

**Blue Lick Transformer Replacement--LG&E purchases a 450MVA transformer from KU****Entries recorded on Kentucky Utilities Company**

Accumulated Provision for Depreciation (108)	\$ 3,172,566	
Electric Plant in Service (101)		\$ 3,172,566

*Record retirement of transformer at original cost.*

Intercompany Receivable from LG&E (146)	\$ 2,864,631	
Accumulated Provision for Depreciation (108)-Salvage		\$ 2,864,631

*Record the proceeds from the sale of the transformer at net book cost from KU to LG&E.*

**Entries recorded on Louisville Gas and Electric Company**

Construction Work in Progress (107)	\$ 2,864,631	
Intercompany Payable to KU (234)		\$ 2,864,631

*Record purchase of transformer from KU.*

**Hardin County--KU purchases a 138/69 kV transformer from LG&E****Entries recorded on Louisville Gas and Electric Company**

Accumulated Provision for Depreciation (108)	\$ 1,020,906	
Electric Plant in Service (101)		\$ 1,020,906

*Record retirement of transformer at original cost.*

Intercompany Receivable from KU (146)	\$ 986,469	
Accumulated Provision for Depreciation (108)-Salvage		\$ 986,469

*Record the proceeds from the sale of the transformer at net book cost from LG&E to KU.*

**Entries recorded on Kentucky Utilities Company**

Construction Work in Progress (107)	\$ 968,469	
Intercompany Payable to LG&E (234)		\$ 968,469

*Record purchase of transformer from LG&E.*