

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.

DocuSigned by:
Christopher M. Garrett
5B353C6395DF407

Christopher M. Garrett

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 9th day of April 2021.

Judy Schoder

Notary Public
Notary Public ID No. **603967**

My Commission Expires:

July 11, 2022

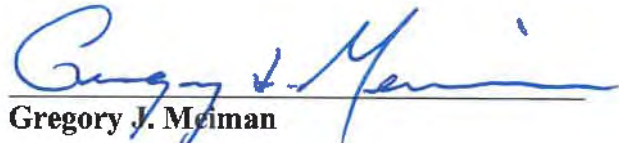
VERIFICATION

COMMONWEALTH OF KENTUCKY)

)

COUNTY OF JEFFERSON)

The undersigned, **Gregory J. Meiman**, being duly sworn, deposes and says that he is Vice President, Human Resources 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.


Gregory J. Meiman

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14th day of April 2021.


Notary Public

Notary Public ID No. 603967

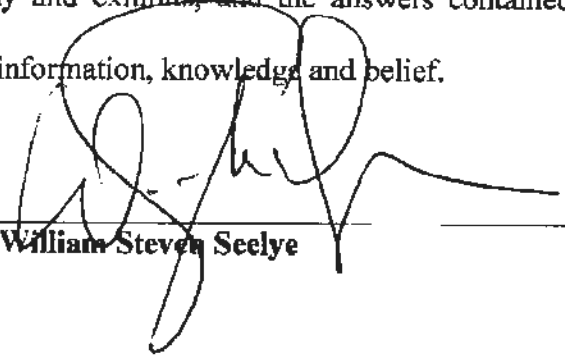
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July 11, 2022

VERIFICATION

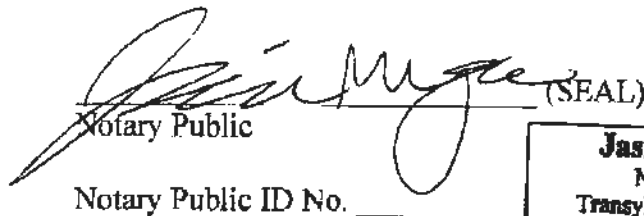
STATE OF NORTH CAROLINA)
)
COUNTY OF BUNCOMBE)

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 foregoing testimony and exhibits, 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 13th day of April 2021.

 (SEAL)

Notary Public
Notary Public ID No. _____

Jasmine Myers
Notary Public
Transylvania County, NC
My Commission Expires: 03/07/21

My Commission Expires:

3 / 7 / 26

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 45 - 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.

See attached for the monthly reports for:

- The twelve months prior to the March 2020 through February 2021 base period.
- Each month of the base period - As of the date of the filing only the months of March 2020 through September 2020 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 October 2020 through February 2021. The Company will provide this data for the remaining periods requested in the upcoming months as it becomes available.



PPL companies

Performance Report

October 2020

Content**Page**

Executive Summary	3
Income Statement: Actual vs. Budget (YTD) - LKE Consolidated	4
Income Statement: Actual vs. Budget (YTD) - LG&E	5
Income Statement: Actual vs. Budget (YTD) - KU	6
Income Statement: Forecast vs. Budget (Full Year) - LKE Consolidated	7
Margins Actual vs. Budget	8
O&M	9
Financing Activities	10
Balance Sheet - LKE Consolidated	11
Balance Sheet - LG&E	12
Balance Sheet - KU	13

	Current Month		YTD		Full Year	
	Actual	PY	Actual	PY	Forecast	PY
Safety						
TCIR - Employees ⁽¹⁾	0.75	1.08	0.97	1.04	0.95	1.01
Employee lost-time incidents	1	1	7	6	9	8
DART ⁽¹⁾	0.37	0.36	0.56	0.52	0.46	0.52
Customer Service						
Retail Customer Experience Rating	9.18	9.12	9.20	9.17	8.50	9.15
Reliability						
Utility EFOR	0.61%	4.5%	1.19%	4.5%	N/A	4.5%
Utility EAF	78.6%	75.7%	88.2%	85.3%	N/A	84.5%
Combined SAIFI	0.06	0.08	0.67	0.80	N/A	0.94
Combined SAIDI (minutes)	4.33	6.73	61.72	76.12	N/A	87.49
Gas Emergency Response Time	32.3	34.5	31.4	34.5	N/A	34.5
GWh Sales						
Residential	644	618	8,615	8,645	10,485	10,393
Commercial	590	651	6,256	6,851	7,445	8,123
Industrial	692	757	6,711	7,503	8,019	8,895
Other	207	229	2,144	2,333	2,561	2,775
Retail	2,134	2,256	23,726	25,331	28,510	30,185
Municipals	28	31	306	343	368	409
Off-System Sales	25	31	138	234	188	321
Total	2,187	2,319	24,171	25,909	29,066	30,915
Weather-Normalized Retail Sales Growth			TTM			
Residential			4.20%			
Commercial			-5.92%			
Industrial			-7.74%			
Other			-4.87%			
Total			-2.84%			

	Current Month		YTD		Full Year	
	Actual	Budget	Actual	Budget	Forecast	Budget
Margins (\$ millions)						
Electric Margins	\$139	\$145	\$1,552	\$1,631	\$1,861	\$1,945
Gas Margins	\$15	\$15	\$174	\$173	\$225	\$221
O&M (\$ millions)						
O&M – Management View ⁽²⁾	\$62	\$69	\$607	\$640	\$746	\$766
O&M – GAAP View ⁽³⁾	\$70	\$77	\$687	\$722	\$846	\$865
Capital Expenditures (\$ millions)	\$92	\$86	\$848	\$866	\$1,070	\$1,007
Average Utility Capitalization (\$ millions)	\$10,516	\$10,480	\$10,516	\$10,480	\$10,604	\$10,567
Head Count						
Full-time Employees	3,457	3,607	3,457	3,607	3,606	3,606

	YTD		Full Year	
	Actual	Budget	Full Year Forecast	Full Year Budget
Financial Metrics⁽⁴⁾				
Utility ROE ⁽⁵⁾	9.4%	9.7%	9.3%	9.7%
Effective Depreciation Rate ⁽⁵⁾	3.5%	3.5%	3.5%	3.5%
Effective Interest Rate	4.0%	4.1%	3.9%	4.0%
Effective Tax Rate	19.7%	20.6%	19.1%	20.0%
Moody's CFO pre-WC / Debt				
LGE	23.0%	23.1%	21.9%	23.1%
KU	23.0%	22.8%	23.3%	23.4%
LKE Consolidated	16.3%	16.8%	16.2%	17.3%

Variance Explanations
Lower MTD margins primarily due to \$1 million of lower sales volumes, of which \$2 million was related to weather, partially offset by \$1 million related to COVID-19, primarily due to higher residential usage, \$5 million of lower demand revenues from COVID-19 and \$1 million of lower late payment and reconnect fees from COVID-19.
Lower YTD margins primarily due to \$23 million of lower sales volumes, of which \$31 million was related to weather, partially offset by \$8 million related to COVID-19, primarily due to higher residential usage, \$38 million of lower demand revenues, of which \$29 million was related to COVID-19 and \$9 million of other, \$6 million of lower late payment and reconnect fees from COVID-19 and \$15 million of additional revenue budgeted in January.
Lower MTD O&M primarily due to \$2 million of labor burdens and PPL allocated costs, \$1 million of generation labor and supplemental contractors, \$1 million of timing of operating expenses, \$1 million of support services labor and \$2 million of other that individually were not significant compared to budget.
Lower YTD O&M primarily due to \$8 million of generation labor and supplemental contractors, \$6 million of timing of plant maintenance and operating expenses, \$5 million of labor burdens and PPL allocated costs, \$3 million of support services labor and supplemental contractors, \$3 million of training and travel savings from COVID-19, \$2 million related to the delay of process water system costs and \$6 million of other that individually were not significant compared to budget.

(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) Actuals represents trailing twelve months.

(5) Excludes goodwill and other purchase accounting adjustments.

Note: Schedules may not sum due to rounding.

Major Developments
The Company won its 25th J.D. Power award as Kentucky Utilities ranked #1 out of 9 utilities in the Midwest Midsize segment of the J.D. Power 2020 Electric Business Study with an index score of 827. LG&E ranked #4 with an index score of 784.
LG&E-KU announced its plans to file requests with the KPSC for a \$331 million (10.6%) rate increase premised upon an 10.00% return on equity. LG&E is requesting a 11.6%, or \$131 million, electric rate increase and a 8.3%, or \$30 million, natural gas rate increase. KU is requesting a 10.4%, or \$170 million, electric rate increase. The Companies are also asking for approval regarding a one-year billing credit which will credit customers about \$53 million, (\$39 million and \$12 million for LG&E and KU electricity customers) and \$2 million for LG&E gas customers. The credit represents the return to customers of certain regulatory liabilities and partially mitigates the rate increases during the first year in which the new rates are in effect. The applications also include requests for certificates of public convenience and necessity to deploy advanced metering infrastructure. The rate cases will be based on a forecasted test year of July 1, 2021 through June 30, 2022. Subject to KPSC approval, the requested rates, decreased by the amount of the billing credit, are expected to become effective on July 1, 2021. The application will be submitted on November 25.
LG&E-KU continue to provide support for various hurricane restoration efforts. 70 support personnel were deployed to assist Alabama Power with Hurricane Zeta. In addition, the Company also sent 85 resources to assist Oklahoma Gas and Electric with ice storms.
LG&E-KU filed its Renewables post hearing brief and now the case will be submitted with a decision requested by the end of the year.
The Company was honored by the Worksite Wellness Council of Louisville. For the fifth year in a row, the Company received a Platinum Award for its programs and initiatives supporting wellness. The award qualifies the Company for the national competition, the 100 Healthiest Employer Award.
A new Cross State Air Pollution Rule was recently released by the EPA. A lot of the background and model information is not yet available to the public, however, the rule is generally more restrictive. The Company will continue to evaluate the proposed rule, monitor its progression and assess potential impacts.

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

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

October 2020

(\$ Millions)

	Actual vs. Budget - YTD			Actual vs. PY - YTD		
	Actual	Budget	Variance	Actual	PY Actual	Variance
Gross Margin:						
Electric Margin	\$ 1,552	\$ 1,631	\$ (79)	\$ 1,552	\$ 1,591	\$ (39)
Gas Margin	174	173	1	174	154	20
Total Gross Margin	1,726	1,804	(78)	1,726	1,745	(19)
O&M	607	640	33	607	629	22
Depreciation & Amortization	376	379	3	376	357	(19)
Taxes, Other than Income	59	60	1	59	58	(1)
Equity in earnings	0	0	0	0	0	0
Other income (expense)	2	(3)	5	2	2	(1)
EBIT	685	722	(37)	685	704	(18)
Interest Expense	218	220	2	218	214	(4)
Income from Ongoing Operations before income taxes	467	502	(35)	467	490	(23)
Income Tax Expense	88	100	12	88	83	(5)
Net Income (loss) from ongoing operations	379	402	(23)	379	407	(28)
Special Item - (Non Operating Income)	(4)	0	(4)	(4)	0	(4)
Discontinued Operations	(0)	0	(0)	(0)	(0)	0
Net Income (loss)	\$ 375	\$ 402	\$ (27)	\$ 375	\$ 407	\$ (33)
KY Regulated Financing Costs	(27)	(27)	(0)	(27)	(27)	(0)
KY Regulated Net Income	348	\$ 375	\$ (27)	348	\$ 380	\$ (33)
Earnings Per Share - Ongoing	\$ 0.46	\$ 0.49	\$ (0.03)	\$ 0.46	\$ 0.52	\$ (0.06)

Note: Schedules may not sum due to rounding.

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

October 2020

(\$ Millions)

	Actual vs. Budget - YTD			Comments	Actual vs. PY - YTD			Comments
	Actual	Budget	Variance		Actual	PY Actual	Variance	
Gross Margin:								
Electric Margin	\$ 621	\$ 644	\$ (23)	Due primarily to \$8 million of lower sales volumes from weather, \$17 million of lower demand revenues, of which \$13 million was related to COVID-19 and \$4 million of other, and \$3 million of lower late payment and reconnect fees from COVID-19.	\$ 621	\$ 638	\$ (17)	Due primarily to lower energy and demand revenues from weather and COVID-19, partially offset by higher base rates and the elimination of the TCJA surcredit effective May 1, 2019.
Gas Margin	174	173	1		174	154	20	
Total Gross Margin	795	817	(22)		795	792	2	
O&M	282	291	9	Due primarily to favorability related to maintenance and operation expenses, generation labor and supplemental contractors, partially offset by expenses related to line locating and vegetation management.	282	290	8	Due primarily to favorability related to change in storm amortization, change in outage normalization and refined coal amortization, labor burden costs, and Inline Inspections offset by higher bad debt, facility/metering contracts and line locating expenses.
Depreciation & Amortization	155	157	2		155	147	(9)	
Taxes, Other than Income	31	30	(1)		31	30	(0)	
Equity in earnings	0	0	0		0	0	0	
Other income (expense)	(1)	(3)	2		(1)	(1)	0	
EBIT	326	335	(10)	326	324	1	Due primarily to higher plant in service and updated depreciation rates effective 5/1/2019.	
Interest Expense	74	75	2	74	72	(2)		
Income from Ongoing Operations before income taxes	252	260	(8)	252	252	(0)		
Income Tax Expense	51	55	4	51	54	3		
Net Income (loss) from ongoing operations	\$ 201	\$ 205	\$ (4)	\$ 201	\$ 198	\$ 3		

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

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

October 2020

(\$ Millions)

	Actual vs. Budget - YTD				Actual vs. PY - YTD			
	Actual	Budget	Variance	Comments	Actual	PY Actual	Variance	Comments
Gross Margin:								
Electric Margin	\$ 932	\$ 973	\$ (41)	Due primarily to \$15 million of lower sales volumes, of which \$23 million was related to weather, partially offset by \$8 million related to COVID-19, primarily due to higher residential usage, \$21 million of lower demand revenues, of which \$16 million was related to COVID-19 and \$5 million of other, and \$3 million of lower late payment and reconnect fees from COVID-19.	\$ 932	\$ 953	\$ (21)	Due primarily to lower energy and demand revenues from weather and COVID-19, partially offset by higher base rates and the elimination of the TCJA surcredit effective May 1, 2019.
Gas Margin	0	0	0		0	0	0	
Total Gross Margin	932	973	(41)		932	953	(21)	
O&M	307	324	17	Due primarily to favorability related to maintenance and operation expenses, generation labor and supplemental contractors, labor burden costs, lower bad debt expenses, and lower vegetation management expenses, slightly offset by higher legal costs.	307	312	5	Due primarily to favorability related to change in storm amortization, change in outage normalization, refined coal amortization, and labor burden costs, offset by higher legal expenses and facility/metering contracts.
Depreciation & Amortization	219	220	1		219	209	(10)	
Taxes, Other than Income	29	30	1		29	28	(1)	
Other income (expense)	2	(0)	2		2	3	(1)	
EBIT	379	399	(20)		379	407	(28)	
Interest Expense	95	94	(1)		95	91	(3)	
Income from Ongoing Operations before income taxes	284	305	(21)	284	316	(32)		
Income Tax Expense	54	62	8	54	66	12	Lower income taxes primarily due to lower pretax income and tax benefits on R&D tax credit adjustments for 2015-2019 return years.	
Net Income (loss) from ongoing operations	\$ 230	\$ 243	\$ (13)	\$ 230	\$ 250	\$ (20)		

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

Income Statement: Forecast vs. Budget (Full Year) - LKE Consolidated

October 2020

(\$ Millions)

	Forecast vs. Budget - Full Year			Comments
	Q3 Forecast	Budget	Variance	
Gross Margin:				
Electric Margin	\$ 1,862	\$ 1,945	\$ (83)	Due primarily to \$20 million of lower sales volumes, of which \$29 million was related to weather, partially offset by \$9 million related to COVID-19, primarily due to higher residential usage, \$40 million of lower demand revenues, of which \$32 million was related to COVID-19 and \$8 million of other, \$8 million of lower late payment and reconnect fees from COVID-19, and \$15 million of additional revenue budgeted in January.
Gas Margin	223	221	2	
Total Gross Margin	2,085	2,166	(81)	
O&M	750	766	16	Due primarily to favorability related to timing of plant maintenance, storm restoration, ongoing operation and maintenance expenses, and training/travel savings from pandemic related cancellations, partially offset by inline inspection tool development costs, bad debt related to potential pandemic effects, and Title V fees.
Depreciation & Amortization	454	457	2	
Taxes, Other than Income	71	72	1	
Other income (expense)	2	(4)	6	Due primarily to pension and postretirement expenses due to higher asset earnings.
EBIT	812	868	(55)	
Interest Expense	260	263	3	
Income from Ongoing Operations before income taxes	552	605	(53)	
Income Tax Expense	105	121	16	Lower income taxes primarily due to lower pretax income and tax benefits on R&D tax credit adjustments for 2015-2019 return years.
Net Income (loss) from ongoing operations	447	484	(37)	
Special Item - (Non Operating Income)	(6)	0	(6)	Due to reclassification of COVID expenses from O&M – such outside services of \$2.3m primarily for additional cleaning and disinfecting of Company facilities, \$2m for PPE for employee usage, disinfectants, hand sanitizers and thermometers, etc. also \$1m for credit and debit card, and e-check costs that the Company absorbed for the second quarter.
Discontinued Operations	(0)	0	(0)	
Net Income (loss)	\$ 441	\$ 484	\$ (42)	
KY Regulated Financing Costs	(32)	(32)	0	
KY Regulated Net Income	\$ 409	\$ 452	\$ (42)	
Earnings Per Share - Ongoing	\$ 0.53	\$ 0.59	\$ (0.05)	

Note: Schedules may not sum due to rounding.

Margins Actual vs. Budget

October 2020

(\$ Millions)

MARGINS (MTD)

	LKE Electric Margins					
	MTD Current Year October-20	MTD Budget October-20	Change			
				\$	%	
Base Service Charge	\$ 19	\$ 19	↑	\$ 0	1%	
Base Energy	60	61	↓	\$ (1)	-2%	
Demand Charge	46	50	↓	\$ (5)	-10%	
Retail Fuel (Net)	1	(0)	↑	\$ 1	-380%	
DSM	0	0	↑	\$ 0	215%	
ECR	15	16	↓	\$ (1)	-3%	
Transmission	(1)	0	↓	\$ (1)	-1646%	
Purchase Power Demand	(3)	(2)	↓	\$ (0)	10%	
Off-System Sales	0	0	→	\$ 0	8%	
Shared Solar Program	0	0	→	\$ 0	9%	
Other Revenue	2	3	↓	\$ (1)	-25%	
Cost of Sales	(1)	(2)	↑	\$ 0	-26%	
Tax Cuts and Job Act (TCJA)	-	-	→	\$ -	0%	
Additional Revenue Budgeted	-	0	→	\$ (0)	-100%	
	\$ 139	\$ 145	↓	\$ (6)	-4%	

	LKE Gas Margins					
	MTD Current Year October-20	MTD Budget October-20	Change			
				\$	%	
Base Service Charge	\$ 8	\$ 8	↑	\$ 0	1%	
Distribution Charge	6	6	↑	\$ 0	1%	
WNA	(0)	-	↓	\$ (0)	0%	
DSM	0	0	→	\$ 0	266%	
GSC	0	-	↑	\$ 0	0%	
GLT	1	1	↑	\$ 0	8%	
Other Revenue	0	0	↓	\$ (0)	-95%	
Cost of Sales	-	-	→	\$ -	0%	
Tax Cuts and Job Act (TCJA)	-	-	→	\$ -	0%	
	\$ 15	\$ 15	↓	\$ (0)	-1%	

MARGINS (YTD)

	LKE Electric Margins					
	YTD Current Year October-20	YTD Budget October-20	Change			
				\$	%	
	\$ 189	\$ 187	↑	\$ 2	1%	
	746	769	↓	\$ (23)	-3%	
	476	514	↓	\$ (38)	-7%	
	1	(2)	↑	\$ 3	-132%	
	2	1	↑	\$ 1	56%	
	160	160	↓	\$ (0)	0%	
	(2)	2	↓	\$ (4)	-175%	
	(24)	(24)	↓	\$ (0)	2%	
	0	0	↓	\$ (0)	-43%	
	0	0	↑	\$ 0	48%	
	22	28	↓	\$ (7)	-23%	
	(17)	(20)	↑	\$ 3	-15%	
	-	-	→	\$ -	0%	
	-	15	↓	\$ (15)	-100%	
	\$ 1,552	\$ 1,631	↓	\$ (79)	-5%	

	LKE Gas Margins					
	YTD Current Year October-20	YTD Budget October-20	Change			
				\$	%	
	\$ 80	\$ 80	↑	\$ 0	0%	
	75	83	↓	\$ (8)	-10%	
	7	-	↑	\$ 7	0%	
	1	0	↑	\$ 1	9087%	
	1	-	↑	\$ 1	0%	
	9	9	↑	\$ 1	8%	
	0	1	↓	\$ (1)	-53%	
	-	-	→	\$ -	0%	
	-	-	→	\$ -	0%	
	\$ 174	\$ 173	↑	\$ 1	1%	

O&M

October 2020

(\$ Millions)

