

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>AN ELECTRONIC EXAMINATION BY THE</b>	)	
<b>PUBLIC SERVICE COMMISSION OF THE</b>	)	
<b>ENVIRONMENTAL SURCHARGE</b>	)	
<b>MECHANISM OF KENTUCKY UTILITIES</b>	)	
<b>COMPANY FOR THE SIX-MONTH BILLING</b>	)	
<b>PERIODS ENDING APRIL 30, 2020, OCTOBER</b>	)	<b>CASE NO. 2023-00376</b>
<b>31, 2020, OCTOBER 31, 2021, APRIL 30, 2022,</b>	)	
<b>OCTOBER 31 2022, AND OCTOBER 31, 2023,</b>	)	
<b>AND FOR THE TWO YEAR BILLING PERIODS</b>	)	
<b>ENDING APRIL 30, 2021 AND APRIL 30, 2023</b>	)	

**RESPONSE OF**  
**KENTUCKY UTILITY COMPANY**  
**TO**  
**THE COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION**  
**DATED MARCH 13, 2024**

**FILED: APRIL 12, 2024**

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF JEFFERSON )

The undersigned, **Andrea M. Fackler**, being duly sworn, deposes and says that she is Manager - Revenue Requirement/Cost of Service for Kentucky Utilities Company, an employee of LG&E and KU Services Company, 220 West Main Street, Louisville, KY 40202, and that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness, and the answers contained therein are true and correct to the best of her information, knowledge, and belief.

Andrea M. Fackler  
**Andrea M. Fackler**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 9<sup>th</sup> day of April 2024.

Caroline J. Davison  
Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027



**KENTUCKY UTILITY COMPANY**

**Response to Commission Staff's Second Request for Information  
Dated March 13, 2024**

**Case No. 2023-00376**

**Question No. 1**

**Responding Witness: Andrea M. Fackler**

Q-1. Provide a copy of the April 2021 environmental surcharge (ES) monthly filing (March 2021 expense month).

A-1. See attached.

Schooler, Judy

**From:** Bruner, Brandon S (PSC) <brandon.bruner@ky.gov> on behalf of PSC Executive Director <PSCED@ky.gov>  
**Sent:** Tuesday, April 20, 2021 2:20 PM  
**To:** Fackler, Andrea  
**Cc:** Hamilton, Stephanie; Schooler, Judy; Hembree, Aimee M (PSC); Smith, Renee C (PSC); Bridwell, Linda C (PSC)  
**Subject:** RE: KU and LG&E March 2021 Environmental Surcharge Filings

EXTERNAL email. STOP and THINK before responding, clicking on links, or opening attachments.

We have received your above referenced filing. If you need further assistance please contact me. Thanks.

Best Regards,

Brandon Bruner  
Administrative Branch Manager  
Filings Branch  
General Administration

Kentucky Public Service Commission  
211 Sower Blvd.  
Frankfort, KY 40601  
502-782-6329

**From:** Fackler, Andrea <Andrea.Fackler@lge-ku.com>  
**Sent:** Tuesday, April 20, 2021 1:28 PM  
**To:** PSC Executive Director <PSCED@ky.gov>  
**Cc:** Hamilton, Stephanie <Stephanie.Hamilton@lge-ku.com>; Schooler, Judy <Judy.Schooler@lge-ku.com>; Fackler, Andrea <Andrea.Fackler@lge-ku.com>  
**Subject:** KU and LG&E March 2021 Environmental Surcharge Filings

**\*\*CAUTION\*\* PDF attachments may contain links to malicious sites. Please contact the COT Service Desk [ServiceCorrespondence@ky.gov](mailto:ServiceCorrespondence@ky.gov) for any assistance.**

Please find attached the Kentucky Utilities Company and Louisville Gas and Electric Company March 2021 Environmental Surcharge Filings.

Let me know if you have any questions or cannot access the files.

