

**Rick E. Lovekamp**

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Linda C. Bridwell, PE  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40601-8294

July 29, 2022

**RE: Electronic Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Rates, a Certificate of Public Convenience and Necessity to Deploy Advanced Meter Infrastructure, Approval of Certain Regulatory and Accounting Treatments, and Establishment of a One-Year Surcredit  
Case No. 2020-00350**

Dear Ms. Bridwell:

In response to Ordering Paragraph No. 26 of the Commission's Order of June 30, 2021 and Commission's Order of December 6, 2021, in the above-captioned proceeding, please find and accept Louisville Gas and Electric Company's ("LG&E") first annual report that sets forth how the Big Rivers Electric Corporation ("BREC") Settlement funds were used.

In accordance with 807 KAR 5:001, Section 8 and the Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that the electronic filing has been transmitted to the Commission on July 29, 2022 and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means.

The Settlement Agreement was filed and approved by the Commission as part of Case No. 2019-00370, included Section 1.2 – Consideration in Exchange for Modification of Territorial Boundary Map. BREC agreed in this section to pay a one-time payment to LG&E upon approval in Case No. 2019-00370 and an annual payment that is begin the first day of January of the year following the start of commercial operation of the Nucor facility. Currently the Nucor facility has not commenced commercial operations and so no annual payment has been received by LG&E.

With respect to the one-time payment LG&E received from Case No. 2019-00370, LG&E proposed to return this amount to customers through an Economic Relief Surcredit. This one-year surcredit was approved by the Commission and applied to LG&E customers' bills for the twelve-month period ending June 30, 2022.

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As discussed in Case No. 2020-00350, once the annual payments are received from BREC, LG&E plans to direct these funds toward economic development in the LG&E service territory and will include how the funds were used in future annual reports to the Commission.

Should you have any questions regarding the enclosed, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Rick E. Lovekamp". The signature is fluid and cursive, with the first name "Rick" and last name "Lovekamp" clearly legible.

Rick E. Lovekamp