	Actual vs. Budget - YTD			Forecast vs. Budget - Full Year		
	Actual	Budget	Variance	Q3 Forecast	Budget	Variance
Chief Operating Officer						
Power Production						
All Other	\$ 58.0	\$ 61.5	\$ 3.5	\$ 72.3	\$ 73.1	\$ 0.8
Maintenance	72.4	82.7	10.2	93.7	98.3	4.7
Outages	25.8	25.9	0.1	33.3	32.6	(0.7)
Power Production	156.3	170.1	13.8	199.2	204.1	4.8
Customer Services						
All Other	\$ 80.4	\$ 82.5	\$ 2.2	\$ 98.2	\$ 99.1	\$ 0.9
Bad Debt Expense	6.9	7.7	0.8	9.8	8.8	(1.0)
Customer Services	87.2	90.2	3.0	108.0	107.9	(0.1)
Electric Distribution						
All Other	\$ 36.4	\$ 37.2	\$ 0.8	\$ 44.1	\$ 44.2	\$ 0.1
Storm Restoration	4.5	5.8	1.3	5.5	6.5	1.1
Vegetation Mgmt	21.6	21.5	(0.1)	25.5	25.7	0.3
Electric Distribution	62.5	64.5	2.0	75.0	76.5	1.5
Transmission						
All Other	\$ 19.7	\$ 21.0	\$ 1.3	\$ 23.6	\$ 24.4	\$ 0.8
Storm Restoration	0.4	0.3	(0.1)	0.4	0.3	(0.1)
Vegetation Mgmt	12.4	11.3	(1.1)	13.8	13.2	(0.6)
Transmission	32.5	32.6	0.1	37.8	37.9	0.1
Gas Distribution						
All Other	\$ 30.7	\$ 32.1	\$ 1.4	\$ 38.2	\$ 38.5	\$ 0.3
Line Locating	10.6	9.1	(1.5)	12.5	10.9	(1.7)
Inline Inspections	2.4	1.3	(1.1)	4.8	1.3	(3.5)
Gas Distribution	43.6	42.5	(1.2)	55.5	50.7	(4.8)
Energy Supply & Analysis	10.5	11.3	\$ 0.7	\$ 12.7	\$ 13.4	\$ 0.7
Project Engineering	0.4	0.6	\$ 0.2	\$ 0.7	\$ 0.7	\$ (0.1)
Safety & Tech Training	5.5	5.8	\$ 0.3	\$ 6.7	\$ 6.7	\$ (0.0)
Environmental	6.0	6.1	\$ 0.0	\$ 7.7	\$ 7.3	\$ (0.4)
Chief Operating Officer	0.4	0.5	\$ 0.1	\$ 0.6	\$ 0.6	\$ (0.0)
Chief Operating Officer Total	\$ 405.0	\$ 424.1	\$ 19.1	\$ 504.0	\$ 505.7	\$ 1.7
Chief Financial Officer						
Treasurer	\$ 21.4	\$ 22.1	\$ 0.7	\$ 25.7	\$ 26.3	\$ 0.6
Controller	\$ 7.0	\$ 7.6	\$ 0.5	\$ 8.7	\$ 9.0	\$ 0.3
Information Technology	\$ 52.2	\$ 54.5	\$ 2.3	\$ 62.5	\$ 65.9	\$ 3.4
State Reg & Rates	\$ 1.8	\$ 2.0	\$ 0.2	\$ 2.1	\$ 2.3	\$ 0.2
Audit Services	\$ 1.4	\$ 1.5	\$ 0.1	\$ 1.7	\$ 1.7	\$ 0.0
Supply Chain	\$ 3.1	\$ 3.4	\$ 0.3	\$ 3.9	\$ 4.0	\$ 0.2
Other	\$ 1.5	\$ 1.7	\$ 0.2	\$ 1.8	\$ 2.0	\$ 0.2
Chief Financial Officer Total	\$ 88.4	\$ 92.8	\$ 4.4	\$ 106.5	\$ 111.3	\$ 4.8
Communication	\$ 7.6	\$ 8.4	\$ 0.7	\$ 9.6	\$ 9.8	\$ 0.2
Human Resources	\$ 5.8	\$ 6.5	\$ 0.7	\$ 7.0	\$ 7.7	\$ 0.7
General Counsel	\$ 14.6	\$ 14.0	\$ (0.6)	\$ 17.2	\$ 17.0	\$ (0.2)
Corporate Cost Center	\$ 67.2	\$ 68.4	\$ 1.2	\$ 81.1	\$ 81.6	\$ 0.6
Non-Utility	\$ 18.5	\$ 25.8	\$ 7.2	\$ 24.2	\$ 32.6	\$ 8.4
Grand Total	\$ 607.1	\$ 639.9	\$ 32.8	\$ 749.6	\$ 765.8	\$ 16.2

Financing Activities	October 2020
-----------------------------	---------------------

(\$ Millions)	Actual vs. Budget - YTD			Full Year		
	Actual	Budget	Variance	Q2 Forecast	Budget	Variance
Balance Sheet						
PCB						
Beg Bal	\$ 881.1	\$ 881.1	\$ 0.0	\$ 881.1	\$ 881.1	\$ 0.0
End Bal	881.1	881.1	0.0	881.1	881.1	0.0
Ave Bal	\$ 881.1	\$ 881.1	\$ 0.0	\$ 881.1	\$ 881.1	\$ 0.0
Interest Exp	\$ 18.1	\$ 18.2	\$ 0.1	\$ 21.2	\$ 21.3	\$ 0.2
Rate	2.47%	2.48%	0.02%	2.36%	2.38%	0.02%
FMB/Sr Nts/Loan with PPL						
Beg Bal	\$ 5,160.0	\$ 5,160.0	\$ 0.0	\$ 5,160.0	\$ 5,160.0	\$ 0.0
End Bal	5,235.0	5,060.0	(175.0)	5,235.0	5,035.0	(200.0)
Ave Bal	\$ 5,271.4	\$ 5,178.2	\$ (93.2)	\$ 5,265.8	\$ 5,156.2	\$ (109.6)
Interest Exp	\$ 185.0	\$ 181.1	\$ (3.9)	\$ 222.0	\$ 216.6	\$ (5.4)
Rate	4.21%	4.20%	-0.01%	4.15%	4.13%	-0.01%
Short-term Debt						
Beg Bal	\$ 538.3	\$ 538.3	\$ 0.0	\$ 538.3	\$ 538.3	\$ 0.0
End Bal	538.2	712.4	174.3	739.9	813.2	73.2
Ave Bal ⁽¹⁾	\$ 473.7	\$ 565.1	\$ 91.4	\$ 508.9	\$ 599.8	\$ 90.9
Interest Exp	\$ 6.4	\$ 11.0	\$ 4.6	\$ 7.5	\$ 13.9	\$ 6.4
Rate	1.58%	2.29%	0.71%	1.45%	2.28%	0.83%
Unamortized Debt Expense Bonds						
Beg Bal	\$ (39.3)	\$ (39.3)	\$ 0.0	\$ (39.3)	\$ (39.3)	\$ 0.0
End Bal	(43.0)	(37.6)	5.4	(42.1)	(36.7)	5.3
Ave Bal	\$ (40.7)	\$ (37.8)	\$ 2.9	\$ (40.9)	\$ (37.6)	\$ 3.3
Total End Bal	\$ 6,611.3	\$ 6,615.9	\$ 4.6	\$ 6,813.9	\$ 6,692.5	\$ (121.4)
Total Average Bal	\$ 6,585.5	\$ 6,586.6	\$ 1.1	\$ 6,614.8	\$ 6,599.3	\$ (15.5)
Total Expense Excl I/C ⁽²⁾	\$ 217.8	\$ 219.7	\$ 1.9	\$ 260.4	\$ 263.0	\$ 2.6
Rate	3.94%	3.98%	0.04%	3.85%	3.90%	0.05%

⁽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	\$ 825	\$ 168		\$ 657	
LG&E	500	214		286	\$ -
KU	400	157		243	-
TOTAL	\$ 1,725	\$ 538	\$ -	\$ 1,187	\$ -

⁽³⁾ LG&E borrowed amount represent commercial paper issuances and borrowings from the revolving credit facility. KU borrowed amount represent commercial paper issuances and borrowings from the revolving credit facility. LKE borrowed amount includes debt with PPL.

Balance Sheet - LKE Consolidated

October 2020

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 73	\$ 15	\$ 27	\$ 59	Primarily due to pre-funding short term borrowing needs at the utilities due to anticipated lack of liquidity in the commercial paper market in the days immediately before the election and extending through Veterans day.
Accounts Receivable (Trade)	362	380	359	(18)	
Inventory	243	270	249	(28)	Primarily due to budget inadvertently including refined coal (third party) inventory of \$16M
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	56	54	32	1	
Prepayments and other current assets	82	97	74	(14)	Primarily due to lower than anticipated accounts receivable from affiliated companies and refined coal contracts and a lower clearing account balance for other current assets and lease.
Total Current Assets	816	815	741	0	
Property, Plant, and Equipment	13,401	13,376	12,969	25	
Intangible Assets	109	95	118	14	Primarily due to the variance in the operating lease asset which is offset by the variance in the operating lease liability in Other Liabilities
Other Property and Investments	1	1	1	0	
Regulatory Assets Non Current	741	740	818	1	
Goodwill	997	997	997	0	
Other Long-term Assets	68	71	96	(3)	
Total Assets	\$ 16,132	\$ 16,095	\$ 15,741	\$ 37	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 268	\$ 312	\$ 325	\$ (44)	Primarily due to timing of accounts payable expected to occur in the budget versus actuals.
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	64	62	63	1	
Derivative Liability	2	4	5	(3)	
Accrued Taxes	65	45	68	20	Primarily due to timing of property tax payments expected to occur in the budget versus actuals.
Regulatory Liabilities Current	10	11	28	(1)	
Other Current Liabilities	256	274	301	(18)	
Total Current Liabilities	664	708	789	(45)	
Debt - Affiliated Company	1,368	865	788	503	Primarily due to an earlier and higher than budgeted long term intercompany issuance with PPL offset by variance in Debt.
Debt ⁽¹⁾	5,244	5,751	5,441	(507)	\$500M bond called in August vs. budget assumption of maturing in November.
Total Debt	6,611	6,616	6,229	(5)	
Deferred Tax Liabilities	1,155	1,160	1,059	(5)	
Investment Tax Credit	121	121	123	(0)	
Accum Provision for Pension & Related Benefits	164	163	260	1	
Asset Retirement Obligation	156	97	135	59	Primarily due to an increased vendor bid (Ghent Ash Treatment Basin #2), increased costs due to permit delays and treatment of dewatering discharge (Brown Aux), increased costs based on an updated engineering estimate (Trimble County), and an awarded contract and change in settlement date (Canal Asbestos) and recent construction and settlement activity (Gas Mains/Center UGS wells).
Regulatory Liabilities Non Current	1,962	1,940	1,987	22	Primarily due to the payment received by LG&E in connection with the resolution of a disputed electric service territory combined with lower than budgeted reserve accounts due to the lower than budgeted depreciation and amortization expenses.
Derivative Liability	22	13	19	9	
Other Liabilities	154	144	154	10	
Total Deferred Credits and Other Liabilities	3,735	3,638	3,737	97	
Equity	5,122	5,132	4,985	(10)	
Total Liabilities and Equity	\$ 16,132	\$ 16,095	\$ 15,741	\$ 37	

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

Note: Schedules may not sum due to rounding.

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 22	\$ 5	\$ 5	\$ 17	Primarily due to pre-funding short term borrowing needs due to anticipated lack of liquidity in the commercial paper market in the days immediately before the election and extending through Veterans day.
Accounts Receivable (Trade)	159	171	161	(12)	
Inventory	121	130	126	(9)	Primarily due to budget inadvertently including refined coal (third party) inventory of \$5M
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	21	21	21	1	
Prepayments and other current assets	69	72	67	(2)	
Total Current Assets	392	398	380	(6)	
Property, Plant, and Equipment	5,979	5,997	5,756	(18)	
Intangible Assets	23	17	24	7	
Other Property and Investments	1	1	1	0	
Regulatory Assets Non Current	357	361	409	(3)	
Goodwill	0	0	0	0	
Other Long-term Assets	66	60	23	6	
Total Assets	\$ 6,818	\$ 6,833	\$ 6,592	\$ (15)	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 160	\$ 202	\$ 193	\$ (42)	Primarily due to timing of accounts payable expected to occur in the budget versus actuals.
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	32	31	31	1	
Derivative Liability	2	4	5	(3)	
Accrued Taxes	42	26	36	16	Primarily due to timing of property tax payments expected to occur in the budget versus actuals.
Regulatory Liabilities Current	2	3	8	(1)	
Other Current Liabilities	85	86	94	(1)	
Total Current Liabilities	323	352	367	(29)	
Debt - Affiliated Company	0	0	13	0	
Debt ⁽¹⁾	2,220	2,253	2,094	(33)	
Total Debt	2,220	2,253	2,107	(33)	
Deferred Tax Liabilities	712	715	683	(3)	
Investment Tax Credit	33	33	33	(0)	
Accum Provision for Pension & Related Benefits	(12)	(0)	3	(12)	Variance primarily relates to pension costs recorded in actuals to Accumulated Provision for Pensions during non-quarter months via the burdening process. These amounts are reclassified to the appropriate asset account, as applicable, at quarter-end.
Asset Retirement Obligation	61	35	50	26	Primarily due to an awarded contract and change in settlement date (Canal Asbestos) and recent construction and settlement activity (Gas Mains/Center UGS wells).
Regulatory Liabilities Non Current	855	839	852	16	Primarily due to the payment received by LG&E in connection with the resolution of a disputed electric service territory.
Derivative Liability	22	13	19	9	
Other Liabilities	93	87	87	5	
Total Deferred Credits and Other Liabilities	1,762	1,722	1,727	40	
Equity	2,513	2,506	2,391	7	
Total Liabilities and Equity	\$ 6,818	\$ 6,833	\$ 6,592	\$ (15)	

⁽¹⁾ Includes all ST and LT debt.

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

Balance Sheet - KU

October 2020

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 51	\$ 5	\$ 21	\$ 46	Primarily due to pre-funding short term borrowing needs due to anticipated lack of liquidity in the commercial paper market in the days immediately before the election and extending through Veterans day.
Accounts Receivable (Trade)	203	209	197	(6)	
Inventory	122	140	124	(19)	Primarily due to budget inadvertently including refined coal (third party) inventory of \$11M
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	34	34	11	1	
Prepayments and other current assets	46	42	41	4	
Total Current Assets	456	430	395	26	
Property, Plant, and Equipment	7,406	7,365	7,196	41	
Intangible Assets	40	33	40	7	
Other Property and Investments	0	0	0	0	
Regulatory Assets Non Current	382	380	408	3	
Goodwill	0	0	0	0	
Other Long-term Assets	90	95	69	(5)	
Total Assets	\$ 8,375	\$ 8,302	\$ 8,107	\$ 72	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 156	\$ 160	\$ 173	\$ (4)	
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	32	31	32	0	
Derivative Liability	0	0	0	0	
Accrued Taxes	30	20	36	9	
Regulatory Liabilities Current	8	8	20	(0)	
Other Current Liabilities	116	127	151	(10)	
Total Current Liabilities	342	347	412	(5)	
Debt - Affiliated Company	0	0	0	0	
Debt ⁽¹⁾	2,774	2,773	2,623	1	
Total Debt	2,774	2,773	2,623	1	
Deferred Tax Liabilities	828	814	795	14	
Investment Tax Credit	89	89	90	(0)	
Accum Provision for Pension & Related Benefits	(7)	0	(5)	(7)	
Asset Retirement Obligation	95	62	85	34	Primarily due to an increased vendor bid (Ghent Ash Treatment Basin #2), increased costs due to permit delays and treatment of dewatering discharge (Brown Aux), and increased costs based on an updated engineering estimate (Trimble County)
Regulatory Liabilities Non Current	1,055	1,050	1,072	5	
Derivative Liability	0	0	0	0	
Other Liabilities	49	38	48	11	Primarily due to the variance in the operating lease liability which is offset by the variance in the operating lease asset in Intangible Assets
Total Deferred Credits and Other Liabilities	2,109	2,052	2,085	57	
Equity	3,150	3,131	2,986	19	
Total Liabilities and Equity	\$ 8,375	\$ 8,302	\$ 8,107	\$ 72	

⁽¹⁾ Includes all ST and LT debt.

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



PPL companies

Performance Report

November 2020

Content**Page**

Executive Summary	3
Income Statement: Actual vs. Budget (YTD) - LKE Consolidated	4
Income Statement: Actual vs. Budget (YTD) - LG&E	5
Income Statement: Actual vs. Budget (YTD) - KU	6
Margins Actual vs. Budget	7
O&M	8
Financing Activities	9
Balance Sheet - LKE Consolidated	10
Balance Sheet - LG&E	11
Balance Sheet - KU	12

	Current Month		YTD		Full Year	
	Actual	PY	Actual	PY	Forecast	PY
Safety						
TCIR - Employees ⁽¹⁾	1.09	0.63	0.98	1.00	0.95	1.01
Employee lost-time incidents	0	1	8	7	9	8
DART ⁽¹⁾	0.73	0.31	0.60	0.50	0.46	0.52
Customer Service						
Retail Customer Experience Rating	9.40	8.97	9.22	9.16	8.50	9.15
Reliability						
Utility EFOR	2.6%	4.5%	1.3%	4.5%	N/A	4.5%
Utility EAF	75.5%	77.8%	87.0%	84.6%	N/A	84.5%
Combined SAIFI	0.04	0.07	0.71	0.87	N/A	0.94
Combined SAIDI (minutes)	3.83	5.98	65.58	82.09	N/A	87.49
Gas Emergency Response Time	35.0	34.5	31.7	34.5	N/A	34.5
GWH Sales						
Residential	713	754	9,328	9,399	10,374	10,393
Commercial	536	624	6,792	7,474	7,422	8,123
Industrial	675	709	7,386	8,212	8,048	8,895
Other	182	220	2,327	2,553	2,543	2,775
Retail	2,106	2,306	25,832	27,637	28,387	30,185
Municipals	28	32	335	375	367	409
Off-System Sales	11	15	149	249	188	321
Total	2,145	2,353	26,316	28,261	28,942	30,915
Weather-Normalized Retail Sales Growth						
Residential			TTM	4.62%		
Commercial				-6.82%		
Industrial				-7.39%		
Other				-5.87%		
Total				-2.92%		

Variance Explanations
Lower MTD margins primarily due to \$6 million of lower sales volumes, of which \$5 million related to weather and \$1 million related to COVID-19, \$5 million of lower demand revenues from COVID-19 and \$1 million of lower late payment and reconnect fees from COVID-19.
Lower YTD margins primarily due to \$29 million of lower sales volumes, \$36 million related to weather partially offset by \$7 million related to COVID-19 due to higher residential usage, \$43 million of lower demand revenues, \$35 million related to COVID-19 and \$8 million of other, \$7 million of lower late payment and reconnect fees from COVID-19 and \$15 million of additional revenue budgeted in January.
Lower YTD O&M primarily due to \$9 million of generation labor and supplemental contractors, \$5 million of labor burdens and PPL allocated costs, \$4 million of support services labor and supplemental contractors, \$3 million of gas in-line inspections, \$3 million of training and travel savings from COVID-19, \$2 million of timing of plant maintenance and operating expenses, \$2 million related to the delay of process water system costs and \$1 million of other expenses.

(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) Actuals represents trailing twelve months.
 (5) Excludes goodwill and other purchase accounting adjustments.

Note: Schedules may not sum due to rounding.

	Current Month		YTD		Full Year	
	Actual	Budget	Actual	Budget	Forecast	Budget
Margins (\$ millions)						
Electric Margins	\$138	\$150	\$1,690	\$1,781	\$1,852	\$1,945
Gas Margins	\$20	\$21	\$194	\$194	\$223	\$221
O&M (\$ millions)						
O&M – Management View ⁽²⁾	\$66	\$63	\$673	\$702	\$738	\$766
O&M – GAAP View ⁽³⁾	\$75	\$72	\$762	\$794	\$836	\$865
Capital Expenditures (\$ millions)	\$93	\$79	\$941	\$945	\$1,066	\$1,007
Average Utility Capitalization (\$ millions)	\$10,560	\$10,527	\$10,560	\$10,527	\$10,605	\$10,567
Head Count						
Full-time Employees	3,474	3,607	3,474	3,607	3,606	3,606

	YTD		Full Year	
	Actual	Budget	Forecast	Full Year
Financial Metrics⁽⁴⁾				
Utility ROE ⁽⁵⁾	9.1%	9.6%	9.3%	9.7%
Effective Depreciation Rate ⁽⁵⁾	3.5%	3.5%	3.5%	3.5%
Effective Interest Rate	3.9%	4.0%	3.9%	4.0%
Effective Tax Rate	19.3%	20.2%	19.1%	20.0%
Moody's CFO pre-WC / Debt				
LGE	22.6%	23.0%	21.8%	23.1%
KU	22.8%	22.7%	23.2%	23.4%
LKE Consolidated	16.1%	16.8%	16.1%	17.3%

Major Developments
LG&E and KU's rate case applications were filed on November 25 and approved by the KPSC without deficiencies on December 2. This maintains the July 1, 2021 effective date for new rates. A procedural schedule is expected to be issued mid-December (subsequently issued December 9th).
In keeping with our industry-recognized leadership position in mutual assistance, more than 1,200 LG&E-KU employees and contractors supported 18 fellow utilities. The events included two ice storms, eight severe thunderstorms and tornadoes, and six hurricanes and tropical storms. The work was done efficiently and safely amid the challenges of COVID-19.
Linda Bridwell was appointed Executive Director of the KPSC. Bridwell most recently served as deputy executive director at the Kentucky Infrastructure Authority and also held a variety of positions at American Water.
Mayor Greg Fischer announced a \$10 million ordinance using unused CARES Act money to provide utility bill help in Louisville. LG&E-KU, Louisville Water Company and Metropolitan Sanitary District are working with the mayor on this initiative.

Significant Future Events
Discovery in the LG&E-KU rate cases will be completed in the first quarter of 2021.

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

November 2020

(\$ Millions)

	Actual vs. Budget - YTD			Actual vs. PY - YTD		
	Actual	Budget	Variance	Actual	PY Actual	Variance
Gross Margin:						
Electric Margin	\$ 1,690	\$ 1,781	\$ (91)	\$ 1,690	\$ 1,747	\$ (57)
Gas Margin	194	194	0	194	175	19
Total Gross Margin	1,884	1,975	(90)	1,884	1,922	(38)
O&M	673	702	29	673	695	22
Depreciation & Amortization	414	418	4	414	394	(20)
Taxes, Other than Income	66	66	0	66	64	(2)
Equity in earnings	0	0	0	0	0	0
Other income (expense)	2	(4)	6	2	2	0
EBIT	734	785	(51)	734	771	(38)
Interest Expense	239	241	2	239	235	(4)
Income from Ongoing Operations before income taxes	495	544	(49)	495	536	(42)
Income Tax Expense	94	109	15	94	94	0
Net Income (loss) from ongoing operations	401	435	(34)	401	442	(41)
Special Item - (Non Operating Income)	(5)	0	(5)	(5)	0	(5)
Discontinued Operations	(0)	0	(0)	(0)	(0)	0
Net Income (loss)	\$ 396	\$ 435	\$ (39)	\$ 396	\$ 442	\$ (46)
KY Regulated Financing Costs	(30)	(30)	0	(30)	(30)	0
KY Regulated Net Income	367	\$ 406	\$ (39)	367	\$ 412	\$ (46)
Earnings Per Share - Ongoing	\$ 0.48	\$ 0.53	\$ (0.04)	\$ 0.48	\$ 0.56	\$ (0.08)

Note: Schedules may not sum due to rounding.