Thanks,  
Andrea

**Andrea M. Fackler, CPA, CGMA**

Manager, Revenue Requirement/COS | State Regulation and Rates | LG&E and KU  
220 West Main Street, Louisville, KY 40202  
O: 502-627-3442 | F: 502-627-3213



a PPL company

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

April 20, 2021

RE: Monthly Environmental Surcharge Report

**Kentucky Utilities Company**  
State Regulation and Rates  
220 West Main Street  
PO Box 32010  
Louisville, Kentucky 40232  
www.lge-ku.com

Andrea M. Fackler  
Manager, Revenue  
Requirement/Cost of Service  
T 502-627-3442  
F 502-627-3213  
andrea.fackler@lge-ku.com

Dear Ms. Bridwell:

Pursuant to KRS 278.183(3) and subject to the terms of the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085 (Electronic Emergency Docket Related to the Novel Coronavirus COVID-19 ("COVID-19 Orders")), Kentucky Utilities Company ("KU") is filing its Environmental Surcharge Report for the expense month of March 2021 by electronic means. In accordance with the Commission's Order in past Environmental Surcharge cases, most recently Case No. 2020-00060, KU has included the calculation and supporting documentation of the Environmental Surcharge Factors that will be billed during the May 2021 billing cycle which begins April 30, 2021. The original filing in paper medium and three copies will be delivered to the Commission consistent with the COVID-19 Orders.

Please contact me if you have any questions about this filing.

Sincerely,

A handwritten signature in black ink that reads "Andrea M. Fackler". The signature is written in a cursive, flowing style.

Andrea M. Fackler

ES FORM 1.00

**KENTUCKY UTILITIES COMPANY  
ENVIRONMENTAL SURCHARGE REPORT**

**Net Jurisdictional E(m) and  
Jurisdictional Environmental Surcharge Billing Factor  
For the Expense Month of March 2021**

**GROUP 1 (Total Revenue)**

Group 1 E(m) -- ES Form 1.10, line 16	=	\$	<b>1,455,979</b>
Group 1 ES Billing Factor -- ES Form 1.10, line 18	=		<b>2.61%</b>

**GROUP 2 (Net Revenue)**

Group 2 E(m) -- ES Form 1.10, line 16	=	\$	<b>1,860,601</b>
Group 2 ES Billing Factor -- ES Form 1.10, line 18	=		<b>3.59%</b>

Effective Date for Billing: May billing cycle beginning April 30, 2021

Submitted by: Andrea M. Fackler

Title: Manager, Revenue Requirement/Cost of Service

Date Submitted: April 20, 2021

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

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

**For the Expense Month of March 2021**

**Calculation of Total E(m)**

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

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

	Pre-2020 Environmental Compliance Plans	2020 Environmental Compliance Plans
(1) RB	= \$ 1,334,217,657	\$ 7,013,891
(2) RB / 12	= \$ 111,184,805	\$ 584,491
(3) $(ROR + (ROR - DR) (TR / (1 - TR)))$	= 8.75%	8.37%
(4) OE	= \$ 8,908,781	\$ -
(5) BAS	= \$ -	\$ -
(6) BR	= \$ (325,925)	\$ -
(7) E(m) <span style="float: right;">(2) x (3) + (4) - (5) + (6)</span>	= \$ 18,311,527	\$ 48,922
(8) Total E(m) = sum of Pre-2020 E(m) + 2020 E(m)	= \$ 18,360,449	

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

(9) Jurisdictional Allocation Ratio for Expense Month -- ES Form 3.10	=	91.86%
(10) Jurisdictional E(m) = Total E(m) x Jurisdictional Allocation Ratio [(8) x (9)]	= \$	16,865,908
(11) Adjustment for (Over)/Under-collection pursuant to Case No.	= \$	-
(12) Prior Period Adjustment (if necessary)	= \$	-
(13) Revenue Collected through Base Rates	= \$	13,549,328
(14) Adjusted Net Jurisdictional E(m) [(10) + (11) + (12) - (13)]	= \$	3,316,580

**Calculation of Group Environmental Surcharge Billing Factors**

	GROUP 1 (Total Revenue)	GROUP 2 (Net Revenue)
(15) Revenue as a Percentage of 12-month Total Revenue ending with the Current Month -- ES Form 3.00	= 43.90%	56.10%
(16) Group E(m) [(14) x (15)]	= \$ 1,455,979	\$ 1,860,601
(17) Group R(m) = Average Monthly Group Revenue for the 12 Months Ending with the Current Expense Month -- ES Form 3.00	= \$ 55,768,936	\$ 51,759,763
(18) Group Environmental Surcharge Billing Factors [(16) ÷ (17)]	= 2.61%	3.59%

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
Revenue Requirements of Environmental Compliance Costs  
For the Expense Month of March 2021

