance				
502013 - ECR Landfill Operations				
512107 - ECR Landfill Maintenance				
Adjustment for CCP Disposal in Base Rates (ES Form 2.51)				
Total 2009 Plan O&M Expenses				
<b>2011 Plan</b>				
506159 - ECR Sorbent Injection Operation				
506152 - ECR Sorbent Reactant - Reagent Only				
512152 - ECR Sorbent Injection Maintenance				
506156 - ECR Baghouse Operations				
512156 - ECR Baghouse Maintenance				
506151 - ECR Activated Carbon				
502013 - ECR Landfill Operations				
512107 - ECR Landfill Maintenance				
Total 2011 Plan O&M Expenses				
<b>2016 Plan</b>				
506153 - ECR Liquid Injection - Reagent Only				
Total 2016 Plan O&M Expenses				
<b>2020 Plan</b>				
502015 - ECR Effluent Water Chemicals				
502017 - ECR Effluent Water Operations				
512157 - ECR Effluent Water Maintenance				
Total 2020 Plan O&M Expenses				
<b>Current Month O&amp;M Expense for All Plans</b>				

Note 1: Trimble County projects for the 2009 Plan and 2020 Plan are proportionately shared by KU at 48% and LG&E at 52%.

**KENTUCKY UTILITIES COMPANY  
ENVIRONMENTAL SURCHARGE REPORT**

**CCP Disposal Facilities Expenses  
For the Month Ended:**

On-Site CCP Disposal O&M Expense	Ghent	Trimble County
Existing CCP Disposal Facilities (Pre 2009 Plan Project)		
(1) 12 Months Ending with Expense Month		
(2) Monthly Amount [(1) / 12]		
2009 Plan Project		
(3) Monthly Expense		
Total Generating Station		
(4) Monthly Expense [(2) + (3)]		
Base Rates		
(5) Annual Expense Amount (12 Mo Ending with Last Test Year)		
(6) Monthly Expense Amount [(5) / 12]		
(7) Total Generating Station Less Base Rates [(4) - (6)]		
(8) Less 2009 Plan Project [(7) - (3)]		
If Line (8) Greater than Zero, No Adjustment		
If Line (8) Less than Zero, Adjustment for Base Rates		
Adjustment for Base Rate Amount (to ES Form 2.50)		

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

Note 2: ES Form 2.51 will not be utilized until O&M costs associated with the 2009 Plan are incurred.

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
**Beneficial Reuse - Operations & Maintenance Expenses**  
**For the Month Ended:**

Third Party	O&M Expense Account	Plant	Total O&M
Total Monthly Beneficial Reuse Expense			
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)			
Net Beneficial Reuse O&M Expense			

ES FORM 2.61

**KENTUCKY UTILITIES COMPANY  
ENVIRONMENTAL SURCHARGE REPORT  
Beneficial Reuse Opportunities  
For the Month Ended:**

On-Site CCP Disposal O&M Expense		E. W. Brown	Ghent	Trimble County	Total
Existing Beneficial Reuse Opportunities (Pre 2009 Plan Project)					
(1)	12 Months Ending with Expense Month				
(2)	Monthly Amount [(1) / 12]				
2009 Plan Project 33					
(3)	Monthly Amount (Expense/Revenue)				
Total Beneficial Reuse - Generating Station					
(4)	Monthly Expense [(2) + (3)]				
Beneficial Reuse in Base Rates					
(5)	Annual Expense Amount (12 Mo Ending with Last Test Year)				
(6)	Monthly Expense Amount [(5) / 12]				
(7)	Total Generating Station Less Base Rates [(4) - (6)]				
(8)	Less 2009 Plan Project 33 [(7) - (3)]				
	If Line (8) Greater than Zero, No Adjustment				
	If Line (8) Less than Zero, Adjustment for Base Rates				
Adjustment for Base Rate Amount (to ES Form 2.60)					

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

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
Monthly Average Revenue Computation of R (m) for GROUP 1 AND GROUP 2

For the Month Ended:

GROUP 1 (Total Revenues) - Kentucky Jurisdictional Revenues							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Month	Non-fuel Base Rate Revenues	Base Rate Fuel Component	Fuel Clause Revenues Including Off-System Sales Tracker	DSM Revenues	Environmental Surcharge Revenues	Total  (2)+(3)+(4)+(5)+(6)	Total Excluding Environmental Surcharge (7)-(6)
Average Monthly Jurisdictional Revenues, Excluding Environmental Surcharge, for 12 Months Ending Current Expense Month.							
Average Kentucky Jurisdictional Revenues excluding Environmental Surcharge for 12-months ending with Current Month =							
GROUP 1 Revenues as a Percentage of Total Revenues for 12-months ending with the Current Month							

GROUP 2 (Net Revenues) - Kentucky Jurisdictional Revenues								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Month	Non-fuel Base Rate Revenues	Base Rate Fuel Component	Fuel Clause Revenues Including Off-System Sales Tracker	DSM Revenues	Environmental Surcharge Revenues	Total  (2)+(3)+(4)+(5)+(6)	Total Excluding Environmental Surcharge (7)-(6)	Total Non-Fuel Revenues plus DSM (2)+(5)
Average Monthly Jurisdictional Revenues, Excluding Environmental Surcharge and Fuel, for 12 Months Ending Current Expense Month.								
Average Kentucky Jurisdictional Revenues excluding Environmental Surcharge for 12-months ending with Current Month =								
GROUP 2 Revenues as a Percentage of Total Revenues for 12-months ending with the Current Month								



ES FORM 3.10

**KENTUCKY UTILITIES COMPANY  
ENVIRONMENTAL SURCHARGE REPORT  
Reconciliation of Reported Revenues**

**For the Month Ended:**

	Revenues per Form 3.00	Revenues per Income Statement
<b>Kentucky Retail Revenues</b>		
(1) Base Rates (Customer Charge, Energy Charge, Demand Charge)		
(2) Fuel Adjustment Clause including Off System Sales Tracker		
(3) DSM		
(4) Environmental Surcharge		
(5) CSR Credits		
(6) EDR Credits		
(7) Total Kentucky Jurisdictional Revenues for Environmental Surcharge Purposes =		
<b>Non -Jurisdictional Revenues</b>		
(8) Tennessee Retail		
(9) Virginia Retail		
(10) Wholesale		
(11) InterSystem (Total Less Transmission Portion Booked in Account 447)		
(12) Total Non-Jurisdictional Revenues for Environmental Surcharge Purposes =		
(13) Total Company Revenues for Environmental Surcharge Purposes =		
Jurisdictional Allocation Ratio for Current Month [(7) / (13)] =		
<b>Reconciling Revenues</b>		
(14) Brokered		
(15) InterSystem (Transmission Portion Booked in Account 447)		
(16) Unbilled		
(17) Provision for Refund		
(18) Miscellaneous		
(19) Total Company Revenues per Income Statement =		

NOTE: Base Rates (Line 1) includes the TCJA credit of \$0.00 for this month.