Case No. 2020-00349 and 2020-00350

Attachment to Filing Requirement
 Tab 45 - 807 KAR 5:001 Section 16(7)(o)
 Page 17 of 61
 Arbough

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

November 2020

(\$ Millions)

	Actual vs. Budget - YTD				Actual vs. PY - YTD			
	Actual	Budget	Variance	Comments	Actual	PY Actual	Variance	Comments
Gross Margin:								
Electric Margin	\$ 674	\$ 700	\$ (26)	Due primarily to \$9 million of lower sales volumes from weather, \$19 million of lower demand revenues, of which \$16 million was related to COVID-19 and \$3 million of other, and \$3 million of lower late payment and reconnect fees from COVID-19.	\$ 674	\$ 697	\$ (23)	Due primarily to lower energy and demand revenues from weather and COVID-19, partially offset by higher base rates and the elimination of the TCJA surcredit effective May 1, 2019.
Gas Margin	194	194	0		194	175	19	
Total Gross Margin	868	894	(26)		868	873	(5)	
O&M	313	319	6	Primarily due to favorability related to maintenance and operation expenses, generation labor and supplemental contractors, partially offset by expenses related to line locating and vegetation management.	313	321	8	Due primarily to favorability related to change in storm amortization, change in outage normalization and refined coal amortization, labor burden costs, and Inline Inspections offset by higher bad debt, facility/metering contracts and line locating expenses.
Depreciation & Amortization	171	173	2		171	162	(9)	
Taxes, Other than Income	34	33	(1)		34	33	(1)	
Equity in earnings	0	0	0		0	0	0	
Other income (expense)	(1)	(4)	3		(1)	(1)	1	
EBIT	350	365	(16)		350	355	(6)	
Interest Expense	81	83	2		81	80	(1)	
Income from Ongoing Operations before income taxes	269	283	(14)		269	276	(7)	
Income Tax Expense	55	61	5	Lower income taxes primarily due to lower pretax income and tax benefits on R&D tax credit adjustments for 2015-2019 return years.	55	60	5	Lower income taxes primarily due to lower pretax income and tax benefits on R&D tax credit adjustments for 2015-2019 return years.
Net Income (loss) from ongoing operations	\$ 214	\$ 222	\$ (8)		\$ 214	\$ 216	\$ (2)	

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

(\$ Millions)

	Actual vs. Budget - YTD			Actual vs. PY - YTD			
	Actual	Budget	Variance	Actual	PY Actual	Variance	Comments
Gross Margin:							
Electric Margin	\$ 1,016	\$ 1,066	\$ (49)	\$ 1,016	\$ 1,050	\$ (33)	Due primarily to lower energy and demand revenues from weather and COVID-19, partially offset by higher base rates and the elimination of the TCJA surcredit effective May 1, 2019.
Gas Margin	0	0	0	0	0	0	
Total Gross Margin	1,016	1,066	(49)	1,016	1,050	(33)	
O&M	339	355	16	339	344	5	Due primarily to favorability related to change in storm amortization, change in outage normalization, refined coal amortization, and labor burden costs, offset by higher legal expenses and facility/metering contracts.
Depreciation & Amortization	241	243	2	241	231	(11)	Due primarily to higher plant in service and updated depreciation rates effective 5/1/2019.
Taxes, Other than Income	32	33	1	32	31	(1)	
Other income (expense)	2	(0)	2	2	3	(1)	
EBIT	406	434	(28)	406	448	(42)	
Interest Expense	104	103	(1)	104	100	(3)	
Income from Ongoing Operations before income taxes	303	331	(29)	303	348	(45)	
Income Tax Expense	58	68	10	58	74	15	Lower income taxes primarily due to lower pretax income and tax benefits on R&D tax credit adjustments for 2015-2019 return years.
Net Income (loss) from ongoing operations	\$ 244	\$ 263	\$ (19)	\$ 244	\$ 274	\$ (30)	

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

Margins Actual vs. Budget

November 2020

(\$ Millions)

MARGINS (MTD)

LKE Electric Margins

	MTD Current Year		MTD Budget		Change	
	November-20	November-20	November-20	November-20	\$	%
Base Service Charge	\$ 19	\$ 18	↑	\$ 0	2%	
Base Energy	63	69	↓	\$ (6)	-8%	
Demand Charge	44	49	↓	\$ (5)	-10%	
Retail Fuel (Net)	(1)	(0)	↓	\$ (0)	211%	
DSM	0	0	↑	\$ 0	195%	
ECR	15	16	↓	\$ (0)	-3%	
Transmission	(0)	(0)	↓	\$ (0)	2492%	
Purchase Power Demand	(2)	(2)	↑	\$ 0	-1%	
Off-System Sales	0	0	↓	\$ (0)	-40%	
Shared Solar Program	0	0	→	\$ 0	3%	
Other Revenue	2	2	↓	\$ (1)	-35%	
Cost of Sales	(2)	(2)	↑	\$ 0	-12%	
Tax Cuts and Job Act (TCJA)	-	-	→	\$ -	0%	
Additional Revenue Budgeted	-	0	→	\$ (0)	-100%	
Total	\$ 138	\$ 150	↓	\$ (12)	-8%	

LKE Gas Margins

	MTD Current Year		MTD Budget		Change	
	November-20	November-20	November-20	November-20	\$	%
Base Service Charge	\$ 8	\$ 8	↑	\$ 0	1%	
Distribution Charge	10	12	↓	\$ (2)	-17%	
WNA	1	-	↑	\$ 1	0%	
DSM	0	0	→	\$ 0	121%	
GSC	(0)	-	↓	\$ (0)	0%	
GLT	1	1	↑	\$ 0	24%	
Other Revenue	0	0	↓	\$ (0)	-94%	
Cost of Sales	-	-	→	\$ -	0%	
Tax Cuts and Job Act (TCJA)	-	-	→	\$ -	0%	
Total	\$ 20	\$ 21	↓	\$ (0)	-2%	

MARGINS (YTD)

LKE Electric Margins

	YTD Current Year		YTD Budget		Change	
	November-20	November-20	November-20	November-20	\$	%
Base Service Charge	\$ 208	\$ 206	↑	\$ 2	1%	
Base Energy	808	838	↓	\$ (29)	-3%	
Demand Charge	520	563	↓	\$ (43)	-8%	
Retail Fuel (Net)	0	(3)	↑	\$ 3	-101%	
DSM	3	2	↑	\$ 1	68%	
ECR	175	175	↓	\$ (0)	0%	
Transmission	(2)	2	↓	\$ (4)	-182%	
Purchase Power Demand	(27)	(26)	↓	\$ (0)	1%	
Off-System Sales	0	0	↓	\$ (0)	-43%	
Shared Solar Program	0	0	↑	\$ 0	44%	
Other Revenue	23	31	↓	\$ (8)	-24%	
Cost of Sales	(19)	(22)	↑	\$ 3	-15%	
Tax Cuts and Job Act (TCJA)	-	-	→	\$ -	0%	
Additional Revenue Budgeted	-	15	↓	\$ (15)	-100%	
Total	\$ 1,690	\$ 1,781	↓	\$ (91)	-5%	

LKE Gas Margins

	YTD Current Year		YTD Budget		Change	
	November-20	November-20	November-20	November-20	\$	%
Base Service Charge	\$ 88	\$ 88	↑	\$ 0	0%	
Distribution Charge	85	95	↓	\$ (10)	-11%	
WNA	8	-	↑	\$ 8	0%	
DSM	1	0	↑	\$ 1	8272%	
GSC	1	-	↑	\$ 1	0%	
GLT	11	10	↑	\$ 1	9%	
Other Revenue	1	1	↓	\$ (1)	-55%	
Cost of Sales	-	-	→	\$ -	0%	
Tax Cuts and Job Act (TCJA)	-	-	→	\$ -	0%	
Total	\$ 194	\$ 194	↑	\$ 1	0%	

(\$ Millions)

	Actual vs. Budget - YTD		
	Actual	Budget	Variance
Chief Operating Officer			
Power Production			
All Other	\$ 64.1	\$ 67.2	\$ 3.2
Maintenance	82.9	90.3	7.4
Outages	31.5	31.7	0.2
Power Production	178.5	189.2	10.7
Customer Services			
All Other	\$ 88.6	\$ 90.5	\$ 1.9
Bad Debt Expense	7.3	8.1	0.8
Customer Services	95.8	98.6	2.7
Electric Distribution			
All Other	\$ 39.6	\$ 40.8	\$ 1.1
Storm Restoration	4.9	6.2	1.3
Vegetation Mgmt	23.6	23.6	0.0
Electric Distribution	68.1	70.6	2.5
Transmission			
All Other	\$ 21.5	\$ 22.7	\$ 1.2
Storm Restoration	0.4	0.3	(0.0)
Vegetation Mgmt	12.9	12.3	(0.7)
Transmission	34.8	35.3	0.5
Gas Distribution			
All Other	\$ 33.7	\$ 35.1	\$ 1.3
Line Locating	11.5	10.0	(1.5)
Inline Inspections	4.0	1.3	(2.7)
Gas Distribution	49.3	46.4	(2.9)
Energy Supply & Analysis	11.5	12.3	\$ 0.8
Project Engineering	0.4	0.6	\$ 0.3
Safety & Tech Training	6.0	6.3	\$ 0.2
Environmental	5.9	6.7	\$ 0.8
Chief Operating Officer	0.5	0.5	\$ 0.1
Chief Operating Officer Total	\$ 450.8	\$ 466.5	\$ 15.7
Chief Financial Officer			
Treasurer	\$ 23.5	\$ 24.2	\$ 0.7
Controller	\$ 8.0	\$ 8.3	\$ 0.3
Information Technology	\$ 57.5	\$ 59.9	\$ 2.4
State Reg & Rates	\$ 1.9	\$ 2.2	\$ 0.2
Audit Services	\$ 1.5	\$ 1.6	\$ 0.1
Supply Chain	\$ 3.4	\$ 3.7	\$ 0.3
Other	\$ 1.6	\$ 1.9	\$ 0.3
Chief Financial Officer Total	\$ 97.6	\$ 101.8	\$ 4.2
Communication	\$ 8.4	\$ 9.1	\$ 0.7
Human Resources	\$ 6.3	\$ 7.1	\$ 0.7
General Counsel	\$ 15.7	\$ 15.2	\$ (0.5)
Corporate Cost Center	\$ 73.2	\$ 74.8	\$ 1.6
Non-Utility	\$ 21.2	\$ 28.0	\$ 6.9
Grand Total	\$ 673.1	\$ 702.5	\$ 29.4

Financing Activities
November 2020

(\$ Millions)

Balance Sheet	Actual vs. Budget - YTD		
	Actual	Budget	Variance
PCB			
Beg Bal	\$ 881.1	\$ 881.1	\$ 0.0
End Bal	881.1	881.1	0.0
Ave Bal	\$ 881.1	\$ 881.1	\$ 0.0
Interest Exp	\$ 19.6	\$ 19.8	\$ 0.1
Rate	2.43%	2.45%	0.02%
FMB/Sr Nts/Loan with PPL			
Beg Bal	\$ 5,160.0	\$ 5,160.0	\$ 0.0
End Bal	5,235.0	5,035.0	(200.0)
Ave Bal	\$ 5,268.3	\$ 5,166.3	\$ (102.1)
Interest Exp	\$ 203.5	\$ 198.9	\$ (4.6)
Rate	4.21%	4.20%	-0.01%
Short-term Debt			
Beg Bal	\$ 538.3	\$ 538.3	\$ 0.0
End Bal	543.1	767.4	224.4
Ave Bal ⁽¹⁾	\$ 478.7	\$ 582.0	\$ 103.3
Interest Exp	\$ 6.7	\$ 12.4	\$ 5.7
Rate	1.50%	2.29%	0.79%
Unamortized Debt Expense Bonds			
Beg Bal	\$ (39.3)	\$ (39.3)	\$ 0.0
End Bal	(42.6)	(37.2)	5.4
Ave Bal	\$ (40.8)	\$ (37.7)	\$ 3.1
Total End Bal	\$ 6,616.5	\$ 6,646.3	\$ 29.8
Total Average Bal	\$ 6,587.3	\$ 6,591.6	\$ 4.3
Total Expense Excl I/C ⁽²⁾	\$ 238.9	\$ 241.3	\$ 2.4
Rate	3.93%	3.97%	0.04%

⁽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	\$ 825	\$ 172		\$ 653	
LG&E	500	225		275	\$ -
KU	400	146		254	\$ -
TOTAL	\$ 1,725	\$ 543	\$ -	\$ 1,182	\$ -

⁽³⁾ LG&E borrowed amount represent commercial paper issuances and borrowings from the revolving credit facility. KU borrowed amount represent commercial paper issuances and borrowings from the revolving credit facility. LKE borrowed amount includes debt with PPL.

Balance Sheet - LKE Consolidated

November 2020

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 17	\$ 15	\$ 22	\$ 3	
Accounts Receivable (Trade)	385	396	397	(11)	
Inventory	250	275	256	(25)	
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	60	55	37	5	
Prepayments and other current assets	84	94	76	(10)	Primarily due to lower than anticipated accounts receivable from affiliated companies and refined coal contracts and a lower clearing account balance for other current assets and lease.
Total Current Assets	797	835	787	(38)	
Property, Plant, and Equipment	13,435	13,400	13,027	36	
Intangible Assets	108	93	118	15	Primarily due to the variance in the operating lease asset which is offset by the variance in the operating lease liability in Other Liabilities
Other Property and Investments	1	1	1	0	
Regulatory Assets Non Current	739	737	817	2	
Goodwill	997	997	997	0	
Other Long-term Assets	70	72	99	(2)	
Total Assets	\$ 16,147	\$ 16,134	\$ 15,845	\$ 13	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 290	\$ 305	\$ 334	\$ (16)	
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	64	62	62	1	
Derivative Liability	2	4	5	(2)	
Accrued Taxes	76	61	85	15	Primarily due to timing of property tax payments expected to occur in the budget versus actuals.
Regulatory Liabilities Current	9	12	23	(3)	
Other Current Liabilities	219	245	249	(26)	Primarily due to reclass of ARO liability balance from current to non-current. Budget balance assumed a static balance as of December 2019, when the budget was finalized.
Total Current Liabilities	660	690	758	(30)	
Debt - Affiliated Company	1,372	1,353	805	19	
Debt ⁽¹⁾	5,244	5,293	5,538	(49)	
Total Debt	6,617	6,646	6,343	(30)	
Deferred Tax Liabilities	1,154	1,158	1,058	(4)	
Investment Tax Credit	121	121	123	(0)	
Accum Provision for Pension & Related Benefits	165	162	261	3	
Asset Retirement Obligation	149	94	129	55	Primarily due to an increased vendor bid (Ghent Ash Treatment Basin #2), increased costs due to permit delays and treatment of dewatering discharge (Brown Aux), increased costs based on an updated engineering estimate (Trimble County), and an awarded contract and change in settlement date (Canal Asbestos) and recent construction and settlement activity (Gas Mains/Center UGS wells).
Regulatory Liabilities Non Current	1,960	1,939	1,981	21	
Derivative Liability	22	13	19	9	
Other Liabilities	155	143	154	12	
Total Deferred Credits and Other Liabilities	3,727	3,632	3,724	96	
Equity	5,144	5,166	5,020	(23)	
Total Liabilities and Equity	\$ 16,147	\$ 16,134	\$ 15,845	\$ 13	

⁽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 2020

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 7	\$ 5	\$ 9	\$ 2	
Accounts Receivable (Trade)	174	182	183	(8)	
Inventory	128	132	129	(4)	
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	25	20	23	5	
Prepayments and other current assets	60	71	64	(10)	Primarily due to lower than anticipated accounts receivable from affiliated companies and refined coal contracts.
Total Current Assets	394	409	408	(15)	
Property, Plant, and Equipment	6,005	6,017	5,794	(12)	
Intangible Assets	23	16	24	7	
Other Property and Investments	1	1	1	0	
Regulatory Assets Non Current	355	359	407	(4)	
Goodwill	0	0	0	0	
Other Long-term Assets	66	61	24	5	
Total Assets	\$ 6,845	\$ 6,864	\$ 6,658	\$ (19)	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 178	\$ 199	\$ 206	\$ (21)	Primarily due to timing of accounts payable expected to occur in the budget versus actuals.
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	32	31	31	1	
Derivative Liability	2	4	5	(2)	
Accrued Taxes	48	35	45	13	Primarily due to timing of property tax payments expected to occur in the budget versus actuals.
Regulatory Liabilities Current	1	2	4	(1)	
Other Current Liabilities	68	79	83	(10)	Primarily due to reclass of ARO liability balance from current to non-current. Budget balance assumed a static balance as of December 2019, when the budget was finalized.
Total Current Liabilities	329	350	374	(21)	
Debt - Affiliated Company	0	0	0	0	
Debt ⁽¹⁾	2,231	2,271	2,152	(40)	
Total Debt	2,231	2,271	2,152	(40)	
Deferred Tax Liabilities	712	715	683	(3)	
Investment Tax Credit	33	33	33	(0)	
Accum Provision for Pension & Related Benefits	(12)	(0)	3	(12)	Variance primarily relates to pension costs recorded in actuals to Accumulated Provision for Pensions during non-quarter months via the burdening process. These amounts are reclassified to the appropriate asset account, as applicable, at quarter-end.
Asset Retirement Obligation	58	34	46	24	Primarily due to an awarded contract and change in settlement date (Canal Asbestos) and recent construction and settlement activity (Gas Mains/Center UGS wells).
Regulatory Liabilities Non Current	854	839	852	15	
Derivative Liability	22	13	19	9	
Other Liabilities	93	87	87	6	
Total Deferred Credits and Other Liabilities	1,760	1,720	1,724	40	
Equity	2,526	2,523	2,409	3	
Total Liabilities and Equity	\$ 6,845	\$ 6,864	\$ 6,658	\$ (19)	

⁽¹⁾ Includes all ST and LT debt.

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

Balance Sheet - KU

November 2020

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 10	\$ 5	\$ 10	\$ 5	
Accounts Receivable (Trade)	211	215	214	(4)	
Inventory	122	143	127	(21)	Primarily due to budget inadvertently including refined coal (third party) inventory of \$11M
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	35	35	14	(0)	
Prepayments and other current assets	41	40	33	1	
Total Current Assets	419	438	398	(19)	
Property, Plant, and Equipment	7,415	7,369	7,220	46	
Intangible Assets	40	32	40	8	
Other Property and Investments	0	0	0	0	
Regulatory Assets Non Current	383	379	409	3	
Goodwill	0	0	0	0	
Other Long-term Assets	91	96	71	(5)	
Total Assets	\$ 8,348	\$ 8,314	\$ 8,138	\$ 34	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 148	\$ 160	\$ 169	\$ (11)	
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	32	31	31	1	
Derivative Liability	0	0	0	0	
Accrued Taxes	33	30	48	3	
Regulatory Liabilities Current	7	9	19	(2)	
Other Current Liabilities	96	110	116	(14)	Primarily due to reclass of ARO liability balance from current to non-current. Budget balance assumed a static balance as of December 2019, when the budget was finalized.
Total Current Liabilities	317	340	383	(23)	
Debt - Affiliated Company	0	0	0	0	
Debt ⁽¹⁾	2,763	2,773	2,662	(10)	
Total Debt	2,763	2,773	2,662	(10)	
Deferred Tax Liabilities	828	814	795	14	
Investment Tax Credit	88	88	90	(0)	
Accum Provision for Pension & Related Benefits	(7)	0	(5)	(7)	
Asset Retirement Obligation	91	60	83	30	Primarily due to an increased vendor bid (Ghent Ash Treatment Basin #2), increased costs due to permit delays and treatment of dewatering discharge (Brown Aux), and increased costs based on an updated engineering estimate (Trimble County)
Regulatory Liabilities Non Current	1,055	1,050	1,072	4	
Derivative Liability	0	0	0	0	
Other Liabilities	49	38	48	12	Primarily due to the variance in the operating lease liability which is offset by the variance in the operating lease asset in Intangible Assets
Total Deferred Credits and Other Liabilities	2,104	2,051	2,082	53	
Equity	3,164	3,151	3,010	13	
Total Liabilities and Equity	\$ 8,348	\$ 8,314	\$ 8,138	\$ 34	

⁽¹⁾ Includes all ST and LT debt.

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



PPL companies

Performance Report

December 2020

Content**Page**

Executive Summary	3
Income Statement: Actual vs. Budget (YTD) - LKE Consolidated	4
Income Statement: Actual vs. Budget (YTD) - LG&E	5
Income Statement: Actual vs. Budget (YTD) - KU	6
Margins Actual vs. Budget	7
O&M	8
Financing Activities	9
Balance Sheet - LKE Consolidated	10
Balance Sheet - LG&E	11
Balance Sheet - KU	12

Kentucky Regulated Dashboard

	Current Month		YTD	
	Actual	PY	Actual	PY
Safety				
TCIR - Employees ⁽¹⁾	1.19	1.21	1.00	1.01
Employee lost-time incidents	1	1	10	8
DART ⁽¹⁾	0.89	0.80	0.66	0.52
Customer Service				
Retail Customer Experience Rating	9.44	8.97	9.24	9.15
Reliability				
Utility EFOR	3.5%	4.5%	1.5%	4.5%
Utility EAF	90.7%	93.4%	87.3%	84.5%
Combined SAIFI	0.04	0.07	0.74	0.94
Combined SAIDI (minutes)	4.16	5.39	69.74	87.49
Gas Emergency Response Time	34.0	34.5	31.9	34.5
GWh Sales				
Residential	1,102	994	10,430	10,393
Commercial	619	649	7,411	8,123
Industrial	718	683	8,104	8,895
Other	203	222	2,529	2,775
Retail	2,641	2,548	28,474	30,185
Municipals	33	34	368	409
Off-System Sales	26	72	174	321
Total	2,700	2,653	29,016	30,915
Weather-Normalized Retail Sales Growth			TTM	
Residential			5.64%	
Commercial			-6.56%	
Industrial			-6.90%	
Other			-5.92%	
Total			-2.36%	

Variance Explanations
Higher MTD margins primarily due to \$5 million of higher sales volumes related to COVID-19, primarily due to higher residential usage, and \$2 million of higher gas margin from the Gas Supply Clauses' Performance Based Ratemaking mechanism, partially offset by \$2 million of lower demand revenues from COVID-19.
Lower YTD margins primarily due to \$24 million of lower sales volumes, of which \$35 million was related to weather, partially offset by \$11 million related to COVID-19, primarily due to higher residential usage, \$45 million of lower demand revenues, of which \$37 million was related to COVID-19 and \$8 million of other, \$7 million of lower late payment and reconnect fees from COVID-19 and \$15 million of additional revenue budgeted in January, partially offset by \$3 million lower cost of sales and \$2 million of higher gas margin from the Gas Supply Clauses' Performance Based Ratemaking mechanism.
Lower YTD O&M primarily due to \$9 million of generation labor and supplemental contractors, \$7 million of labor burdens, \$3 million of support services labor and supplemental contractors, \$3 million of training and travel savings from COVID-19, \$2 million of storm restoration costs, \$2 million of timing of plant maintenance and operating expenses, \$2 million related to the delay of process water system costs and \$5 million of other expenses offset by \$3 million of gas in-line inspections and \$2 million of line locating expenses.