**Determination of Environmental Compliance Rate Base**

	Pre-2020 Environmental Compliance Plans		2020 Environmental Compliance Plan
Eligible Pollution Control Plant	\$ 1,676,613,047		\$ -
Eligible Pollution CWIP Excluding AFUDC	110,300,181		7,013,891
Subtotal		\$ 1,786,913,228	\$ 7,013,891
Additions:			
Inventory - Emission Allowances per ES Form 2.31, 2.32, 2.33 and 2.34	\$ 123,089		
Less: Allowance Inventory Baseline	-		
Net Emission Allowance Inventory	123,089		
Cash Working Capital Allowance	2,417,627		-
Net Unamortized Closure Cost Balance - Active Stations <sup>1</sup>	\$ 91,165,805		
Net Unamortized Closure Cost Balance - Retired Stations <sup>1</sup>	29,584,437		
Subtotal		\$ 123,290,958	\$ -
Deductions:			
Accumulated Depreciation on Eligible Pollution Control Plant	\$ 259,201,464		\$ -
Pollution Control Deferred Income Taxes	316,785,065		-
Pollution Control Deferred Investment Tax Credit	-		
Subtotal		\$ 575,986,529	\$ -
Environmental Compliance Rate Base		\$ 1,334,217,657	\$ 7,013,891

**Determination of Pollution Control Operating Expenses**

	Pre-2020 Environmental Compliance Plans		2020 Environmental Compliance Plan
Monthly Operations & Maintenance Expense		\$ 2,001,912	\$ -
Monthly Depreciation & Amortization Expense		5,957,261	-
Monthly Taxes Other Than Income Taxes - Eligible Plant		180,430	-
Monthly Taxes Other Than Income Taxes - Closure Costs		-	
Amortization of Monthly Closure Costs - Active Stations		510,849	
Amortization of Monthly Closure Costs - Retired Stations		648,676	
Amortization of Excess ADIT with gross-up	\$ (293,098)	1,33245	(390,537)
Monthly Emission Allowance Expense from ES Form 2.31, 2.32, 2.33 and 2.34		190	
Add KU Current Month TC2 Emission Allowance Expense reported on ES Form 2.31, 2.32, 2.33 and 2.34		-	
Less Monthly Emission Allowance Expense in base rates		-	
Net Recoverable Emission Allowance Expense		190	
Monthly Surcharge Consultant Fee		-	-
Construction Monitoring Consultant Fee		-	-
Total Pollution Control Operations Expense		\$ 8,908,781	\$ -

**Determination of Beneficial Reuse Operating Expenses**

	Environmental Compliance Plan
Total Monthly Beneficial Reuse Expense	\$ (85,738)
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)	(240,187)
Net Beneficial Reuse Operations Expense	\$ (325,925)

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



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

**For the Month Ended: March 31, 2021**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Description	Accumulated CCR Closure Costs	Accumulated Amortization (Prior Month)	Current Month Amortization	Accumulated Amortization (Current Month)	Accumulated Deferred Income Taxes (ADIT)	Unamortized CCR Closure Cost Balance (Net of ADIT)
			[(2)-(3)]/ Remaining Amort Months	(3)+(4)		(2)-(5)-(6)
<b>2016 Plan:</b>						
Amended Project 36 - Brown Station (Main Pond)	\$ 8,351,215	\$ 1,862,845	\$ 101,381	\$ 1,964,226	\$ 1,593,554	\$ 4,793,435
Project 39 - Green River Station	\$ 35,501,340	\$ 11,552,599	\$ 374,199	\$ 11,926,798	\$ 6,906,529	\$ 16,668,013
Project 39 - Pineville Station	\$ 7,699,651	\$ 1,961,043	\$ 89,666	\$ 2,050,708	\$ 1,445,010	\$ 4,203,932
Project 39 - Tyrone Station	\$ 7,758,180	\$ 2,418,638	\$ 83,430	\$ 2,502,069	\$ 1,337,055	\$ 3,919,056
Project 40 - Ghent Station	\$ 103,827,634	\$ 7,496,260	\$ 394,801	\$ 7,891,061	\$ 25,602,717	\$ 70,333,857
Project 41 - Trimble County Station	\$ 2,151,956	\$ 282,662	\$ 7,661	\$ 290,323	\$ 576,774	\$ 1,284,859
Project 42 - Brown Station (Aux. Pond)	\$ 27,827,970	\$ 1,381,530	\$ 108,387	\$ 1,489,917	\$ 6,790,964	\$ 19,547,089
<b>Net Total - All Projects:</b>	<b>\$ 193,117,946</b>	<b>\$ 26,955,577</b>	<b>\$ 1,159,525</b>	<b>\$ 28,115,102</b>	<b>\$ 44,252,603</b>	<b>\$ 120,750,241</b>