(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) Actuals represents trailing twelve months.

(5) Excludes goodwill and other purchase accounting adjustments.

Note: Schedules may not sum due to rounding.

	Current Month		YTD	
	Actual	Budget	Actual	Budget
Margins (\$ millions)				
Electric Margins	\$168	\$164	\$1,858	\$1,945
Gas Margins	\$29	\$27	\$223	\$221
O&M (\$ millions)				
O&M – Management View ⁽²⁾	\$64	\$63	\$737	\$766
O&M – GAAP View ⁽³⁾	\$73	\$72	\$834	\$865
Capital Expenditures (\$ millions)	\$108	\$62	\$1,048	\$1,007
Average Utility Capitalization (\$ millions)	\$10,605	\$10,567	\$10,605	\$10,567
Head Count				
Full-time Employees	3,482	3,606	3,482	3,606

	Full Year	
	Full Year Forecast	Full Year Budget
Financial Metrics⁽⁴⁾		
Utility ROE ⁽⁵⁾	9.4%	9.7%
Effective Depreciation Rate ⁽⁵⁾	3.5%	3.5%
Effective Interest Rate	3.9%	4.0%
Effective Tax Rate	19.2%	20.0%
Moody's CFO pre-WC / Debt		
LGE	22.3%	23.1%
KU	23.0%	23.4%
LKE Consolidated	16.3%	17.3%

Major Developments
The Company won its 26th J.D. Power award as KU ranked first among 16 utilities in the Midwest Midsize segment of the 2020 Electric Residential Study. KU earned a score of 783 while LG&E received a score of 759 and ranked fourth. This marks the fifth consecutive year in which KU has ranked first in the study.
The KPSC established the procedural schedule in the Kentucky rate case proceeding. This schedule is consistent with expectations and allows for a decision by the end of June. A formal hearing has not been scheduled but would be expected in late April. Discovery is underway in the proceeding.
The Company received a favorable outcome in its Solar PPA Case which should allow that project to move forward. LG&E-KU will be allowed to recover the cost of the PPA, net of renewable energy credits, as long as it is less than the avoidable variable generation cost of the Company's highest cost generating unit available to serve native load.
LG&E and KU issued a request for proposal for generation capacity to meet a potential energy shortfall being created by the expected retirements of Mill Creek Units 1 and 2 and E.W. Brown Unit 3. The utilities are seeking from 300 to 900 megawatts of capacity. A decision is expected by the middle of the year with certain regulatory approvals starting in early 2022.
LG&E and KU have fully subscribed phase 4 of the Community Solar Share facility in Simpsonville, KY. Phases 3 and 4 are expected to be fully operational by July 2021.
Company employees and researchers from the Power and Energy Institute of Kentucky (PEIK), a division of the College of Engineering at the University of Kentucky, received third prize for their research paper "Incorporating Battery Energy Storage Systems into Multi-MW Grid Connected PV Systems".
The Company's Supplier Diversity team received the 2020 Done Deals Award from the Women's Business Enterprise Council Ohio River Valley. The award is based on spending and available opportunities for Women-Owned Businesses.

Significant Future Events
Discovery for the Kentucky rate cases will continue through the first quarter of 2021.

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

December 2020

(\$ Millions)

	Actual vs. Budget - YTD			Actual vs. PY - YTD		
	Actual	Budget	Variance	Actual	PY Actual	Variance
Gross Margin:						
Electric Margin	\$ 1,858	\$ 1,945	\$ (87)	\$ 1,858	\$ 1,906	\$ (48)
Gas Margin	223	221	2	223	204	19
Total Gross Margin	2,081	2,166	(85)	2,081	2,111	(29)
O&M	737	766	29	737	769	31
Depreciation & Amortization	452	457	4	452	431	(22)
Taxes, Other than Income	72	72	0	72	70	(2)
Equity in earnings	0	0	0	0	0	0
Other income (expense)	2	(4)	7	2	(14)	16
EBIT	823	868	(45)	823	828	(5)
Interest Expense	260	263	3	260	257	(3)
Income from Ongoing Operations before income taxes	563	605	(42)	563	571	(9)
Income Tax Expense	108	121	13	108	103	(5)
Net Income (loss) from ongoing operations	455	484	(29)	455	469	(14)
Special Item - (Non Operating Income)	(5)	0	(5)	(5)	0	(5)
Discontinued Operations	(0)	0	(0)	(0)	(0)	(0)
Net Income (loss)	\$ 450	\$ 484	\$ (34)	\$ 450	\$ 469	\$ (19)
KY Regulated Financing Costs	(32)	(32)	0	(32)	(32)	1
KY Regulated Net Income	418	\$ 452	\$ (34)	418	\$ 436	\$ (18)
Earnings Per Share - Ongoing	\$ 0.55	\$ 0.59	\$ (0.04)	\$ 0.55	\$ 0.59	\$ (0.04)

Note: Schedules may not sum due to rounding.

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

December 2020

(\$ Millions)

	Actual vs. Budget - YTD				Actual vs. PY - YTD				
	Actual	Budget	Variance	Comments	Actual	PY Actual	Variance	Comments	
Gross Margin:									
Electric Margin	\$ 735	\$ 761	\$ (26)	Due primarily to \$8 million of lower sales volumes, of which \$9 million was related to weather, partially offset by \$1 million related to COVID-19, primarily due to higher residential usage, \$20 million of lower demand revenues, of which \$17 million was related to COVID-19 and \$3 million of other, and \$3 million of lower late payment and reconnect fees from COVID-19.	\$ 735	\$ 756	\$ (21)	Due primarily to lower energy and demand revenues from weather and COVID-19, partially offset by higher base rates and the elimination of the TCJA surcredit effective May 1, 2019.	
Gas Margin	223	221	2		223	204	19		Due primarily to higher base rates, the elimination of the TCJA surcredit effective May 1, 2019, and higher GLT rate base.
Total Gross Margin	959	982	(23)		959	961	(2)		
O&M	341	348	7	Primarily due to favorability related to maintenance and operation expenses, generation labor and supplemental contractors, partially offset by expenses related to line locating and vegetation management.	341	353	13	Due primarily to favorability related to change in storm amortization, change in outage normalization and refined coal amortization, labor burden costs, and Inline Inspections offset by higher bad debt, facility/metering contracts and line locating expenses.	
Depreciation & Amortization	187	190	3		187	177	(10)		Due primarily to higher plant in service and updated depreciation rates effective 5/1/2019.
Taxes, Other than Income	37	36	(1)		37	36	(0)		
Equity in earnings	0	0	0		0	0	0		
Other income (expense)	(1)	(4)	3		(1)	(11)	10		Due to LGE and KU Foundation contribution and AMS preliminary survey cost reclass.
EBIT	393	405	(11)		393	383	10		
Interest Expense	88	90	2		88	87	(1)		
Income from Ongoing Operations before income taxes	306	315	(9)	306	296	10			
Income Tax Expense	62	66	4	62	63	1			
Net Income (loss) from ongoing operations	\$ 243	\$ 249	\$ (5)	\$ 243	\$ 233	\$ 11			

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

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

December 2020

(\$ Millions)

	Actual vs. Budget - YTD				Actual vs. PY - YTD			
	Actual	Budget	Variance	Comments	Actual	PY Actual	Variance	Comments
Gross Margin:								
Electric Margin	\$ 1,123	\$ 1,169	\$ (47)	Due primarily to \$16 million of lower sales volumes, of which \$26 million was related to weather, partially offset by \$10 million related to COVID-19, primarily due to higher residential usage, \$25 million of lower demand revenues, of which \$20 million was related to COVID-19 and \$5 million of other, and \$4 million of lower late payment and reconnect fees from COVID-19.	\$ 1,123	\$ 1,150	\$ (27)	Due primarily to lower energy and demand revenues from weather and COVID-19, partially offset by higher base rates and the elimination of the TCJA surcredit effective May 1, 2019.
Gas Margin	0	0	0		0	0	0	
Total Gross Margin	1,123	1,169	(47)		1,123	1,150	(27)	
O&M	370	386	15	Due primarily to favorability related to maintenance and operation expenses, generation labor and supplemental contractors, labor burden costs, lower bad debt expenses, and lower vegetation management expenses, slightly offset by higher legal costs.	370	379	9	Due primarily to favorability related to change in storm amortization, change in outage normalization, refined coal amortization, and labor burden costs, offset by higher legal expenses and facility/metering contracts.
Depreciation & Amortization	264	265	2		264	252	(11)	
Taxes, Other than Income	35	36	1		35	34	(1)	
Equity in earnings	0	0	0		0	0	0	
Other income (expense)	2	(0)	3		2	(3)	5	
EBIT	456	482	(26)	456	482	(26)	Due to LGE and KU Foundation contribution and AMS preliminary survey cost reclass.	
Interest Expense	113	112	(1)	113	109	(3)		
Income from Ongoing Operations before income taxes	343	370	(27)	343	372	(29)		
Income Tax Expense	63	74	11	63	79	16		
Net Income (loss) from ongoing operations	\$ 280	\$ 295	\$ (15)	\$ 280	\$ 293	\$ (13)		
							Lower income taxes primarily due to lower pretax income and tax benefits on R&D tax credit adjustments for 2015-2020 return years.	Lower income taxes primarily due to lower pretax income, tax benefits on R&D tax credit adjustments for 2015-2020 return years and increased amortization of excess accumulated deferred income taxes.

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

Margins Actual vs. Budget

December 2020

(\$ Millions)

MARGINS (MTD)

	LKE Electric Margins					
	MTD Current Year December-20	MTD Budget December-20	Change			
				\$	%	
Base Service Charge	\$ 19	\$ 19	↑	\$ 0	1%	
Base Energy	89	84	↑	\$ 5	6%	
Demand Charge	45	48	↓	\$ (3)	-5%	
Retail Fuel (Net)	0	(0)	↑	\$ 1	-271%	
DSM	1	0	↑	\$ 1	899%	
ECR	15	15	↓	\$ (0)	-1%	
Transmission	0	0	↓	\$ (0)	-37%	
Purchase Power Demand	(3)	(2)	↓	\$ (1)	27%	
Off-System Sales	0	0	↓	\$ (0)	-65%	
Shared Solar Program	0	0	→	\$ 0	15%	
Other Revenue	2	3	↓	\$ (0)	-14%	
Cost of Sales	(2)	(2)	↑	\$ 0	-7%	
Tax Cuts and Job Act (TCJA)	-	-	→	\$ -	0%	
Additional Revenue Budgeted	-	0	↓	\$ (0)	-100%	
	\$ 168	\$ 164	↑	\$ 4	2%	

	LKE Gas Margins					
	MTD Current Year December-20	MTD Budget December-20	Change			
				\$	%	
Base Service Charge	\$ 8	\$ 8	↑	\$ 0	1%	
Distribution Charge	19	18	↑	\$ 1	7%	
WNA	0	-	↑	\$ 0	0%	
DSM	(1)	0	↓	\$ (1)	-96084%	
GSC	2	-	↑	\$ 2	0%	
GLT	1	1	↑	\$ 0	18%	
Other Revenue	0	0	↓	\$ (0)	-71%	
Cost of Sales	-	-	→	\$ -	0%	
Tax Cuts and Job Act (TCJA)	-	-	→	\$ -	0%	
	\$ 29	\$ 27	↑	\$ 2	7%	

MARGINS (YTD)

	LKE Electric Margins					
	YTD Current Year December-20	YTD Budget December-20	Change			
				\$	%	
	\$ 227	\$ 225	↑	\$ 2	1%	
	897	921	↓	\$ (24)	-3%	
	565	610	↓	\$ (45)	-7%	
	0	(3)	↑	\$ 3	-116%	
	4	2	↑	\$ 2	134%	
	190	191	↓	\$ (1)	0%	
	(2)	3	↓	\$ (4)	-165%	
	(30)	(29)	↓	\$ (1)	3%	
	0	1	↓	\$ (0)	-48%	
	0	0	↑	\$ 0	42%	
	26	33	↓	\$ (8)	-24%	
	(21)	(24)	↑	\$ 3	-14%	
	-	-	→	\$ -	0%	
	-	15	↓	\$ (15)	-100%	
	\$ 1,858	\$ 1,945	↓	\$ (87)	-4%	

	LKE Gas Margins					
	YTD Current Year December-20	YTD Budget December-20	Change			
				\$	%	
	\$ 96	\$ 96	↑	\$ 0	0%	
	104	113	↓	\$ (9)	-8%	
	8	-	↑	\$ 8	0%	
	(0)	0	↓	\$ (0)	-424%	
	2	-	↑	\$ 2	0%	
	12	11	↑	\$ 1	10%	
	1	1	↓	\$ (1)	-56%	
	-	-	→	\$ -	0%	
	-	-	→	\$ -	0%	
	\$ 223	\$ 221	↑	\$ 2	1%	

O&M

December 2020

(\$ Millions)

	Actual vs. Budget - YTD		
	Actual	Budget	Variance
Chief Operating Officer			
Power Production			
All Other	\$ 71.6	\$ 73.1	\$ 1.6
Maintenance	91.6	98.3	6.7
Outages	32.6	32.6	0.0
Power Production	195.7	204.1	8.3
Customer Services			
All Other	\$ 97.6	\$ 99.1	\$ 1.5
Bad Debt Expense	7.8	8.8	1.0
Customer Services	105.5	107.9	2.4
Electric Distribution			
All Other	\$ 43.6	\$ 44.2	\$ 0.6
Storm Restoration	5.0	6.5	1.5
Vegetation Mgmt	25.3	25.7	0.4
Electric Distribution	73.9	76.5	2.6
Transmission			
All Other	\$ 23.3	\$ 24.4	\$ 1.1
Storm Restoration	0.4	0.3	(0.0)
Vegetation Mgmt	13.8	13.2	(0.6)
Transmission	37.4	37.9	0.5
Gas Distribution			
All Other	\$ 36.8	\$ 38.5	\$ 1.7
Line Locating	12.5	10.9	(1.6)
Inline Inspections	4.6	1.3	(3.2)
Gas Distribution	53.8	50.7	(3.1)
Energy Supply & Analysis	12.9	13.4	\$ 0.5
Project Engineering	0.4	0.7	\$ 0.3
Safety & Tech Training	6.8	6.7	\$ (0.1)
Environmental	6.3	7.3	\$ 0.9
Chief Operating Officer	0.5	0.6	\$ 0.1
Chief Operating Officer Total	\$ 493.3	\$ 505.7	\$ 12.3
Chief Financial Officer			
Treasurer	\$ 25.7	\$ 26.3	\$ 0.6
Controller	\$ 8.7	\$ 9.0	\$ 0.3
Information Technology	\$ 62.7	\$ 65.9	\$ 3.1
State Reg & Rates	\$ 2.1	\$ 2.3	\$ 0.2
Audit Services	\$ 1.7	\$ 1.7	\$ 0.0
Supply Chain	\$ 3.8	\$ 4.0	\$ 0.3
Other	\$ 1.7	\$ 2.0	\$ 0.3
Chief Financial Officer Total	\$ 106.4	\$ 111.3	\$ 4.9
Communication	\$ 9.2	\$ 9.8	\$ 0.6
Human Resources	\$ 7.0	\$ 7.7	\$ 0.7
General Counsel	\$ 17.9	\$ 17.0	\$ (0.9)
Corporate Cost Center	\$ 77.6	\$ 81.6	\$ 4.0
Non-Utility	\$ 25.8	\$ 32.6	\$ 6.8
Grand Total	\$ 737.2	\$ 765.8	\$ 28.6

Financing Activities	December 2020
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(\$ Millions)

Balance Sheet	Actual vs. Budget - YTD		
	Actual	Budget	Variance
PCB			
Beg Bal	\$ 881.1	\$ 881.1	\$ 0.0
End Bal	881.1	881.1	0.0
Ave Bal	\$ 881.1	\$ 881.1	\$ 0.0
Interest Exp	\$ 21.1	\$ 21.3	\$ 0.2
Rate	2.40%	2.42%	0.02%
FMB/Sr Nts/Loan with PPL			
Beg Bal	\$ 5,160.0	\$ 5,160.0	\$ 0.0
End Bal	5,235.0	5,035.0	(200.0)
Ave Bal	\$ 5,265.8	\$ 5,156.2	\$ (109.6)
Interest Exp	\$ 222.0	\$ 216.6	\$ (5.4)
Rate	4.22%	4.20%	-0.01%
Short-term Debt			
Beg Bal	\$ 538.3	\$ 538.3	\$ 0.0
End Bal	716.2	813.2	96.9
Ave Bal ⁽¹⁾	\$ 487.2	\$ 599.8	\$ 112.6
Interest Exp	\$ 7.0	\$ 13.9	\$ 6.9
Rate	1.41%	2.28%	0.87%
Unamortized Debt Expense Bonds			
Beg Bal	\$ (39.3)	\$ (39.3)	\$ 0.0
End Bal	(42.3)	(36.7)	5.5
Ave Bal	\$ (40.9)	\$ (37.6)	\$ 3.3
Total End Bal	\$ 6,790.0	\$ 6,692.5	\$ (97.5)
Total Average Bal	\$ 6,593.1	\$ 6,599.3	\$ 6.2
Total Expense Excl I/C ⁽²⁾	\$ 260.1	\$ 263.0	\$ 2.9
Rate	3.92%	3.96%	0.04%

⁽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	Unused	Money Pool
	Capacity	Borrowed ⁽³⁾	Credit Issued	Capacity	Loans
LKE	\$ 825	\$ 251		\$ 574	
LG&E	500	262		238	\$ -
KU	400	203		197	-
TOTAL	\$ 1,725	\$ 716	\$ -	\$ 1,009	\$ -

⁽³⁾ LG&E borrowed amount represent commercial paper issuances and borrowings from the revolving credit facility. KU borrowed amount represent commercial paper issuances and borrowings from the revolving credit facility. LKE borrowed amount includes debt with PPL.

Balance Sheet - LKE Consolidated

December 2020

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 29	\$ 15	\$ 27	\$ 15	Primarily due to prefunding forecasted short term borrowing needs for year end at the utilities in anticipation of limited market liquidity.
Accounts Receivable (Trade)	466	443	434	23	
Inventory	242	262	250	(20)	
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	59	52	41	7	
Prepayments and other current assets	95	92	91	2	
Total Current Assets	891	865	843	26	
Property, Plant, and Equipment	13,481	13,407	13,085	74	Primarily due to the variance in the operating lease asset which is offset by the variance in the operating lease liability in Other Liabilities
Intangible Assets	107	91	117	16	
Other Property and Investments	1	1	1	0	
Regulatory Assets Non Current	721	735	766	(14)	
Goodwill	997	997	997	0	
Other Long-term Assets	79	73	122	7	
Total Assets	\$ 16,277	\$ 16,168	\$ 15,931	\$ 109	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 311	\$ 301	\$ 327	\$ 9	Primarily due to timing of income tax accruals versus payments and an increase in FICA payroll tax balance as a result of deferred payments per CARES Act. FICA payroll tax budget balance assumed a static balance as of December 2019, when the budget was finalized.
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	64	62	62	1	
Derivative Liability	2	4	4	(3)	
Accrued Taxes	71	52	58	19	
Regulatory Liabilities Current	11	12	19	(1)	
Other Current Liabilities	248	261	261	(13)	
Total Current Liabilities	706	693	731	13	
Debt - Affiliated Company	1,451	1,372	800	79	
Debt ⁽¹⁾	5,339	5,320	5,740	19	
Total Debt	6,790	6,692	6,540	98	
Deferred Tax Liabilities	1,175	1,193	1,069	(18)	The net increase in the funded status of the plan was driven by 2020 actual return on asset of ~18% versus budget assumption of 7% and the acceleration of the planned January 2021 pension contribution of \$23M to December 2020. This was partially offset by an increase in the plan benefit obligation driven by a 41bps decrease in the discount rate partially offset by lump sum payments that settled a portion of the plan obligation and changes in mortality assumptions. Primarily due to an increased vendor bid (Ghent Ash Treatment Basin #2), increased costs due to permit delays and treatment of dewatering discharge (Brown Aux), increased costs based on an updated engineering estimate (Trimble County), and an awarded contract and change in settlement date (Canal Asbestos) and recent construction and settlement activity (Gas Mains/Center UGS wells).
Investment Tax Credit	121	121	124	0	
Accum Provision for Pension & Related Benefits	112	161	233	(49)	
Asset Retirement Obligation	132	92	145	40	
Regulatory Liabilities Non Current	1,952	1,932	1,973	21	
Derivative Liability	21	13	17	9	
Other Liabilities	150	139	155	10	
Total Deferred Credits and Other Liabilities	3,664	3,651	3,717	13	
Equity	5,116	5,132	4,943	(15)	
Total Liabilities and Equity	\$ 16,277	\$ 16,168	\$ 15,931	\$ 109	

⁽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

December 2020

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 7	\$ 5	\$ 14	\$ 2	
Accounts Receivable (Trade)	210	209	203	1	
Inventory	119	123	122	(4)	
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	23	18	24	5	
Prepayments and other current assets	62	71	67	(9)	
Total Current Assets	421	426	432	(5)	
Property, Plant, and Equipment	6,035	6,025	5,825	10	
Intangible Assets	23	16	23	8	
Other Property and Investments	1	1	1	0	
Regulatory Assets Non Current	350	358	379	(8)	
Goodwill	0	0	0	0	
Other Long-term Assets	96	63	49	33	Primarily due to the net increase in the funded status of the plan which was driven by 2020 actual return on asset of ~18% versus budget assumption of 7% and the acceleration of the planned January 2021 pension contribution of \$23M to December 2020. This was partially offset by an increase in the plan benefit obligation driven by a 41bps decrease in the discount rate partially offset by lump sum payments that settled a portion of the plan obligation and changes in mortality assumptions.
Total Assets	\$ 6,926	\$ 6,888	\$ 6,708	\$ 38	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 184	\$ 194	\$ 203	\$ (10)	
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	31	31	31	1	
Derivative Liability	2	4	4	(3)	
Accrued Taxes	32	28	32	3	
Regulatory Liabilities Current	0	2	2	(2)	
Other Current Liabilities	75	84	85	(9)	
Total Current Liabilities	325	344	358	(19)	
Debt - Affiliated Company	0	0	0	0	
Debt ⁽¹⁾	2,268	2,275	2,243	(6)	
Total Debt	2,268	2,275	2,243	(6)	
Deferred Tax Liabilities	716	721	697	(5)	
Investment Tax Credit	33	33	34	0	
Accum Provision for Pension & Related Benefits	0	(0)	0	0	
Asset Retirement Obligation	57	34	49	24	Primarily due to an awarded contract and change in settlement date (Canal Asbestos) and recent construction and settlement activity (Gas Mains/Center UGS wells).
Regulatory Liabilities Non Current	852	835	848	17	
Derivative Liability	21	13	17	9	
Other Liabilities	94	86	89	9	
Total Deferred Credits and Other Liabilities	1,774	1,721	1,734	53	
Equity	2,559	2,548	2,374	11	
Total Liabilities and Equity	\$ 6,926	\$ 6,888	\$ 6,708	\$ 38	

⁽¹⁾ Includes all ST and LT debt.

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

Balance Sheet - KU

December 2020

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 22	\$ 5	\$ 12	\$ 17	Primarily due to prefunding forecasted short term borrowing needs for year end in anticipation of limited market liquidity.
Accounts Receivable (Trade)	256	234	230	22	
Inventory	123	140	128	(16)	Primarily due to budget inadvertently including refined coal (third party) inventory of \$11M
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	36	34	16	2	
Prepayments and other current assets	44	39	38	5	
Total Current Assets	482	453	425	29	
Property, Plant, and Equipment	7,430	7,368	7,245	61	
Intangible Assets	40	31	41	9	
Other Property and Investments	0	0	0	0	
Regulatory Assets Non Current	369	379	386	(9)	
Goodwill	0	0	0	0	
Other Long-term Assets	122	97	100	25	Primarily due to the net increase in the funded status of the plan which was driven by 2020 actual return on asset of ~18% versus budget assumption of 7% and the acceleration of the planned January 2021 pension contribution of \$23M to December 2020. This was partially offset by an increase in the plan benefit obligation driven by a 41bps decrease in the discount rate partially offset by lump sum payments that settled a portion of the plan obligation and changes in mortality assumptions.
Total Assets	\$ 8,443	\$ 8,328	\$ 8,197	\$ 114	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 163	\$ 160	\$ 172	\$ 4	
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	32	31	31	1	
Derivative Liability	0	0	0	0	
Accrued Taxes	29	22	26	7	
Regulatory Liabilities Current	11	10	17	1	
Other Current Liabilities	117	118	117	(1)	
Total Current Liabilities	352	341	363	11	
Debt - Affiliated Company	0	0	0	0	
Debt ⁽¹⁾	2,821	2,796	2,773	25	
Total Debt	2,821	2,796	2,773	25	
Deferred Tax Liabilities	835	822	792	13	
Investment Tax Credit	88	88	90	0	
Accum Provision for Pension & Related Benefits	0	0	0	0	
Asset Retirement Obligation	75	59	96	16	Primarily due to an increased vendor bid (Ghent Ash Treatment Basin #2), increased costs due to permit delays and treatment of dewatering discharge (Brown Aux), and increased costs based on an updated engineering estimate (Trimble County)
Regulatory Liabilities Non Current	1,048	1,046	1,069	2	
Derivative Liability	0	0	0	0	
Other Liabilities	48	36	46	12	Primarily due to the variance in the operating lease liability which is offset by the variance in the operating lease asset in Intangible Assets
Total Deferred Credits and Other Liabilities	2,095	2,051	2,093	44	
Equity	3,175	3,141	2,967	34	
Total Liabilities and Equity	\$ 8,443	\$ 8,328	\$ 8,197	\$ 114	

⁽¹⁾ Includes all ST and LT debt.

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



PPL companies

Performance Report

January 2021

Content**Page**

Executive Summary	3
Income Statement: Actual vs. Budget (YTD) - LKE Consolidated	4
Income Statement: Actual vs. Budget (YTD) - LG&E	5
Income Statement: Actual vs. Budget (YTD) - KU	6
Margins Actual vs. Budget	7
O&M	8
Financing Activities	9
Balance Sheet - LKE Consolidated	10
Balance Sheet - LG&E	11
Balance Sheet - KU	12

	Current Month		Full Year	
	Actual	PY	Forecast	PY
Safety				
TCIR - Employees ⁽¹⁾	0.81	0.90	0.94	1.00
Employee lost-time incidents	0	1	8	10
DART ⁽¹⁾	0.41	0.60	0.45	0.66
Customer Service				
	Actual	PY	Forecast	PY
Retail Customer Experience Rating	8.99	8.94	8.50	9.24
Reliability				
	Actual	Budget	Forecast	Budget
Utility EFOR	2.4%	4.5%	N/A	4.5%
Utility EAF	93.8%	93.8%	N/A	84.2%
Combined SAIFI	0.04	0.06	N/A	0.92
Combined SAIDI (minutes)	3.49	5.46	N/A	86.38
Gas Emergency Response Time	33.8	34.5	N/A	34.5
GWh Sales				
	Actual	Budget	Forecast	Budget
Residential	1,176	1,134	10,387	10,387
Commercial	634	650	7,708	7,708
Industrial	701	688	8,471	8,471
Other	211	224	2,673	2,673
Retail	2,723	2,696	29,239	29,239
Municipals	35	39	399	399
Off-System Sales	14	62	286	286
Total	2,772	2,797	29,924	29,924
Weather-Normalized Retail Sales Growth				
	TTM			
Residential	6.05%			
Commercial	-6.94%			
Industrial	-6.88%			
Other	-7.79%			
Total	-2.49%			

	Current Month		Full Year	
	Actual	Budget	Forecast	Budget
Margins (\$ millions)				
Electric Margins	\$172	\$173	\$2,062	\$2,062
Gas Margins	\$32	\$32	\$235	\$235
O&M (\$ millions)				
	Actual	Budget	Forecast	Budget
O&M – Management View ⁽²⁾	\$59	\$62	\$845	\$845
O&M – GAAP View ⁽³⁾	\$67	\$70	\$934	\$934
Capital Expenditures (\$ millions)				
	\$70	\$78	\$1,203	\$1,203
Average Utility Capitalization (\$ millions)				
	\$10,644	\$10,643	\$11,050	\$11,050
Head Count				
	Actual	Budget	Forecast	Budget
Full-time Employees	3,464	3,587	3,604	3,604

	YTD		Full Year	
	Actual	Budget	Forecast	Budget
Financial Metrics⁽⁴⁾				
Utility ROE ⁽⁵⁾	9.4%	9.0%	8.6%	8.6%
Effective Depreciation Rate ⁽⁵⁾	3.5%	3.5%	3.7%	3.7%
Effective Interest Rate	3.9%	3.9%	3.9%	3.9%
Effective Tax Rate	19.0%	19.1%	16.2%	16.2%
Moody's CFO pre-WC / Debt				
LG&E	22.4%	22.0%	22.2%	22.2%
KU	23.4%	23.3%	22.5%	22.5%
LKE Consolidated	16.4%	16.2%	16.4%	16.4%

Variance Explanations

There were no significant variances to budget.

- (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) Actuals represents trailing twelve months.
- (5) Excludes goodwill and other purchase accounting adjustments.

Major Developments

Discovery is proceeding as planned in the Kentucky rate case with LG&E and KU recently filing over 1,900 responses during two rounds of data requests. A formal hearing has not been scheduled but is projected to be in late April. A final decision is expected by the end of June.

LG&E and KU have contracted with Solar Alliance Energy Inc. to engineer and construct phases three and four of the Solar Share facility in Simpsonville, Kentucky. The fifth phase is nearly 50 percent subscribed. Since July 2019, the facility has produced more than 1.5 million kilowatt-hours of renewable energy for participating customers. The site will eventually consist of eight 500-kilowatt sections.

On February 12, 2021, the Southeast Energy Exchange Market (SEEM) members, including LG&E and KU, filed with the Federal Energy Regulatory Commission (FERC) for the approval of an automated, intra-hour energy exchange that aims to lower costs to customers and optimize renewable energy resources across the southeast region. The new SEEM platform is an extension of the existing bilateral market in the region and will facilitate sub-hourly bilateral trading using available unreserved transmission. If approved by FERC by May 13, 2021 as requested, the market would go live in the first quarter of 2022. The founding members represent nearly 20 entities across portions of 11 states.

Significant Future Events

Discovery for the Kentucky rate cases will continue through the first quarter of 2021.

Note: Schedules may not sum due to rounding.

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

January 2021

(\$ Millions)

	Actual vs. Budget - YTD			Comments	Actual vs. PY - YTD			Comments
	Actual	Budget	Variance		Actual	PY Actual	Variance	
Gross Margin:								
Electric Margin	\$ 172	\$ 173	\$ (0)		\$ 172	\$ 163	\$ 10	Primarily due to higher base energy due to mild weather in January of 2020.
Gas Margin	32	32	0		32	31	1	
Total Gross Margin	205	205	(0)		205	194	11	
O&M	59	62	3		59	58	(1)	
Depreciation & Amortization	38	39	1		38	37	(1)	
Taxes, Other than Income	6	7	0		6	6	(1)	
Equity in earnings	0	0	0		0	0	0	
Other income (expense)	(0)	(0)	0		(0)	(0)	0	
EBIT	101	97	4		101	93	8	
Interest Expense	21	22	1		21	22	1	
Income from Ongoing Operations before income taxes	80	76	4		80	72	8	
Income Tax Expense	15	14	(1)		15	14	(1)	
Net Income (loss) from ongoing operations	65	62	3		65	57	8	
Special Item - (Non Operating Income)	0	0	0		0	0	0	
Discontinued Operations	(0)	0	(0)		(0)	(0)	0	
Net Income (loss)	\$ 65	\$ 62	\$ 3		\$ 65	\$ 57	\$ 8	
KY Regulated Financing Costs	(2)	(2)	-		(2)	(3)	0	
KY Regulated Net Income	62	\$ 59	\$ 3		62	\$ 54	\$ 8	
Earnings Per Share - Ongoing	\$ 0.08	\$ 0.08	\$ 0.00		\$ 0.08	\$ 0.07	\$ 0.01	

Note: Schedules may not sum due to rounding.

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

January 2021

(\$ Millions)

	Actual vs. Budget - YTD			Comments	Actual vs. PY - YTD			Comments
	Actual	Budget	Variance		Actual	PY Actual	Variance	
Gross Margin:								
Electric Margin	\$ 62	\$ 61	\$ 1		\$ 62	\$ 60	\$ 2	
Gas Margin	32	32	0		32	31	1	
Total Gross Margin	94	94	1		94	91	3	
O&M	27	29	1		27	27	0	
Depreciation & Amortization	16	16	0		16	15	(0)	
Taxes, Other than Income	3	3	0		3	3	(0)	
Equity in earnings	0	0	0		0	0	0	
Other income (expense)	(0)	(0)	(0)		(0)	(1)	0	
EBIT	48	45	3		48	45	2	
Interest Expense	7	7	0		7	8	1	
Income from Ongoing Operations before income taxes	41	38	3		41	38	3	
Income Tax Expense	10	9	(1)		10	9	(1)	
Net Income (loss) from ongoing operations	\$ 31	\$ 29	\$ 2		\$ 31	\$ 28	\$ 2	

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

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

January 2021

(\$ Millions)

	Actual vs. Budget - YTD			Comments	Actual vs. PY - YTD			Comments
	Actual	Budget	Variance		Actual	PY Actual	Variance	
Gross Margin:								
Electric Margin	\$ 110	\$ 111	\$ (1)		\$ 110	\$ 103	\$ 8	Primarily due to higher base energy due to mild weather in January of 2020.
Gas Margin	0	0	0		0	0	0	
Total Gross Margin	110	111	(1)		110	103	8	
O&M	30	31	1		30	28	(2)	
Depreciation & Amortization	22	23	0		22	22	(1)	
Taxes, Other than Income	3	3	0		3	3	(0)	
Equity in earnings	0	0	0		0	0	0	
Other income (expense)	(0)	(0)	(0)		(0)	(0)	(0)	
EBIT	55	54	1		55	50	5	
Interest Expense	9	9	0		9	9	0	
Income from Ongoing Operations before income taxes	46	45	1		46	41	5	
Income Tax Expense	11	11	(0)		11	10	(1)	
Net Income (loss) from ongoing operations	\$ 35	\$ 34	\$ 1		\$ 35	\$ 31	\$ 4	

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

Margins Actual vs. Budget

January 2021

(\$ Millions)

MARGINS (MTD)

LKE Electric Margins

	MTD Current Year January-21	MTD Budget January-21	Change	
			\$	%
Base Service Charge	\$ 19	\$ 19	↑ \$ 0	2%
Base Energy	95	93	↑ \$ 2	2%
Demand Charge	46	47	↓ \$ (1)	-2%
Retail Fuel (Net)	(0)	(0)	↓ \$ (0)	179%
DSM	0	0	↑ \$ 0	35%
ECR	15	14	↑ \$ 1	8%
Transmission	(0)	0	↓ \$ (1)	-106%
Purchase Power Demand	(3)	(2)	↓ \$ (1)	28%
Off-System Sales	0	0	↓ \$ (0)	-91%
Shared Solar Program	0	0	↑ \$ 0	174%
Other Revenue	2	3	↓ \$ (1)	-30%
Cost of Sales	(2)	(2)	↓ \$ (0)	1%
Tax Cuts and Job Act (TCJA)	-	-	→ \$ -	0%
Additional Revenue Budgeted	-	0	↓ \$ (0)	-100%
\$ 172	\$ 173	↓ \$ (0)	0%	

LKE Gas Margins

	MTD Current Year January-21	MTD Budget January-21	Change	
			\$	%
Base Service Charge	\$ 8	\$ 8	↑ \$ 0	0%
Distribution Charge	21	23	↓ \$ (2)	-7%
WNA	1	-	↑ \$ 1	0%
DSM	0	0	→ \$ 0	41%
GSC	0	-	↑ \$ 0	0%
GLT	1	1	↑ \$ 0	48%
Other Revenue	0	0	↓ \$ (0)	-70%
Cost of Sales	-	-	→ \$ -	0%
Tax Cuts and Job Act (TCJA)	-	-	→ \$ -	0%
\$ 32	\$ 32	↑ \$ 0	1%	

MARGINS (YTD)

LKE Electric Margins

	YTD Current Year January-21	YTD Budget January-21	Change	
			\$	%
Base Service Charge	\$ 19	\$ 19	↑ \$ 0	2%
Base Energy	95	93	↑ \$ 2	2%
Demand Charge	46	47	↓ \$ (1)	-2%
Retail Fuel (Net)	(0)	(0)	↓ \$ (0)	179%
DSM	0	0	↑ \$ 0	35%
ECR	15	14	↑ \$ 1	8%
Transmission	(0)	0	↓ \$ (1)	-106%
Purchase Power Demand	(3)	(2)	↓ \$ (1)	28%
Off-System Sales	0	0	↓ \$ (0)	-91%
Shared Solar Program	0	0	↑ \$ 0	174%
Other Revenue	2	3	↓ \$ (1)	-30%
Cost of Sales	(2)	(2)	↓ \$ (0)	1%
Tax Cuts and Job Act (TCJA)	-	-	→ \$ -	0%
Additional Revenue Budgeted	-	0	↓ \$ (0)	-100%
\$ 172	\$ 173	↓ \$ (0)	0%	

LKE Gas Margins

	YTD Current Year January-21	YTD Budget January-21	Change	
			\$	%
Base Service Charge	\$ 8	\$ 8	↑ \$ 0	0%
Distribution Charge	21	23	↓ \$ (2)	-7%
WNA	1	-	↑ \$ 1	0%
DSM	0	0	→ \$ 0	41%
GSC	0	-	↑ \$ 0	0%
GLT	1	1	↑ \$ 0	48%
Other Revenue	0	0	↓ \$ (0)	-70%
Cost of Sales	-	-	→ \$ -	0%
Tax Cuts and Job Act (TCJA)	-	-	→ \$ -	0%
\$ 32	\$ 32	↑ \$ 0	1%	

(\$ Millions)

	Actual vs. Budget - YTD		
	Actual	Budget	Variance
Chief Operating Officer			
Power Production			
All Other	\$ 5.5	\$ 6.3	\$ 0.8
Maintenance	9.3	7.4	(1.9)
Outages	0.3	0.3	0.0
Power Production	15.2	14.1	(1.1)
Customer Services			
All Other	\$ 8.3	\$ 8.9	\$ 0.6
Bad Debt Expense	0.6	0.8	0.2
Customer Services	8.9	9.8	0.9
Electric Distribution			
All Other	\$ 3.5	\$ 3.7	\$ 0.2
Storm Restoration	0.2	0.2	0.0
Vegetation Mgmt	2.2	1.7	(0.4)
Electric Distribution	5.9	5.7	(0.2)
Transmission			
All Other	\$ 2.1	\$ 2.3	\$ 0.2
Storm Restoration	0.0	0.0	0.0
Vegetation Mgmt	0.9	1.0	0.1
Transmission	3.1	3.4	0.3
Gas Distribution			
All Other	\$ 2.9	\$ 3.1	\$ 0.2
Line Locating	1.0	1.0	0.1
Inline Inspections	0.0	-	(0.0)
Gas Distribution	3.9	4.1	0.2
Energy Supply & Analysis	1.3	1.4	\$ 0.1
Project Engineering	0.0	0.1	\$ 0.0
Safety & Tech Training	0.5	0.6	\$ 0.1
Environmental	0.5	0.6	\$ 0.0
Chief Operating Officer	0.1	0.0	\$ (0.0)
Chief Operating Officer Total	\$ 39.3	\$ 39.8	\$ 0.4
Chief Financial Officer			
Treasurer	\$ 0.9	\$ 0.7	\$ (0.2)
Controller	\$ 0.6	\$ 0.5	\$ (0.1)
Information Technology	\$ 5.4	\$ 5.9	\$ 0.6
State Reg & Rates	\$ 0.1	\$ 0.2	\$ 0.0
Audit Services	\$ 0.1	\$ 0.1	\$ 0.0
Supply Chain	\$ 0.3	\$ 0.3	\$ (0.0)
Other	\$ 0.1	\$ 0.2	\$ 0.1
Chief Financial Officer Total	\$ 7.5	\$ 7.8	\$ 0.3
Communication	\$ 0.6	\$ 0.8	\$ 0.2
Human Resources	\$ 0.6	\$ 0.6	\$ 0.0
General Counsel	\$ 0.8	\$ 0.9	\$ 0.1
Corporate Cost Center	\$ 8.4	\$ 9.7	\$ 1.3
Non-Utility	\$ 1.7	\$ 2.1	\$ 0.4
Grand Total	\$ 58.9	\$ 61.7	\$ 2.8

Financing Activities
January 2021

(\$ Millions)

Balance Sheet	Actual vs. Budget - YTD		
	Actual	Budget	Variance
PCB			
Beg Bal	\$ 881.1	\$ 881.1	\$ 0.0
End Bal	881.1	881.1	0.0
Ave Bal	\$ 881.1	\$ 881.1	\$ 0.0
Interest Exp	\$ 1.5	\$ 1.5	\$ (0.0)
Rate	2.09%	2.08%	-0.02%
FMB/Sr Nts/Loan with PPL			
Beg Bal	\$ 5,235.0	\$ 5,235.0	\$ 0.0
End Bal	5,235.0	5,235.0	0.0
Ave Bal	\$ 5,235.0	\$ 5,235.0	\$ -
Interest Exp	\$ 18.5	\$ 18.5	\$ 0.0
Rate	4.25%	4.25%	0.00%
Short-term Debt			
Beg Bal	\$ 716.2	\$ 735.0	\$ 18.8
End Bal	689.6	716.5	26.9
Ave Bal ⁽¹⁾	\$ 686.5	\$ 725.8	\$ 39.2
Interest Exp	\$ 0.4	\$ 0.9	\$ 0.4
Rate	0.74%	1.38%	0.64%
Unamortized Debt Expense Bonds			
Beg Bal	\$ (42.3)	\$ (42.7)	\$ (0.4)
End Bal	(41.9)	(42.4)	(0.4)
Ave Bal	\$ (42.1)	\$ (42.5)	\$ (0.4)
Total End Bal	\$ 6,763.7	\$ 6,790.2	\$ 26.4
Total Average Bal	\$ 6,760.5	\$ 6,799.3	\$ 38.8
Total Expense Excl I/C ⁽²⁾	\$ 21.2	\$ 21.7	\$ 0.5
Rate	3.73%	3.80%	0.07%

⁽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	\$ 825	\$ 249		\$ 576	
LG&E	500	255		245	\$ -
KU	400	186		214	-
TOTAL	\$ 1,725	\$ 690	\$ -	\$ 1,035	\$ -

⁽³⁾ LG&E borrowed amount represent commercial paper issuances and borrowings from the revolving credit facility. KU borrowed amount represent commercial paper issuances and borrowings from the revolving credit facility. LKE borrowed amount includes debt with PPL.