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

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

Plant, CWIP & Depreciation Expense

For the Month Ended: **March 31, 2021**

(1) Description	(2) Eligible Plant In Service	(3) Eligible Accumulated Depreciation	(4) CWIP Amount Excluding AFUDC	(5) Eligible Net Plant In Service	(6) Unamortized ITC as of 3/31/2021	(7) Deferred Tax Balance as of 3/31/2021	(8) Monthly Depreciation Expense	(9) Monthly Property Tax Expense
				(2)-(3)+(4)				
<b>2009 Plan:</b>								
Project 28 - Brown 3 SCR	\$ 101,551,050	\$ 25,095,536	\$ -	\$ 76,455,513	\$ -	\$ 24,304,570	\$ 439,208	\$ 9,722
Project 29 - ATB Expansion at E.W. Brown Station (Phase II)	\$ 19,347,703	\$ 4,761,899	\$ -	\$ 14,585,804	\$ -	\$ 4,945,988	\$ 83,600	\$ 1,855
Project 30 - Ghent CCP Storage (Landfill- Phase I)	\$ 369,714,761	\$ 64,967,632	\$ -	\$ 304,747,128	\$ -	\$ 68,212,526	\$ 1,287,331	\$ 39,414
Project 31 - Trimble County Ash Treatment Basin (BAP/GSP)	\$ 9,031,671	\$ 5,242,180	\$ -	\$ 3,789,491	\$ -	\$ (81,764)	\$ 11,499	\$ 478
Project 32 - Trimble County CCP Storage (Landfill - Phase I)	\$ 95,983,913	\$ 3,859,462	\$ 42,535,186	\$ 134,659,637	\$ -	\$ 7,841,463	\$ 171,318	\$ 11,580
Project 33 - Beneficial Reuse	\$ 4,193,823	\$ 747,211	\$ -	\$ 3,446,612	\$ -	\$ 890,769	\$ 7,332	\$ 434
Subtotal	\$ 599,822,920	\$ 104,673,921	\$ 42,535,186	\$ 537,684,185	\$ -	\$ 106,113,552	\$ 2,000,290	\$ 63,481
Less Retirements and Replacement resulting from implementation of 2009 Plan	\$ (17,942,633)	\$ (3,055,963)	\$ -	\$ (14,886,670)	\$ -	\$ (2,250,890)	\$ (64,487)	\$ (1,861)
<b>Net Total - 2009 Plan:</b>	<b>\$ 581,880,287</b>	<b>\$ 101,617,958</b>	<b>\$ 42,535,186</b>	<b>\$ 522,797,515</b>	<b>\$ -</b>	<b>\$ 103,862,662</b>	<b>\$ 1,935,803</b>	<b>\$ 61,620</b>
<b>2011 Plan:</b>								
Project 29 - Brown Landfill (Phase I)	\$ 121,543,607	\$ 18,896,705	\$ -	\$ 102,646,902	\$ -	\$ 27,634,969	\$ 502,966	\$ 13,019
Project 34 - E.W. Brown Station Air Compliance	\$ 86,697,565	\$ 15,767,301	\$ (139,735)	\$ 70,790,530	\$ -	\$ 21,299,799	\$ 374,967	\$ 9,007
Project 35 - Ghent Station Air Compliance	\$ 652,863,061	\$ 113,820,556	\$ 2,593,570	\$ 541,636,076	\$ -	\$ 157,675,073	\$ 2,375,842	\$ 68,589
Subtotal	\$ 861,104,233	\$ 148,484,562	\$ 2,453,836	\$ 715,073,507	\$ -	\$ 206,609,841	\$ 3,253,775	\$ 90,615