Balance Sheet - LKE Consolidated

January 2021

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 19	\$ 13	\$ 17	\$ 6	
Accounts Receivable (Trade)	514	471	426	42	
Inventory	224	212	232	13	
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	56	53	41	2	
Prepayments and other current assets	95	96	82	(1)	
Total Current Assets	908	846	797	62	
Property, Plant, and Equipment	13,497	13,543	13,104	(45)	
Intangible Assets	105	98	116	7	
Other Property and Investments	1	1	1	0	
Regulatory Assets Non Current	718	746	768	(27)	
Goodwill	997	997	997	0	
Other Long-term Assets	80	82	99	(1)	
Total Assets	\$ 16,308	\$ 16,312	\$ 15,883	\$ (4)	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 276	\$ 283	\$ 242	\$ (8)	
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	64	63	63	0	
Derivative Liability	2	3	4	(1)	
Accrued Taxes	79	72	59	6	
Regulatory Liabilities Current	16	14	20	2	
Other Current Liabilities	270	241	276	29	Increase due to higher outstanding checks \$16M (property tax payments, emission fees and other smaller items), and higher last day ACH's/Wires \$16M (federal withholding, OVEC power purchase, cap ex, meter reading and other smaller items); offset by lower deposit in transit for funding prior month items (\$1M).
Total Current Liabilities	706	677	665	29	
Debt - Affiliated Company	1,449	1,485	811	(36)	
Debt ⁽¹⁾	5,315	5,305	5,738	10	
Total Debt	6,764	6,790	6,549	(26)	
Deferred Tax Liabilities	1,172	1,174	1,066	(3)	
Investment Tax Credit	121	121	124	0	
Accum Provision for Pension & Related Benefits	113	147	188	(34)	Primarily due to a net increase in the funded status of the plan which was driven by 2020 actual return on asset of ~18% versus budget assumption of .70%, partially offset by an increase in the plan benefit obligation driven by a 41bps decrease in the discount rate partially offset by changes in mortality assumptions.
Asset Retirement Obligation	129	120	142	9	
Regulatory Liabilities Non Current	1,955	1,954	1,974	1	
Derivative Liability	20	22	20	(2)	
Other Liabilities	148	144	155	3	
Total Deferred Credits and Other Liabilities	3,657	3,682	3,669	(24)	
Equity	5,181	5,164	5,000	17	
Total Liabilities and Equity	\$ 16,308	\$ 16,312	\$ 15,883	\$ (4)	

⁽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

January 2021

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 9	\$ 5	\$ 7	\$ 4	
Accounts Receivable (Trade)	237	221	201	16	
Inventory	105	95	109	10	Primarily due to budget inadvertently excluded too much refined coal (third party) inventory of \$6.2M
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	20	18	24	1	
Prepayments and other current assets	71	70	67	1	
Total Current Assets	441	409	408	32	
Property, Plant, and Equipment	6,041	6,073	5,833	(31)	
Intangible Assets	23	19	23	4	
Other Property and Investments	1	1	1	0	
Regulatory Assets Non Current	348	363	381	(15)	
Goodwill	0	0	0	0	
Other Long-term Assets	96	77	49	19	Primarily due to a net increase in the funded status of the plan which was driven by 2020 actual return on asset of ~18% versus budget assumption of .70%, partially offset by an increase in the plan benefit obligation driven by a 41bps decrease in the discount rate partially offset by changes in mortality assumptions.
Total Assets	\$ 6,950	\$ 6,941	\$ 6,695	\$ 9	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 167	\$ 161	\$ 150	\$ 6	
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	31	32	31	(0)	
Derivative Liability	2	3	4	(1)	
Accrued Taxes	43	41	41	2	
Regulatory Liabilities Current	1	5	2	(4)	
Other Current Liabilities	82	80	90	3	
Total Current Liabilities	326	320	318	6	
Debt - Affiliated Company	0	0	0	0	
Debt ⁽¹⁾	2,262	2,269	2,241	(8)	
Total Debt	2,262	2,269	2,241	(8)	
Deferred Tax Liabilities	716	717	697	(1)	
Investment Tax Credit	33	33	34	0	
Accum Provision for Pension & Related Benefits	0	0	(4)	0	
Asset Retirement Obligation	56	40	49	16	Primarily due to an awarded contract and change in settlement date (Canal Asbestos) and recent construction and settlement activity (Gas Mains/Center UGS wells).
Regulatory Liabilities Non Current	854	851	849	3	
Derivative Liability	20	22	20	(2)	
Other Liabilities	93	90	90	4	
Total Deferred Credits and Other Liabilities	1,772	1,753	1,734	20	
Equity	2,590	2,599	2,402	(9)	
Total Liabilities and Equity	\$ 6,950	\$ 6,941	\$ 6,695	\$ 9	

⁽¹⁾ Includes all ST and LT debt.

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

Balance Sheet - KU

January 2021

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 10	\$ 5	\$ 9	\$ 5	
Accounts Receivable (Trade)	275	251	225	25	Primarily due to a higher than budgeted beginning balance because the budget starting point was actuals through August 2020.
Inventory	120	117	124	3	
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	36	35	16	1	
Prepayments and other current assets	42	43	34	(1)	
Total Current Assets	483	450	408	32	
Property, Plant, and Equipment	7,440	7,454	7,257	(14)	
Intangible Assets	39	36	41	4	
Other Property and Investments	0	0	0	0	
Regulatory Assets Non Current	369	392	386	(23)	
Goodwill	0	0	0	0	
Other Long-term Assets	123	100	100	23	Primarily due to a net increase in the funded status of the plan which was driven by 2020 actual return on asset of ~18% versus budget assumption of .70%, partially offset by an increase in the plan benefit obligation driven by a 41bps decrease in the discount rate partially offset by changes in mortality assumptions.
Total Assets	\$ 8,455	\$ 8,433	\$ 8,193	\$ 22	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 145	\$ 153	\$ 131	\$ (7)	
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	32	32	32	1	
Derivative Liability	0	0	0	0	
Accrued Taxes	27	31	23	(4)	
Regulatory Liabilities Current	15	9	18	6	
Other Current Liabilities	127	106	128	22	Increase due to increased ARO project projected spend in the next year, higher outstanding checks \$12M (property taxes, emission fees and other smaller items), and higher last day ACH's/Wires \$4M (cap ex, federal withholding and other smaller items); offset by lower deposit in transit for funding prior month items (\$1M).
Total Current Liabilities	348	330	331	17	
Debt - Affiliated Company	0	0	0	0	
Debt ⁽¹⁾	2,803	2,786	2,773	17	
Total Debt	2,803	2,786	2,773	17	
Deferred Tax Liabilities	835	838	792	(3)	
Investment Tax Credit	88	88	90	0	
Accum Provision for Pension & Related Benefits	0	0	(1)	0	
Asset Retirement Obligation	73	80	94	(7)	
Regulatory Liabilities Non Current	1,050	1,053	1,069	(2)	
Derivative Liability	0	0	0	0	
Other Liabilities	48	44	47	4	
Total Deferred Credits and Other Liabilities	2,094	2,103	2,090	(9)	
Equity	3,209	3,214	2,998	(4)	
Total Liabilities and Equity	\$ 8,455	\$ 8,433	\$ 8,193	\$ 22	

⁽¹⁾ Includes all ST and LT debt.

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



PPL companies

Performance Report

February 2021

Content**Page**

Executive Summary	3
Income Statement: Actual vs. Budget (YTD) - LKE Consolidated	4
Income Statement: Actual vs. Budget (YTD) - LG&E	5
Income Statement: Actual vs. Budget (YTD) - KU	6
Margins Actual vs. Budget	7
O&M	8
Financing Activities	9
Balance Sheet - LKE Consolidated	10
Balance Sheet - LG&E	11
Balance Sheet - KU	12

	Current Month		YTD		Full Year	
	Actual	PY	Actual	PY	Forecast	PY
Safety						
TCIR - Employees ⁽¹⁾	0.71	0.73	0.76	0.82	0.94	1.00
Employee lost-time incidents	0	1	0	2	8	10
DART ⁽¹⁾	0.36	0.73	0.38	0.66	0.45	0.66
Customer Service						
Retail Customer Experience Rating	9.05	9.06	9.02	9.00	8.50	9.24
Reliability						
Utility EFOR	0.2%	4.5%	1.3%	4.5%	N/A	4.5%
Utility EAF	95.0%	90.5%	94.3%	92.2%	N/A	84.2%
Combined SAIFI	0.07	0.05	0.11	0.10	N/A	0.92
Combined SAIDI (minutes)	9.50	4.55	12.99	10.01	N/A	86.38
Gas Emergency Response Time	32.7	34.5	33.3	34.5	N/A	34.5
GWh Sales						
Residential	1,082	969	2,257	2,103	10,387	10,387
Commercial	622	595	1,257	1,245	7,708	7,708
Industrial	680	646	1,382	1,334	8,471	8,471
Other	211	208	422	432	2,673	2,673
Retail	2,595	2,418	5,318	5,114	29,239	29,239
Municipals	33	31	68	70	399	399
Off-System Sales	159	50	173	112	286	286
Total	2,786	2,499	5,559	5,296	29,924	29,924
Weather-Normalized Retail Sales Growth			TTM			
Residential			5.53%			
Commercial			-7.72%			
Industrial			-6.96%			
Other			-8.43%			
Total			-2.95%			

Variance Explanations
Higher MTD margins due primarily to \$9 million of higher sales volumes, of which \$7 million was related to weather and \$2 million was related to COVID-19, primarily due to higher residential usage, partially offset by \$2 million of lower demand revenues related to COVID-19.
Higher YTD margins due primarily to \$10 million of higher sales volumes, of which \$3 million was related to weather and \$7 million was related to COVID-19, primarily due to higher residential usage, partially offset by \$2 million of lower demand revenues related to COVID-19 and \$1 million of lower late payment and reconnect fees from COVID-19.

(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) Actuals represents trailing twelve months.
 (5) Excludes goodwill and other purchase accounting adjustments.

Note: Schedules may not sum due to rounding.

	Current Month		YTD		Full Year	
	Actual	Budget	Actual	Budget	Forecast	Budget
Margins (\$ millions)						
Electric Margins	\$167	\$159	\$340	\$332	\$2,062	\$2,062
Gas Margins	\$27	\$26	\$60	\$59	\$235	\$235
O&M (\$ millions)						
O&M – Management View ⁽²⁾	\$65	\$64	\$124	\$126	\$845	\$845
O&M – GAAP View ⁽³⁾	\$74	\$72	\$141	\$142	\$934	\$934
Capital Expenditures (\$ millions)	\$58	\$81	\$128	\$159	\$1,203	\$1,203
Average Utility Capitalization (\$ millions)	\$10,680	\$10,677	\$10,680	\$10,677	\$11,050	\$11,050
Head Count						
Full-time Employees	3,450	3,588	3,450	3,588	3,604	3,604

	YTD		Full Year	
	Actual	Budget	Full Year Forecast	Full Year Budget
Financial Metrics⁽⁴⁾				
Utility ROE ⁽⁵⁾	9.4%	8.9%	8.6%	8.6%
Effective Depreciation Rate ⁽⁵⁾	3.5%	3.5%	3.7%	3.7%
Effective Interest Rate	3.9%	3.9%	3.9%	3.9%
Effective Tax Rate	18.8%	19.0%	16.2%	16.2%
Moody's CFO pre-WC / Debt				
LGE	22.6%	22.2%	22.2%	22.2%
KU	23.7%	23.7%	22.5%	22.5%
LKE Consolidated	16.6%	16.3%	16.4%	16.4%

Major Developments
Intervenor testimony was received in the rate case on March 5. The Attorney General and Kentucky Industrial Utility Customers filed joint testimony supporting reductions to our request totaling \$254 million, including an authorized return on equity of 9%. The Company's rebuttal testimony is to be filed by April 12, and settlement discussions are tentatively scheduled to begin April 15. A formal evidentiary hearing is expected to occur the last week in April.
The service territories experienced two significant winter weather events in February. The first event brought ice accumulations which ranged from 0.25" around Louisville and up to 0.50" in central Kentucky. Approximately 43,000 customers were affected with six broken poles and about 670 wires down. The second event impacted over 21,000 customers and included about 230 wires down and five broken poles. Restoration efforts for both events were performed safely, without incident and with internal resources (no mutual assistance). However, costs incurred represented more than the entire annual storm restoration budget for transmission and half the annual storm restoration budget for electric distribution.
KU was awarded \$1.8 million in coronavirus relief funds in Virginia to assist customers with outstanding arrearages during the pandemic. The Virginia CARES funding was allocated to eligible participating customers in February.
LG&E and KU's new customer mobile app is available for download on Apple and Android mobile devices. The rollout is taking a phased approach including a soft launch to employees and retirees and targeted customer communications beginning in April.
The Kentucky Senate confirmed the appointment of Kent Chandler as Vice Chair to the Kentucky Public Service Commission. Chandler was appointed by Governor Andy Beshear on July 6, 2020 and his term will expire June 30, 2024.

Significant Future Events
LG&E and KU rates will become effective July 1, 2021, pending approval of the rate case by the KPSC.

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

February 2021

(\$ Millions)

	Actual vs. Budget - YTD			Comments	Actual vs. PY - YTD			Comments
	Actual	Budget	Variance		Actual	PY Actual	Variance	
Gross Margin:								
Electric Margin	\$ 340	\$ 332	\$ 8	Higher margins due primarily to \$10 million of higher sales volumes, of which \$3 million was related to weather and \$7 million was related to COVID-19, primarily due to higher residential usage, partially offset by \$2 million of lower demand revenues related to COVID-19 and \$1 million of lower late payment and reconnect fees from COVID-19.	\$ 340	\$ 320	\$ 20	Primarily due to higher base energy from weather.
Gas Margin	60	59	1		60	59	1	
Total Gross Margin	400	391	9		400	379	20	
O&M	124	126	2		124	118	(7)	Increase primarily due to storm restoration and timing of on-going maintenance, slightly offset by favorable vegetation management.
Depreciation & Amortization	77	78	1	77	75	(2)		
Taxes, Other than Income	13	13	1	13	11	(1)		
Equity in earnings	0	0	0	0	0	0		
Other income (expense)	(1)	(1)	0	(1)	(1)	0		
EBIT	185	173	12	185	175	10		
Interest Expense	42	43	1	42	43	1		
Income from Ongoing Operations before income taxes	143	130	13	143	131	12		
Income Tax Expense	26	24	(3)	26	26	(0)		
Net Income (loss) from ongoing operations	117	106	10	117	105	11		
Special Item - (Non Operating Income)	0	0	0	0	0	0		
Discontinued Operations	(0)	0	(0)	(0)	(0)	0		
Net Income (loss)	\$ 117	\$ 106	\$ 10	\$ 117	\$ 105	\$ 11		
KY Regulated Financing Costs	(5)	(5)	0	(5)	(3)	(2)		
KY Regulated Net Income	112	\$ 101	\$ 10	112	\$ 102	\$ 9		
Earnings Per Share - Ongoing	\$ 0.14	\$ 0.13	\$ 0.01	\$ 0.14	\$ 0.07	\$ 0.07		

Note: Schedules may not sum due to rounding.

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

February 2021

(\$ Millions)

	Actual vs. Budget - YTD			Comments	Actual vs. PY - YTD			Comments
	Actual	Budget	Variance		Actual	PY Actual	Variance	
Gross Margin:								
Electric Margin	\$ 124	\$ 119	\$ 5	Higher margins due primarily to \$5 million of higher sales volumes, of which \$1 million was related to weather and \$4 million was related to COVID-19, primarily due to higher residential usage, partially offset by \$1 million of lower demand revenues related to COVID-19.	\$ 124	\$ 118	\$ 5	Primarily due to higher base energy from weather.
Gas Margin	60	59	1		60	59	1	
Total Gross Margin	183	177	6		183	177	6	
O&M	55	58	3		55	54	(1)	
Depreciation & Amortization	32	33	1		32	31	(1)	
Taxes, Other than Income	7	7	0		7	6	(1)	
Equity in earnings	0	0	0		0	0	0	
Other income (expense)	(1)	(1)	(0)		(1)	(1)	0	
EBIT	89	80	10		89	86	3	
Interest Expense	14	14	0		14	15	1	
Income from Ongoing Operations before income taxes	75	65	10	75	71	4		
Income Tax Expense	19	16	(2)	19	18	(1)		
Net Income (loss) from ongoing operations	\$ 57	\$ 49	\$ 7	\$ 57	\$ 53	\$ 3		

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

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

February 2021

(\$ Millions)

	Actual vs. Budget - YTD			Comments	Actual vs. PY - YTD			Comments
	Actual	Budget	Variance		Actual	PY Actual	Variance	
Gross Margin:								
Electric Margin	\$ 216	\$ 213	\$ 3		\$ 216	\$ 202	\$ 14	Primarily due to higher base energy from weather.
Gas Margin	0	0	0		0	0	0	
Total Gross Margin	216	213	3		216	202	14	
O&M	63	62	(1)		63	58	(5)	Increase primarily due to storm restoration and timing of on-going maintenance.
Depreciation & Amortization	45	45	1		45	43	(1)	
Taxes, Other than Income	6	6	0		6	6	(1)	
Equity in earnings	0	0	0		0	0	0	
Other income (expense)	(0)	(0)	(0)		(0)	(0)	(0)	
EBIT	102	99	3		102	95	7	
Interest Expense	18	18	0		18	19	1	
Income from Ongoing Operations before income taxes	84	81	3		84	77	7	
Income Tax Expense	21	20	(1)		21	19	(2)	
Net Income (loss) from ongoing operations	\$ 63	\$ 61	\$ 2		\$ 63	\$ 58	\$ 5	

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

Margins Actual vs. Budget

February 2021

(\$ Millions)

MARGINS (MTD)

LKE Electric Margins

	MTD Current Year		MTD Budget		Change	
	February-21	February-21	February-21	February-21	\$	%
Base Service Charge	\$ 17	\$ 17	↑	\$ 0	1%	
Base Energy	\$ 90	\$ 81	↑	\$ 9	11%	
Demand Charge	\$ 45	\$ 47	↓	\$ (2)	-3%	
Retail Fuel (Net)	\$ (0)	\$ (0)	↓	\$ (0)	41%	
DSM	\$ 1	\$ 0	↑	\$ 0	152%	
ECR	\$ 14	\$ 14	↓	\$ (1)	-5%	
Transmission	\$ 0	\$ 0	↑	\$ 0	22%	
Purchase Power Demand	\$ (2)	\$ (2)	↑	\$ 0	-16%	
Off-System Sales	\$ 2	\$ 0	↑	\$ 1	1362%	
Shared Solar Program	\$ 0	\$ 0	→	\$ (0)	-8%	
Other Revenue	\$ 3	\$ 3	↓	\$ (0)	-7%	
Cost of Sales	\$ (2)	\$ (2)	↓	\$ (0)	12%	
Tax Cuts and Job Act (TCJA)	\$ -	\$ -	→	\$ -	0%	
Additional Revenue Budgeted	\$ -	\$ 0	↓	\$ (0)	-100%	
	\$ 167	\$ 159	↑	\$ 8	5%	

LKE Gas Margins

	MTD Current Year		MTD Budget		Change	
	February-21	February-21	February-21	February-21	\$	%
Base Service Charge	\$ 7	\$ 7	↓	\$ (0)	0%	
Distribution Charge	22	18	↑	\$ 4	19%	
WNA	(3)	-	↓	\$ (3)	0%	
DSM	0	0	→	\$ 0	41%	
GSC	(0)	-	↓	\$ (0)	0%	
GLT	1	1	↑	\$ 0	52%	
Other Revenue	0	0	↑	\$ 0	11%	
Cost of Sales	-	-	→	\$ -	0%	
Tax Cuts and Job Act (TCJA)	-	-	→	\$ -	0%	
	\$ 27	\$ 26	↑	\$ 1	3%	

MARGINS (YTD)

LKE Electric Margins

	YTD Current Year		YTD Budget		Change	
	February-21	February-21	February-21	February-21	\$	%
	\$ 37	\$ 36	↑	\$ 1	2%	
	184	174	↑	\$ 10	6%	
	92	94	↓	\$ (2)	-2%	
	(1)	(0)	↓	\$ (0)	110%	
	1	1	↑	\$ 1	93%	
	29	29	↑	\$ 0	1%	
	(0)	1	↓	\$ (1)	-117%	
	(5)	(5)	↓	\$ (0)	6%	
	2	0	↑	\$ 1	518%	
	0	0	↑	\$ 0	83%	
	5	6	↓	\$ (1)	-16%	
	(4)	(4)	↓	\$ (0)	6%	
	-	-	→	\$ -	0%	
	-	1	↓	\$ (1)	-100%	
	\$ 340	\$ 332	↑	\$ 8	2%	

LKE Gas Margins

	YTD Current Year		YTD Budget		Change	
	February-21	February-21	February-21	February-21	\$	%
	\$ 16	\$ 16	↑	\$ 0	0%	
	43	41	↑	\$ 2	5%	
	(1)	-	↓	\$ (1)	0%	
	0	0	→	\$ 0	41%	
	(0)	-	↓	\$ (0)	0%	
	3	2	↑	\$ 1	50%	
	0	0	↓	\$ (0)	-26%	
	-	-	→	\$ -	0%	
	-	-	→	\$ -	0%	
	\$ 60	\$ 59	↑	\$ 1	2%	

Case No. 2020-00349 and 2020-00350
Attachment to Filing Requirement
Tab 45 - 807 KAR 5:001 Section 16(7)(o)
Page 56 of 61
Arbough

(\$ Millions)

	Actual vs. Budget - YTD		
	Actual	Budget	Variance
Chief Operating Officer			
Power Production			
All Other	\$ 11.7	\$ 12.7	\$ 1.0
Maintenance	18.6	15.4	(3.2)
Outages	1.0	1.0	(0.0)
Power Production	31.3	29.0	(2.2)
Customer Services			
All Other	\$ 16.4	\$ 17.5	\$ 1.1
Bad Debt Expense	0.7	1.4	0.7
Customer Services	17.1	19.0	1.8
Electric Distribution			
All Other	\$ 6.7	\$ 7.4	\$ 0.7
Storm Restoration	3.9	0.6	(3.3)
Vegetation Mgmt	3.4	3.5	0.1
Electric Distribution	14.1	11.5	(2.5)
Transmission			
All Other	\$ 4.1	\$ 4.3	\$ 0.2
Storm Restoration	1.4	0.1	(1.3)
Vegetation Mgmt	1.7	2.0	0.3
Transmission	7.2	6.4	(0.8)
Gas Distribution			
All Other	\$ 6.0	\$ 6.2	\$ 0.2
Line Locating	1.9	2.1	0.1
Inline Inspections	0.0	1.0	1.0
Gas Distribution	7.9	9.2	1.3
Energy Supply & Analysis	2.2	2.5	\$ 0.3
Project Engineering	0.1	0.1	\$ 0.1
Safety & Tech Training	1.1	1.2	\$ 0.2
Environmental	1.1	1.1	\$ 0.0
Chief Operating Officer	0.1	0.1	\$ (0.0)
Chief Operating Officer Total	\$ 82.1	\$ 80.2	\$ (1.9)
Chief Financial Officer			
Treasurer	\$ 1.4	\$ 1.5	\$ 0.1
Controller	\$ 1.2	\$ 1.2	\$ 0.0
Information Technology	\$ 10.5	\$ 11.7	\$ 1.2
State Reg & Rates	\$ 0.3	\$ 0.3	\$ 0.1
Audit Services	\$ 0.3	\$ 0.3	\$ 0.0
Supply Chain	\$ 0.6	\$ 0.6	\$ 0.0
Other	\$ 0.3	\$ 0.3	\$ 0.1
Chief Financial Officer Total	\$ 14.5	\$ 15.9	\$ 1.5
Communication	\$ 1.4	\$ 1.9	\$ 0.6
Human Resources	\$ 1.1	\$ 1.3	\$ 0.1
General Counsel	\$ 2.0	\$ 2.1	\$ 0.1
Corporate Cost Center	\$ 17.3	\$ 18.2	\$ 0.9
Non-Utility	\$ 5.7	\$ 6.1	\$ 0.4
Grand Total	\$ 124.0	\$ 125.7	\$ 1.7

Financing Activities
February 2021

(\$ Millions)

Balance Sheet	Actual vs. Budget - YTD		
	Actual	Budget	Variance
PCB			
Beg Bal	\$ 881.1	\$ 881.1	\$ 0.0
End Bal	881.1	881.1	0.0
Ave Bal	\$ 881.1	\$ 881.1	\$ 0.0
Interest Exp	\$ 3.1	\$ 3.0	\$ (0.0)
Rate	2.08%	2.08%	-0.01%
FMB/Sr Nts/Loan with PPL			
Beg Bal	\$ 5,235.0	\$ 5,235.0	\$ 0.0
End Bal	5,235.0	5,235.0	0.0
Ave Bal	\$ 5,235.0	\$ 5,235.0	\$ -
Interest Exp	\$ 37.1	\$ 37.1	\$ 0.0
Rate	4.25%	4.25%	0.00%
Short-term Debt			
Beg Bal	\$ 716.2	\$ 735.0	\$ 18.8
End Bal	646.7	656.9	10.2
Ave Bal ⁽¹⁾	\$ 665.9	\$ 702.8	\$ 36.9
Interest Exp	\$ 0.8	\$ 1.7	\$ 0.9
Rate	0.73%	1.46%	0.73%
Unamortized Debt Expense Bonds			
Beg Bal	\$ (42.3)	\$ (42.7)	\$ (0.4)
End Bal	(41.6)	(42.1)	(0.4)
Ave Bal	\$ (42.0)	\$ (42.4)	\$ (0.4)
Total End Bal	\$ 6,721.2	\$ 6,730.9	\$ 9.8
Total Average Bal	\$ 6,740.0	\$ 6,776.5	\$ 36.5
Total Expense Excl I/C ⁽²⁾	\$ 42.2	\$ 43.2	\$ 1.1
Rate	3.73%	3.80%	0.07%

⁽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	\$ 825	\$ 246		\$ 579	
LG&E	500	243		257	\$ -
KU	400	158		242	-
TOTAL	\$ 1,725	\$ 647	\$ -	\$ 1,078	\$ -

⁽³⁾ LG&E borrowed amount represent commercial paper issuances and borrowings from the revolving credit facility. KU borrowed amount represent commercial paper issuances and borrowings from the revolving credit facility. LKE borrowed amount includes debt with PPL.