Less Retirements and Replacement resulting from implementation of 2011 Plan	\$ (2,239,922)	\$ (446,381)	\$ -	\$ (1,793,541)	\$ -	\$ (345,698)	\$ (6,730)	\$ (224)
<b>Net Total - 2011 Plan:</b>	<b>\$ 858,864,311</b>	<b>\$ 148,038,180</b>	<b>\$ 2,453,836</b>	<b>\$ 713,279,966</b>	<b>\$ -</b>	<b>\$ 206,264,143</b>	<b>\$ 3,247,045</b>	<b>\$ 90,391</b>
<b>2016 Plan:</b>								
Project 36 - Brown Landfill (Phase II)	\$ -	\$ -	\$ 10,185,811	\$ 10,185,811	\$ -	\$ -	\$ -	\$ -
Project 37 - Ghent 2 WFGD Improvements	\$ 3,077,193	\$ 220,000	\$ -	\$ 2,857,193	\$ -	\$ 596,642	\$ 3,052	\$ 358
Project 38 - Supplemental Mercury Control	\$ 4,236,945	\$ 369,057	\$ -	\$ 3,867,888	\$ -	\$ 534,353	\$ 10,752	\$ 488
Project 40 - Ghent New Process Water Systems	\$ 161,290,341	\$ 6,495,757	\$ 41,820,367	\$ 196,614,951	\$ -	\$ 1,304,237	\$ 576,672	\$ 19,335
Project 41 - Trimble County New Process Water Systems	\$ 41,905,553	\$ 1,324,843	\$ 56,335	\$ 40,637,045	\$ -	\$ 3,743,796	\$ 75,779	\$ 5,104
Project 42 - Brown New Process Water Systems	\$ 25,358,416	\$ 1,135,668	\$ 13,248,646	\$ 37,471,394	\$ -	\$ 479,231	\$ 108,159	\$ 3,135
Subtotal	\$ 235,868,449	\$ 9,545,326	\$ 65,311,159	\$ 291,634,282	\$ -	\$ 6,658,260	\$ 774,414	\$ 28,419
Less Retirements and Replacement resulting from implementation of 2016 Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Net Total - 2016 Plan:</b>	<b>\$ 235,868,449</b>	<b>\$ 9,545,326</b>	<b>\$ 65,311,159</b>	<b>\$ 291,634,282</b>	<b>\$ -</b>	<b>\$ 6,658,260</b>	<b>\$ 774,414</b>	<b>\$ 28,419</b>
<b>2020 Plan:</b>								
Project 43 - Ghent ELG Water Treatment System, Diffuser, and BATW Recirculation System	\$ -	\$ -	\$ 5,615,622	\$ 5,615,622	\$ -	\$ -	\$ -	\$ -
Project 44 - Trimble County ELG Water Treatment System	\$ -	\$ -	\$ 1,398,269	\$ 1,398,269	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ 7,013,891	\$ 7,013,891	\$ -	\$ -	\$ -	\$ -
Less Retirements and Replacement resulting from implementation of 2020 Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Net Total - 2020 Plan:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,013,891</b>	<b>\$ 7,013,891</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Total - All Plans:</b>	<b>\$ 1,676,613,047</b>	<b>\$ 259,201,464</b>	<b>\$ 117,314,072</b>	<b>\$ 1,534,725,655</b>	<b>\$ -</b>	<b>\$ 316,785,065</b>	<b>\$ 5,957,261</b>	<b>\$ 180,430</b>