Balance Sheet - LKE Consolidated

February 2021

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 27	\$ 13	\$ 16	\$ 13	Primarily due to timing of cash receipts at the utilities.
Accounts Receivable (Trade)	521	447	434	73	Primarily due to higher than budgeted revenue in the first two months of 2021 and a higher than budgeted beginning balance.
Inventory	202	198	223	4	
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	64	53	42	11	Primarily due to higher than budgeted GSC caused by higher GSC expense when compared to the GSC revenue.
Prepayments and other current assets	93	93	82	0	
Total Current Assets	906	804	796	102	
Property, Plant, and Equipment	13,504	13,571	13,124	(67)	
Intangible Assets	104	96	115	8	
Other Property and Investments	1	1	1	0	
Regulatory Assets Non Current	716	743	771	(27)	
Goodwill	997	997	997	0	
Other Long-term Assets	82	82	99	(1)	
Total Assets	\$ 16,309	\$ 16,294	\$ 15,902	\$ 14	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 275	\$ 282	\$ 260	\$ (7)	
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	65	63	63	1	
Derivative Liability	2	3	4	(1)	
Accrued Taxes	74	59	58	15	Primarily due to timing of income tax accruals versus payments.
Regulatory Liabilities Current	20	13	17	8	
Other Current Liabilities	267	260	294	7	
Total Current Liabilities	702	679	696	23	
Debt - Affiliated Company	1,446	1,486	813	(40)	
Debt ⁽¹⁾	5,275	5,245	5,679	30	
Total Debt	6,721	6,731	6,493	(10)	
Deferred Tax Liabilities	1,167	1,171	1,063	(4)	
Investment Tax Credit	121	121	123	0	
Accum Provision for Pension & Related Benefits	114	145	189	(31)	Primarily due to a net increase in the funded status of the plan which was driven by 2020 actual return on asset of ~18% versus budget assumption of .70%, partially offset by an increase in the plan benefit obligation driven by a 41bps decrease in the discount rate partially offset by changes in mortality assumptions.
Asset Retirement Obligation	126	119	138	8	
Regulatory Liabilities Non Current	1,958	1,955	1,975	4	
Derivative Liability	18	22	22	(4)	
Other Liabilities	148	144	155	4	
Total Deferred Credits and Other Liabilities	3,653	3,675	3,665	(22)	
Equity	5,233	5,209	5,048	23	
Total Liabilities and Equity	\$ 16,309	\$ 16,294	\$ 15,902	\$ 14	

⁽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

February 2021

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 12	\$ 5	\$ 6	\$ 7	
Accounts Receivable (Trade)	241	207	205	34	Primarily due to higher than budgeted revenue in the first two months of 2021 and a higher than budgeted beginning balance.
Inventory	94	83	98	11	Primarily due to budget inadvertently excluded too much refined coal (third party) inventory of \$6.2M.
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	27	18	24	10	Primarily due to higher than budgeted GSC caused by higher GSC expense when compared to the GSC revenue.
Prepayments and other current assets	63	67	72	(4)	
Total Current Assets	438	380	405	58	
Property, Plant, and Equipment	6,044	6,089	5,842	(45)	
Intangible Assets	22	19	23	3	
Other Property and Investments	1	1	1	0	
Regulatory Assets Non Current	345	361	384	(16)	
Goodwill	0	0	0	0	
Other Long-term Assets	96	78	49	18	Primarily due to a net increase in the funded status of the plan which was driven by 2020 actual return on asset of ~18% versus budget assumption of .70%, partially offset by an increase in the plan benefit obligation driven by a 41bps decrease in the discount rate partially offset by changes in mortality assumptions.
Total Assets	\$ 6,947	\$ 6,928	\$ 6,702	\$ 19	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 161	\$ 156	\$ 159	\$ 5	
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	31	32	31	(0)	
Derivative Liability	2	3	4	(1)	
Accrued Taxes	32	28	31	4	
Regulatory Liabilities Current	5	4	1	0	
Other Current Liabilities	81	86	97	(6)	
Total Current Liabilities	311	309	324	2	
Debt - Affiliated Company	0	0	0	0	
Debt ⁽¹⁾	2,250	2,246	2,216	3	
Total Debt	2,250	2,246	2,216	3	
Deferred Tax Liabilities	716	717	697	(1)	
Investment Tax Credit	33	33	34	0	
Accum Provision for Pension & Related Benefits	1	0	(3)	1	
Asset Retirement Obligation	54	40	47	14	Primarily due to an awarded contract and change in settlement date (Canal Asbestos) and recent construction and settlement activity (Gas Mains/Center UGS wells).
Regulatory Liabilities Non Current	855	851	849	4	
Derivative Liability	18	22	22	(4)	
Other Liabilities	93	90	90	4	
Total Deferred Credits and Other Liabilities	1,770	1,753	1,736	17	
Equity	2,616	2,620	2,427	(4)	
Total Liabilities and Equity	\$ 6,947	\$ 6,928	\$ 6,702	\$ 19	

⁽¹⁾ Includes all ST and LT debt.

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

Balance Sheet - KU

February 2021

(\$ Millions)

	Actual	YTD Budget	PY Actual	Variance to Budget	Comments
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 14	\$ 5	\$ 10	\$ 9	Primarily due to higher than budgeted revenue in the first two months of 2021 and a higher than budgeted beginning balance.
Accounts Receivable (Trade)	278	240	227	38	
Inventory	108	115	125	(7)	
Deferred Income Taxes	0	0	0	0	
Regulatory Assets Current	37	35	18	1	
Prepayments and other current assets	43	41	33	1	
Total Current Assets	479	437	413	43	
Property, Plant, and Equipment	7,443	7,466	7,268	(22)	Primarily due to a net increase in the funded status of the plan which was driven by 2020 actual return on asset of ~18% versus budget assumption of .70%, partially offset by an increase in the plan benefit obligation driven by a 41bps decrease in the discount rate partially offset by changes in mortality assumptions.
Intangible Assets	39	35	40	4	
Other Property and Investments	0	0	0	0	
Regulatory Assets Non Current	370	392	386	(22)	
Goodwill	0	0	0	0	
Other Long-term Assets	124	102	101	22	
Total Assets	\$ 8,456	\$ 8,430	\$ 8,208	\$ 25	
Liabilities and Equity:					
Current Liabilities:					
Accounts Payable (Trade)	\$ 135	\$ 151	\$ 140	\$ (16)	Primarily due to timing of accounts payable expected to occur in the budget versus actuals.
Dividends Payable to Affiliated Companies	0	0	0	0	
Customer Deposits	33	32	32	2	
Derivative Liability	0	0	0	0	
Accrued Taxes	37	33	33	5	
Regulatory Liabilities Current	16	9	16	7	
Other Current Liabilities	125	115	133	10	
Total Current Liabilities	346	339	355	7	
Debt - Affiliated Company	0	0	0	0	
Debt ⁽¹⁾	2,776	2,749	2,740	27	
Total Debt	2,776	2,749	2,740	27	
Deferred Tax Liabilities	835	838	792	(3)	
Investment Tax Credit	88	88	90	0	
Accum Provision for Pension & Related Benefits	0	0	(1)	0	
Asset Retirement Obligation	72	78	91	(7)	
Regulatory Liabilities Non Current	1,053	1,053	1,071	(1)	
Derivative Liability	0	0	0	0	
Other Liabilities	48	44	46	4	
Total Deferred Credits and Other Liabilities	2,096	2,102	2,088	(6)	
Equity	3,238	3,241	3,025	(3)	
Total Liabilities and Equity	\$ 8,456	\$ 8,430	\$ 8,208	\$ 25	

⁽¹⁾ Includes all ST and LT debt.

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

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 54 - 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 attachments being provided in Excel format.

The attachments are
being provided in
separate files in Excel
format.

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 55 - 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 attachments being provided in Excel format.

The attachments are
being provided in
separate files in Excel
format.

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 56 - 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 attachments being provided in Excel format.

The attachments are
being provided in
separate files in Excel
format.

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 57 - 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 attachments being provided in Excel format.

The attachments are
being provided in
separate files in Excel
format.

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 58 - 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 attachments being provided in Excel format.

The attachments are
being provided in
separate files in Excel
format.

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 59 - 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 and Electric Company

Case No. 2020-00350

Filing Requirement Section 16(8)(f)

Base Period: Twelve Months Ended February 28, 2021

Forecasted Test Period: Twelve Months Ended June 30, 2022

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 and Electric Company
 Case No. 2020-00350
 Organization Membership Dues, Initiation Fees and Expenditures at Country Clubs
 Base Period: Twelve Months Ended February 28, 2021
 Forecasted Test Period: Twelve Months Ended June 30, 2022

LGE FR_16(8)(f)

Schedule F-1

Account No.	Organization/Membership	Dues
Base Period - Recoverable		
930	AMERICAN COAL ASH ASSOCIATION	6,750
930	AMERICAN GAS ASSOCIATION	219,765
930	BAKER BOTTS LLP	32,844
930	CHARTWELL INC	25,979
930	E SOURCE COMPANIES LLC	16,695
930	EDISON ELECTRIC INSTITUTE	351,075
921/930	ELECTRIC POWER RESEARCH INSTITUTE	1,262,904
930	KENTUCKY GAS ASSOCIATION	10,000
930	KY SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS	5,771
930	NORTH AMERICAN TRANSMISSION FORUM INC	29,956
930	PRACTISING LAW INSTITUTE	5,135
930	SOUTHEASTERN ELECTRIC EXCHANGE	6,437
930	SOUTHERN GAS ASSOCIATION	22,200
930	STEPTOE AND JOHNSON PLLC	33,285
930	UTILITIES TECHNOLOGY COUNCIL	11,497
930	UTILITY WATER ACT GROUP	105,424
930	WATERWAYS COUNCIL INC	5,323
506/921/930	Various Vendors < \$5,000	4,195
Total Base Period - Recoverable		<u>2,155,236</u>
Base Period - Not Recoverable		
426	AMERICAN GAS ASSOCIATION	8,092
426	EDISON ELECTRIC INSTITUTE	55,532
426	KENTUCKY CHAMBER	26,080
426	WATERWAYS COUNCIL INC	4,534
426	Various Vendors < \$2,000	6,802
Total Base Period - Non-Recoverable		<u>101,040</u>
Forecasted Test Period - Recoverable		
930	AMERICAN GAS ASSOCIATION	216,000
930	CLASS OF 85 REGULATORY RESPONSE GROUP	18,900
930	CLIMATE LEGAL RESOURCE GROUP	14,700
930	COAL COMBUSTION RESIDUALS	29,400
930	CROSS CUTTING ISSUES	14,700
930	EDISON ELECTRIC INSTITUTE	324,831
930	ELECTRIC POWER RESEARCH INSTITUTE	832,797
930	KENTUCKY GAS ASSOCIATION	10,000
930	MIDWEST OZONE GROUP	31,500
930	NEW SOURCE REVIEW	14,700
930	SOUTHERN GAS ASSOCIATION	22,000
930	UTILITY SOLID WASTE ACTIVITIES GROUP (USWAG)	30,750
930	UTILITY WATER ACT GROUP (UWAG)	55,440
Various	Other non-specific LGE Dues	242,937
Total Forecasted Test Period - Recoverable		<u>1,858,655</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	57,323
426	GREATER LOUISVILLE INC	37,250
426	KENTUCKY CHAMBER	26,320
426	Other Non-Specific LGE Dues	13,513
Total Forecasted Test Period - Non-Recoverable		<u>134,406</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".		

Base Period: Twelve Months Ended February 28, 2021
 Forecasted Test Period: Twelve Months Ended June 30, 2022

LGE FR_16(8)(f)

Schedule F-2

Account No.	Charitable Organization	Total Utility
Base Period - Not Recoverable		
426.1	GREATER LOUISVILLE INC	125,500
426.1	LOUISVILLE CHAMBER OF COMMERCE	50,000
426.1	TRIMBLE COUNTY FISCAL COURT	28,417
426.1	UNIVERSITY OF LOUISVILLE	25,000
426.1	BARDSTOWN-NELSON COUNTY CHAMBER OF COMMERCE	10,000
426.1	Various Vendor <\$10,000	65,121
	Total Base Period	304,038
Forecasted Test Period - Not Recoverable		
426.1	GREATER LOUISVILLE INC	117,000
426.1	LIGHT UP LOUISVILLE	75,000
426.1	UNIVERSITY OF LOUISVILLE	26,000
426.1	SCHOOL SUPPLY DRIVE	11,250
426.1	PLANT FOR THE PLANET	10,000
426.1	REPUBLICAN STATE LEADERSHIP COMMITTEE	10,000
426.1	VARIOUS FORECASTED BASE PERIOD CHARITABLE CONTRIBUTIONS	103,250
	Total Forecasted Period	352,500

LGE FR_16(8)(f)

Schedule F-3

Account No.	Description	Total Utility
<u>Base Period - Not Recoverable</u>		
426.5	Employee Recognition	323,741
	Total Employee Recognition	<u>323,741</u>
	Total Base Period	<u><u>323,741</u></u>
<u>Forecasted Test Period - Not Recoverable</u>		
426.5	Employee Recognition	613,406
	Total Employee Recognition	<u>613,406</u>
	Total Forecast Period	<u><u>613,406</u></u>

Louisville Gas and Electric Company

Case No. 2020-00350

Marketing and Sales Expenditures

Base Period: Twelve Months Ended February 28, 2021

Forecasted Test Period: Twelve Months Ended June 30, 2022

LGE FR_16(8)(f)

Schedule F-4

Account No.	Description of Expenses	Base Period	Forecasted Test Period
		Total Utility	Total Utility
Customer Service & Informational			
907	Supervision	355,347	255,792
908	Customer Assistance	389,049	1,052,140
910	Miscellaneous Customer Service & Informational	1,354,685	1,477,876
Totals		2,099,081	2,785,808

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

Sales Expense			
911	Supervision	-	-
912	Demonstration & Selling	40,424	72,000
916	Miscellaneous Sales Expense	-	-
Totals		40,424	72,000

Base Period: Twelve Months Ended February 28, 2021
 Forecasted Test Period: Twelve Months Ended June 30, 2022

LGE FR_16(8)(f)

Schedule F-5

Account No.	Description of Expenses	<u>Base Period</u>	<u>Forecasted Test Period</u>
		Total Utility	Total Utility
<u>Recoverable Expenses</u>			
909	Informational or Safety Advertising	1,421,980	1,882,921
	Totals	<u>1,421,980</u>	<u>1,882,921</u>
<u>Not Recoverable Expenses</u>			
913	Sales or Promotional Advertising	1,500,688	1,337,931
930.1	Institutional or Other Advertising	-	5,393
	Totals	<u>1,500,688</u>	<u>1,343,324</u>

Note> Account 913 and 930.1 are Non-Recoverable expenses and are removed from base rates through proforma adjustments.

LGE FR_16(8)(f)

Schedule F-6

Professional Services	Base Period	Forecasted Test Period
Description of Expenses	Total Utility	Total Utility
Computer Hardware And Software Maintenance	7,554,132	8,686,286
Contracted Labor And Materials	3,563,150	6,532,821
Legal Fees	3,020,309	3,826,975
Consulting Fees	934,740	1,082,130
Accounting and Audit Fees	766,281	908,557
Other	1,173,025	1,717,927
Totals	17,011,637	22,754,696

Louisville Gas and Electric Company

Case No. 2020-00350

Rate Case Expenses

Base Period: Twelve Months Ended February 28, 2021

Forecasted Test Period: Twelve Months Ended June 30, 2022

LGE FR_16(8)(f)

Schedule F-7

Account No.	Description of Expense	Utility
-------------	------------------------	---------

Total Estimated Kentucky Rate Case Expenses

182	Legal	\$ 741,581
182	Consultants	188,662
182	Newspaper Advertising	167,971
Total Estimated Kentucky Rate Case Expenses		\$ 1,098,215

Electric

182	Legal	\$ 578,237
182	Consultants	146,000
182	Newspaper Advertising	132,516
Total Estimated Kentucky Electric Rate Case Expenses		\$ 856,753

Gas

182	Legal	\$ 163,344
182	Consultants	42,662
182	Newspaper Advertising	35,455
Total Estimated Kentucky Gas Rate Case Expenses		\$ 241,461

Note > Rate Case Expenses will occur during the Base Period and prior to the Forecast Period.

Account No.	Description of Expenses	<u>Base Period</u>	<u>Forecasted Test Period</u>
		Total Utility	Total Utility
<u>Regulatory Commission Expenses</u>			
928	FERC Annual Charge	649,130	746,005
928	Rate Case Amortization - Electric	787,814	230,076
928	Rate Case Amortization - Gas	251,882	47,292
928	Miscellaneous - Electric	21,697	8,729
928	Miscellaneous - Gas	9,748	3,922
Totals		1,720,271	1,036,023

Louisville Gas and Electric Company

Case No. 2020-00350

Civic and Political Activity Expenses

Base Period: Twelve Months Ended February 28, 2021

Forecasted Test Period: Twelve Months Ended June 30, 2022

LGE FR_16(8)(f)

Schedule F-8

Account No.	Item	<u>Base Period</u>	<u>Forecasted Test Period</u>
		Total Utility	Total Utility
Not Recoverable Expenses			
426.4	Civic/Political	645,737	751,276
	Totals	<u>645,737</u>	<u>751,276</u>

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 60 - 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 25, 2020. Note that the attached payroll analysis includes an allocation of LG&E and KU Services ("LKS") labor dollars and employees.

Louisville Gas and Electric Company
Case No. 2020-00350
Payroll Costs
Base Period: Twelve Months Ended February 28, 2021
Forecasted Test Period: Twelve Months Ended June 30, 2022

Payroll Costs	Base Period	Changes	Forecasted Test Period
Wages and Salaries:			
Straight & OT/Premium	\$ 143,090,381	\$ 4,720,270	\$ 147,810,651
Off-duty Costs	22,097,779	528,210	22,625,989
Employee Benefits	54,993,713	7,338,396	62,332,109
Payroll Taxes	12,713,133	2,045,929	14,759,062
Total Payroll Costs	<u>\$ 232,895,006</u>	<u>\$ 14,632,805</u>	<u>\$ 247,527,811</u>

Note 1: The information contained in this filing requirement includes all amounts charged to Louisville Gas & Electric by Louisville Gas and Electric, LG&E and KU Services, and Kentucky Utilities.

Louisville Gas and Electric Company
Case No. 2020-00350
Payroll Analysis

Base Period: Twelve Months Ended February 28, 2021
Forecasted Test Period: Twelve Months Ended June 30, 2022

Line No.	Description	Base Period	% Change	Forecasted Period
1				
2	<u>Man Hours</u>			
3	Salary/Straight Time Hours	3,246,173	-1.94%	3,183,346
4	OverTime Hours	258,228	-20.53%	205,220
5	Total Man Hours	3,504,401	-3.31%	3,388,565
6				
7	Ratio of OT Hours to ST Hours	7.95%		6.45%
8				
9	<u>Straight, OT/Premium Dollars</u>			
10	Salary/Straight Time Dollars	128,074,278	5.57%	135,202,195
11	OverTime Dollars	15,016,104	-16.03%	12,608,456
12	Total Labor Dollars	143,090,381	3.30%	147,810,651
13				
14	Ratio of OT Dollars to ST Dollars	11.72%		9.33%
15				
16	O&M Labor Dollars	94,420,607	9.98%	103,844,226
17				
18	Ratio of O&M Labor Dollars			
19	to Total Labor Dollars	65.99%		70.25%
20				
21	O&M Allocation % - Electric	70%		70%
22	O&M Labor Dollars - Electric	66,094,425	9.98%	72,690,958
23				
24	O&M Allocation % - Gas	30%		30%
25	O&M Labor Dollars - Gas	28,326,182	9.98%	31,153,268
26				
27	<u>Off-duty Dollars</u>			
28	Total Off-Duty Dollars	22,097,779	2.39%	22,625,989
29	Off-Duty Dollars O&M	14,839,869	7.99%	16,025,520
30				
31	Ratio of Off-Duty O&M			
32	to Total Off-Duty	67.16%		70.83%
33				
34				
35	<u>Employee Benefits</u>			
36	Total Employee Benefits	54,993,713	13.34%	62,332,109
37	Employee Benefits O&M	37,155,255	20.82%	44,891,218
38				
39	Ratio of Employee Benefits O&M			
40	to Total Employee Benefits	67.56%		72.02%
41				
42	<u>Payroll Taxes</u>			
43	Total Payroll Taxes	12,713,133	16.09%	14,759,062
44	Payroll Taxes O&M	8,489,417	22.44%	10,394,404
45				
46	Ratio of Payroll Taxes O&M			
47	to Total Payroll Taxes	66.78%		70.43%
48				
49	<u>Employee Levels</u>			
50	Average Employee Levels	1,037	7.23%	1,112
51	Period-End Employee Levels	1,028	8.27%	1,113

Note 1: The information contained in this filing requirement includes all amounts charged to Louisville Gas & Electric by Louisville Gas and Electric, LG&E and KU Services, and Kentucky Utilities.

Note 2: Headcount information shown on this schedule reflects only those employees of Louisville Gas & Electric where as labor dollars and man hours also include charges from LG&E and KU Services and Kentucky Utilities.

CONFIDENTIAL INFORMATION REDACTED

Louisville Gas & Electric Company

Case No: 2020-00350

Officer Compensation

Updated Base Period: Mar 1, 2020 - Feb 28, 2021 ¹

Job Title	Salary	Other Compensation ²
Chief Financial Officer		
Chief Information Officer		
Chief Operating Officer		
Controller		
Gen Counsel/Compl/ Corp Sec		
President and CEO		
Treasurer		
VP Communications&Corp Respon		
VP Corporate Resp&Comm Affairs		
VP Customer Services		
VP Electric Distribution		
VP Energy Supply and Analysis		
VP External Affairs		
VP Gas Operations		
VP Human Resources		
VP Power Production ³		
VP Project Engineering		
VP State Regulation and Rates		
VP Transmission		
Average of All Officers	\$303,037	\$302,840

¹ Amounts 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 Former VP Power Production retired 6/1/2020.

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 61 - 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. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 62 - 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 2020.

Base Period Update Response:

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

Louisville Gas and Electric Company
Case No. 2020-00350
Comparative Income Statement
Base Period: Twelve Months Ended February 28, 2021
Forecasted Test Period: Twelve Months Ended June 30, 2022

Total Company	Most Recent Five Calendar Years					Base Period	Test Year	Schedule I-1 Forecasted		
	2016	2017	2018	2019	2020	2/28/2021	6/30/2022	2022	2023	2024
INCOME STATEMENT										
Operating Revenues										
Electric Operating Revenues	1,139,116,720	1,144,298,964	1,167,787,104	1,178,961,419	1,139,319,369	\$ 1,149,868,161	\$ 1,151,820,142	\$ 1,162,568,520	\$ 1,168,354,965	\$ 1,183,563,570
Gas Operating Revenues	288,728,401	311,929,143	324,611,484	330,363,413	323,889,236	332,604,502	356,828,378	356,930,313	355,089,536	357,024,089
Total Operating Revenues	1,427,845,121	1,456,228,107	1,492,398,588	1,509,324,832	1,463,208,605	1,482,472,664	1,508,648,520	1,519,498,833	1,523,444,501	1,540,587,659
Operating Expenses										
Fuel for Electric Generation	310,667,468	300,117,026	313,804,061	293,553,123	248,221,341	249,538,788	279,285,706	281,743,994	277,786,588	294,298,887
Power Purchased	55,379,006	53,308,448	55,805,401	46,283,163	53,019,809	55,214,507	44,518,297	41,900,090	42,972,493	38,958,249
Gas Supply Expenses	104,509,026	118,144,946	131,652,535	120,728,947	96,111,620	103,377,157	115,872,376	113,594,500	110,202,012	110,275,635
Other Operation Expenses	240,168,560	242,717,425	254,419,244	257,073,032	256,601,933	257,173,389	288,111,867	288,427,392	291,537,306	292,362,542
Maintenance	101,251,004	97,927,490	111,926,324	120,097,794	107,886,666	109,773,501	135,299,069	133,126,041	127,199,949	130,647,336
Depreciation & Amortization Expense	169,774,452	182,980,633	194,758,854	229,389,786	257,121,159	258,592,334	343,675,932	348,272,781	353,312,170	357,741,757
Regulatory Debits	95,997	326,452	573,607	1,161,424	1,935,111	2,014,848	2,759,745	3,000,219	3,606,283	4,221,803
Current Income Taxes	126,093,670	134,143,056	67,881,177	66,393,026	63,050,466	64,182,396	3,048,873	13,832,994	21,670,854	21,436,950
Property and Other Taxes	39,887,729	41,853,436	45,095,036	47,405,945	48,196,310	49,254,276	57,924,635	60,844,621	62,883,226	64,438,170
Investment Tax Credit	2,942,920	8,291	-	365,196	86,482	86,482	-	-	-	-
Amortization of Investment Tax Credit	(1,229,230)	(1,113,447)	(982,616)	(962,846)	(880,873)	(875,025)	(917,580)	(892,519)	(884,595)	(884,409)
Loss(Gain) from Disposition of Utility Plant	-	-	(39,992)	-	-	-	-	-	-	-
Loss(Gain) from Disposition of Allowances	(72)	(33,526)	(63,088)	(71,050)	(24)	8,840	-	-	-	-
Total Operating Expenses	1,149,540,530	1,170,380,230	1,174,830,543	1,181,417,540	1,131,350,000	1,148,341,493	1,269,578,920	1,283,850,114	1,290,286,286	1,313,496,919
Net Operating Income	278,304,591	285,847,877	317,568,045	327,907,292	331,858,605	334,131,171	239,069,600	235,648,720	233,158,215	227,090,740
Other Income less deductions	(3,834,531)	(2,120,216)	(8,495,966)	(8,018,158)	(764,167)	(840,287)	(466,477)	88,471	2,859,927	4,999,287
Income before Interest Charges	274,470,060	283,727,661	309,072,079	319,889,134	331,094,438	333,290,884	238,603,124	235,737,190	236,018,142	232,090,026
Interest Charges	71,240,572	69,631,895	76,657,826	87,085,238	87,682,284	86,555,350	93,114,722	92,942,707	92,250,692	91,698,117
Net Income	203,229,488	214,095,766	232,414,253	232,803,896	243,412,154	\$ 246,735,534	\$ 145,488,402	\$ 142,794,483	\$ 143,767,450	\$ 140,391,910

Louisville Gas and Electric Company
Case No. 2020-00350
Comparative Income Statement
Base Period: Twelve Months Ended February 28, 2021
Forecasted Test Period: Twelve Months Ended June 30, 2022

Electric Only	Most Recent Five Calendar Years					Base Period	Test Year	Schedule I-1 Forecasted		
	2016	2017	2018	2019	2020	2/28/2021	6/30/2022	2022	2023	2024
	INCOME STATEMENT									
Operating Revenues										
Electric Operating Revenues	1,139,116,720	1,144,298,964	1,167,787,104	1,178,961,419	1,139,319,369	\$ 1,149,868,161	\$ 1,151,820,142	1,162,568,520	1,168,354,965	1,183,563,570
Total Operating Revenues	1,139,116,720	1,144,298,964	1,167,787,104	1,178,961,419	1,139,319,369	1,149,868,161	1,151,820,142	1,162,568,520	1,168,354,965	1,183,563,570
Operating Expenses										
Fuel for Electric Generation	310,667,468	300,117,026	313,804,061	293,553,123	248,221,341	249,538,788	279,285,706	281,743,994	277,786,588	294,298,887
Power Purchased	55,379,006	53,308,448	55,805,401	46,283,163	53,019,809	55,214,507	44,518,297	41,900,090	42,972,493	38,958,249
Other Operation Expenses	186,587,605	185,279,887	190,636,911	190,898,902	189,266,763	189,779,199	212,704,052	213,123,102	215,374,000	216,643,858
Maintenance	84,348,864	80,959,958	91,614,338	94,490,927	85,768,332	88,100,672	100,587,257	100,964,545	98,688,275	97,547,820
Depreciation & Amortization Expense	135,445,288	146,685,802	157,363,682	190,830,792	216,925,884	217,835,439	294,804,037	298,175,357	301,816,175	305,165,917
Regulatory Debits	95,997	326,452	573,607	1,161,424	1,935,111	2,014,848	2,759,745	3,000,219	3,606,283	4,221,803
Current Income Taxes	103,862,568	110,811,618	57,699,873	54,985,805	46,933,365	47,841,716	(5,663,047)	3,249,348	9,765,302	10,881,084
Property and Other Taxes	29,938,282	31,439,291	33,778,950	35,376,297	36,441,681	37,184,048	42,949,138	45,042,974	46,450,282	47,502,950
Investment Tax Credit	2,942,920	8,291	-	365,196	86,482	86,482	-	-	-	-
Amortization of Investment Tax Credit	(1,168,810)	(1,066,927)	(957,396)	(956,326)	(878,393)	(872,805)	(916,996)	(892,271)	(884,595)	(884,409)
Loss(Gain) from Disposition of Utility Plant	-	-	(39,992)	-	-	-	-	-	-	-
Loss(Gain) from Disposition of Allowances	(72)	(33,526)	(63,088)	(71,050)	(24)	8,840	-	-	-	-
Total Operating Expenses	908,099,116	907,836,320	900,216,347	906,918,253	877,720,351	886,731,734	971,028,189	986,307,358	995,574,805	1,014,336,159
Net Operating Income	231,017,604	236,462,644	267,570,757	272,043,166	261,599,018	263,136,427	180,791,953	176,261,162	172,780,161	169,227,412
Gas Only										
INCOME STATEMENT										
Operating Revenues										
Gas Operating Revenues	288,728,401	311,929,143	324,611,484	330,363,413	323,889,236	\$ 332,604,502	\$ 356,828,378	\$ 356,930,313	\$ 355,089,536	\$ 357,024,089
Total Operating Revenues	288,728,401	311,929,143	324,611,484	330,363,413	323,889,236	332,604,502	356,828,378	356,930,313	355,089,536	357,024,089
Operating Expenses										
Gas Supply Expenses	104,509,026	118,144,946	131,652,535	120,728,947	96,111,620	103,377,157	115,872,376	113,594,500	110,202,012	110,275,635
Other Operation Expenses	53,580,955	57,437,538	63,782,333	66,174,130	67,335,170	67,394,191	75,407,815	75,304,290	76,163,306	75,718,684
Maintenance	16,902,140	16,967,532	20,311,986	25,606,867	22,118,335	21,672,828	34,711,812	32,161,496	28,511,674	33,099,516
Depreciation & Amortization Expense	34,329,164	36,294,831	37,395,172	38,558,994	40,195,274	40,756,895	48,871,895	50,097,424	51,495,994	52,575,840
Current Income Taxes	22,231,102	23,331,438	10,181,304	11,407,221	16,117,101	16,340,680	8,711,920	10,583,646	11,905,551	10,555,866
Property and Other Taxes	9,949,447	10,414,145	11,316,086	12,029,648	11,754,629	12,070,228	14,975,497	15,801,648	16,432,944	16,935,220
Amortization of Investment Tax Credit	(60,420)	(46,520)	(25,220)	(6,520)	(2,480)	(2,220)	(584)	(248)	-	-
Total Operating Expenses	241,441,414	262,543,910	274,614,196	274,499,287	253,629,649	261,609,759	298,550,731	297,542,755	294,711,481	299,160,761
Net Operating Income	47,286,987	49,385,233	49,997,288	55,864,126	70,259,587	70,994,744	58,277,647	59,387,558	60,378,054	57,863,328

Case No. 2020-00350

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 63 - 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 attachment being provided in Excel format.

The attachment is being provided in a separate file in Excel format.

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 64 - 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 2020.

Base Period Update Response:

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

Louisville Gas and Electric Company
Case No. 2020-00350
Comparative financial data
Base Period: Twelve Months Ending February 28, 2021
Forecasted Test Period: Twelve Months Ending June 30, 2022

Line No.	Description	Forecasted Period											
		(a)	Base Period	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
1	Utility Plant in Service (\$000)												
2	Common												
3	Common General Plant	\$ 227,518	\$ 186,002	\$ 184,223	\$ 178,667	\$ 173,038	\$ 158,823	\$ 160,117	\$ 170,281	\$ 167,861	\$ 158,964	\$ 153,000	\$ 159,632
4	Common Intangible Plant	115,419	82,714	83,097	78,762	115,156	113,776	99,488	95,663	86,140	77,667	66,225	63,132
5	Total Common	342,937	268,716	267,320	257,429	288,194	272,599	259,605	265,944	254,001	236,631	219,225	222,764
6	Less: Accumulated Provision for Depreciation and Amortization	149,275	125,505	122,888	119,019	154,236	139,692	132,287	138,395	135,128	117,206	99,961	97,371
7	Common Plant in Service-Net	\$ 193,662	\$ 143,211	\$ 144,432	\$ 138,410	\$ 133,958	\$ 132,907	\$ 127,318	\$ 127,549	\$ 118,873	\$ 119,425	\$ 119,264	\$ 125,393
8	Electric Plant												
9	Electric Distribution	\$ 1,833,153	\$ 1,688,877	\$ 1,651,673	\$ 1,561,989	\$ 1,451,637	\$ 1,370,550	\$ 1,300,532	\$ 1,232,856	\$ 1,161,485	\$ 1,090,365	\$ 1,050,893	\$ 987,725
10	Electric General	28,403	25,652	25,491	24,065	22,497	21,212	20,707	17,652	20,991	17,796	16,107	15,950
11	Hydro Production Plant	166,119	147,993	148,046	146,659	149,370	146,144	127,493	96,726	96,133	61,910	60,974	42,552
12	Electric Intangible Plant	2	2	2	2	2	2	2	2	2	3	2	2
13	Electric Other Production	424,871	409,581	406,165	401,977	398,611	398,638	384,920	365,284	245,297	242,886	242,259	237,783
14	Electric Steam Production	3,611,924	3,482,982	3,476,698	3,403,208	3,054,008	3,024,098	3,001,852	2,743,677	2,624,427	2,250,838	2,207,315	2,155,753
15	Electric Transmission	581,578	512,726	516,560	490,382	464,208	432,831	424,956	382,269	347,911	319,310	304,594	292,320
16	Total Electric Plant - Gross	6,646,051	6,267,813	6,224,635	6,028,282	5,540,333	5,393,475	5,260,462	4,838,466	4,496,246	3,983,108	3,882,144	3,732,085
17	Less: Accumulated Depreciation and Amortization	2,244,924	1,988,404	1,963,273	1,822,121	1,748,382	1,680,042	1,616,514	1,589,337	2,008,999	1,925,797	1,852,617	1,783,823
18	Electric Plant in Service-Net	\$ 4,401,127	\$ 4,279,409	\$ 4,261,362	\$ 4,206,161	\$ 3,791,951	\$ 3,713,433	\$ 3,643,948	\$ 3,249,129	\$ 2,487,247	\$ 2,057,311	\$ 2,029,527	\$ 1,948,262
19	Gas Plant												
20	Gas Distribution	\$ 1,165,255	\$ 1,084,584	\$ 1,075,161	\$ 1,029,149	\$ 984,030	\$ 943,963	\$ 883,475	\$ 818,369	\$ 756,502	\$ 700,841	\$ 645,232	\$ 611,817
21	Gas General Plant	17,434	16,088	15,890	14,848	13,897	12,982	12,101	11,065	10,992	9,476	9,274	8,467
22	Gas Intangible Plant	-	-	-	-	-	-	-	-	-	-	2	1
23	Gas Storage	221,671	195,983	193,833	186,450	177,629	169,849	161,620	141,096	134,450	98,723	96,675	83,235
24	Gas Transmission	245,802	151,548	147,832	61,625	58,909	55,163	55,055	52,773	48,384	35,751	29,332	23,001
25	Total Gas Plant - Gross	1,650,163	1,448,203	1,432,716	1,292,072	1,234,465	1,181,357	1,112,251	1,023,303	950,328	844,791	780,515	726,521
26	Less: Accumulated Depreciation and Amortization	427,613	387,845	385,444	366,443	345,541	324,732	304,227	288,205	272,699	261,130	249,178	236,680
27	Gas Plant in Service-Net	\$ 1,222,550	\$ 1,060,358	\$ 1,047,272	\$ 925,629	\$ 888,924	\$ 856,625	\$ 808,024	\$ 735,098	\$ 677,629	\$ 583,661	\$ 531,337	\$ 489,841
28	Plant Held for Future Use	3,120	2,903	2,903	3,120	3,120	3,127	3,127	5,867	5,867	5,523	1,892	649
29	Construction Work in Progress	166,849	297,324	320,350	297,171	513,967	304,939	133,728	389,846	676,320	651,432	258,365	215,276
30	Property Under Operating Lease (net Accumulated Depreciation)	7,902	16,589	17,438	17,614	-	-	-	-	-	-	-	-
31	Net Utility Plant	\$ 5,995,209	\$ 5,799,794	\$ 5,793,757	\$ 5,588,105	\$ 5,331,920	\$ 5,011,031	\$ 4,716,145	\$ 4,507,489	\$ 3,965,936	\$ 3,417,353	\$ 2,940,385	\$ 2,779,422
32	Capital Structure: (\$000)												
33	(\$'s Based on Period-End Accounts)												
34	Short-Term Debt	\$ 77,372	\$ 242,994	\$ 261,901	\$ 238,410	\$ 279,133	\$ 198,888	\$ 168,714	\$ 141,969	\$ 263,956	\$ 19,997	\$ 54,993	\$ -
35	Long-Term Debt	2,288,574	1,992,153	1,991,583	1,989,053	1,792,446	1,690,490	1,599,871	1,621,983	1,323,716	1,321,995	1,072,821	1,071,346
36	Common Equity	2,681,536	2,615,797	2,559,226	2,373,814	2,298,010	2,138,596	2,086,500	1,940,270	1,783,851	1,570,219	1,424,518	1,376,846
37	Total	\$ 5,047,483	\$ 4,850,944	\$ 4,812,710	\$ 4,601,277	\$ 4,369,589	\$ 4,027,974	\$ 3,855,085	\$ 3,704,222	\$ 3,371,523	\$ 2,912,211	\$ 2,552,332	\$ 2,448,192
38	Condensed Income Statement Data: (\$000)												
39	Operating Revenues	\$ 1,508,649	\$ 1,482,473	\$ 1,463,209	\$ 1,509,325	\$ 1,492,399	\$ 1,456,228	\$ 1,427,845	\$ 1,465,599	\$ 1,537,927	\$ 1,420,818	\$ 1,323,625	\$ 1,364,325
40	Operating Expenses (Excluding Income Taxes)	1,209,523	1,035,694	1,020,898	1,068,217	1,062,837	995,489	981,845	1,066,753	1,180,120	1,092,793	1,055,288	1,096,778
41	Federal and State Income Taxes	29,550	60,892	59,760	10,272	6,721	6,341	(19,107)	(10,019)	(14,305)	69,186	1,992	20,229
42	Deferred Federal and State Income Taxes	(26,501)	3,291	3,291	56,121	61,161	127,802	145,201	127,519	119,956	25,067	70,969	54,236
43	Property and Other Taxes	57,925	49,254	48,196	47,406	45,095	41,853	39,888	37,400	34,200	32,517	31,027	28,121
44	Investment Tax Credit	-	86	86	365	-	8	2,943	-	-	-	-	-
45	Amortization of Investment Tax Credit	(918)	(875)	(881)	(963)	(983)	(1,113)	(1,229)	(1,339)	(1,789)	(2,100)	(2,848)	(2,806)
46	Net Operating Income	239,070	334,131	331,859	327,907	317,568	285,848	278,304	245,285	219,745	203,355	167,197	167,767

47 Other Income (Deductions), Net	(466)	(840)	(765)	(8,018)	(8,496)	(2,120)	(3,834)	(3,420)	(2,494)	(2,657)	(2,052)	1,079
48 Income before Interest Charges	238,603	333,291	331,094	319,889	309,072	283,728	274,470	241,865	217,251	200,698	165,145	168,846
49 Interest Charges	93,115	86,555	87,682	87,085	76,658	69,632	71,241	56,445	49,119	41,997	42,222	44,660
50 Net Income Available for Common Equity	\$ 145,488	\$ 246,736	\$ 243,412	\$ 232,804	\$ 232,414	\$ 214,096	\$ 203,229	\$ 185,420	\$ 168,132	\$ 158,701	\$ 122,923	\$ 124,186

Line No.	Description	Forecasted Period											
		(a)	Base Period	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
51	Cash Flow (in millions)												
52	Net operating cash flows	440	481	486	491	444	512	482	554	371	366	305	325
53	Net investing cash flows	(424)	(447)	(458)	(482)	(554)	(458)	(439)	(689)	(656)	(577)	(286)	(42)
54	Net Free Cash Flow before dividends	\$ 16	\$ 33	\$ 28	\$ 9	\$ (110)	\$ 54	\$ 43	\$ (135)	\$ (285)	\$ (211)	\$ 19	\$ 283
55	Cost of Capital:												
56	Embedded Cost of Debt (Short and Long Term)	3.94%	3.68%	3.65%	4.02%	3.91%	3.80%	3.80%	3.93%	3.16%	3.56%	3.43%	3.81%
57	Fixed Charge Coverages:												
58	Ratio of Earnings to Fixed Charges	2.6	4.9	4.4	4.2	4.7	5.5	5.3	5.9	6.3	8.1	5.4	5.2
59	Stock and Bond Ratings:												
60	Moody's Senior Secured	N/A	A1	A1	A1	A1	A1	A1	A1	A1	A1	A2	A2
61	S&P Senior Secured	N/A	A	A	A	A	A	A	A	A-	A-	A-	A-
62	Fitch Senior Secured	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	A+	A+	A+	A+
63	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-2	P-2
64	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
65	Fitch Commercial Paper	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	F2	F2	F2	F2
66	Common Stock Related Data:												
67	Dividend Payout Ratio (Declared Basis)	0.65	0.65	0.66	0.78	0.67	0.90	0.63	0.64	0.67	0.62	0.61	0.67
68	Rate of Return Measures:												
69	Return on Common Equity (13 Month Average)	5.45%	9.85%	9.84%	9.85%	10.46%	10.29%	10.07%	10.08%	10.23%	10.59%	8.77%	9.12%

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

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 65 - 807 KAR 5:001 Section 16(8)(I)
Sponsoring Witness: Robert M. Conroy

Description of Filing Requirement:

A narrative description and explanation of all proposed tariff changes.

Response:

Please refer to 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. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 66 - 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 attachments being provided in Excel format.

The attachments are
being provided in
separate files in Excel
format.

Louisville Gas and Electric Company
Case No. 2020-00350
Forecasted Test Period Filing Requirements
(Forecasted Test Period 12ME 6/30/22; Base Period 12ME 2/28/21)

Filing Requirement
Tab 67 - 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.