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

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

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

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
**Inventory of Emission Allowances**

**For the Month Ended: March 31, 2021**

Vintage Year	Number of Allowances				Total Dollar Value Of Vintage Year				Comments and Explanations
	SO <sub>2</sub> CAIR	SO <sub>2</sub> CSAPR	NOx Ozone Season	NOx Annual	SO <sub>2</sub> CAIR	SO <sub>2</sub> CSAPR	NOx Ozone Season	NOx Annual	
Current Year	633,621	102,870	9,065	44,571	\$ 123,090	\$ -	\$ -	\$ -	
2022	77,535	16,863	3,680	12,525					
2023	77,535	16,863	3,680	12,525					
2024	77,535	16,863	3,362	12,525					
2025	77,535								
2026	77,535								
2027	77,535								
2028	77,535								
2029	77,535								
2030	77,535								
2031	77,535								
2032	77,535								
2033	77,535								
2034	77,535								
2035	77,535								
2036	77,535								
2037	77,535								
2038	77,535								
2039	77,535								
2040	77,535								
2041	77,535								
2042 - 2051	775,350								

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

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

For the Expense Month of March 2021

	Beginning Inventory	Allocations/ Purchases	Utilized (Coal Fuel)	Utilized (Other Fuels)	Sold	Ending Inventory	Allocation, Purchase, or Sale Date & Vintage Years
<b>TOTAL EMISSION ALLOWANCES IN INVENTORY, ALL CLASSIFICATIONS</b>							
Quantity	634,481	69	929	-	-	633,621	Purchase of 69 allowances related to KU 81% share in Trimble County - Unit 2.
Dollars	\$ 123,279.40	\$ 0.01	\$ 189.57	\$ -	\$ -	\$ 123,089.84	
\$/Allowance	\$ 0.19	\$ -	\$ 0.20	\$ -	\$ -	\$ 0.19	
<b>ALLOCATED ALLOWANCES FROM EPA: COAL FUEL</b>							
Quantity	634,480	-	860	-	-	633,620	
Dollars	\$ 123,278.73	\$ (0.01)	\$ 189.55	-	-	\$ 123,089.17	
<b>ALLOCATED ALLOWANCES FROM EPA: OTHER FUELS</b>							
Quantity	1	-	-	-	-	1	
Dollars	\$ 0.67	\$ -	\$ -	\$ -	\$ -	\$ 0.67	
<b>ALLOWANCES FROM PURCHASES:</b>							
<b>From Market:</b>							
Quantity	-	-	-	-	-	-	
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$/Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>From LG&amp;E</b>							
Quantity	-	69	69	-	-	-	Purchase of 69 allowances related to KU 81% share in Trimble County - Unit 2.
Dollars	\$ -	\$ 0.02	\$ 0.02	\$ -	\$ -	\$ -	
\$/Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

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

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

For the Expense Month of March 2021

	Beginning Inventory	Allocations/Purchases	Utilized (Coal Fuel)	Utilized (Other Fuels)	Sold	Ending Inventory	Allocation, Purchase, or Sale Date & Vintage Years
<b>TOTAL EMISSION ALLOWANCES IN INVENTORY, ALL CLASSIFICATIONS</b>							
Quantity	103,730	69	929	-	-	102,870	Purchase of 69 allowances related to KU 81% share in Trimble County - Unit 2.
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$/Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>ALLOCATED ALLOWANCES FROM EPA: COAL FUEL</b>							
Quantity	103,668	-	860	-	-	102,808	
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>ALLOCATED ALLOWANCES FROM EPA: OTHER FUELS</b>							
Quantity	62	-	-	-	-	62	
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>ALLOWANCES FROM PURCHASES:</b>							
<b>From Market:</b>							
Quantity	-	-	-	-	-	-	
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$/Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>From LG&amp;E</b>							
Quantity	-	69	69	-	-	-	Purchase of 69 allowances related to KU 81% share in Trimble County - Unit 2.
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$/Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

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

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

For the Expense Month of March 2021

	Beginning Inventory	Allocations/ Purchases	Utilized (Coal Fuel)	Utilized (Other Fuels)	Sold	Ending Inventory	Allocation, Purchase, or Sale Date & Vintage Years
<b>TOTAL EMISSION ALLOWANCES IN INVENTORY, ALL CLASSIFICATIONS</b>							
Quantity	9,065	-	-	-	-	9,065	
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$/Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>ALLOCATED ALLOWANCES FROM EPA: COAL FUEL</b>							
Quantity	8,827	-	-	-	-	8,827	
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>ALLOCATED ALLOWANCES FROM EPA: OTHER FUELS</b>							
Quantity	238	-	-	-	-	238	
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>ALLOWANCES FROM PURCHASES:</b>							
<b>From Market:</b>							
Quantity	-	-	-	-	-	-	
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$/Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>From LG&amp;E:</b>							
Quantity	-	-	-	-	-	-	
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$/Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

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

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
Inventory of Emission Allowances (NOx) - Annual Allowance Allocation  
For the Expense Month of March 2021

	Beginning Inventory	Allocations/Purchases	Utilized (Coal Fuel)	Utilized (Other Fuels)	Sold	Ending Inventory	Allocation, Purchase, or Sale Date & Vintage Years
<b>TOTAL EMISSION ALLOWANCES IN INVENTORY, ALL CLASSIFICATIONS</b>							
Quantity	45,156	33	611	7	-	44,571	Purchase of 33 allowances related to KU 81% share in Trimble County - Unit 2.
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$/Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>ALLOCATED ALLOWANCES FROM EPA: COAL FUEL</b>							
Quantity	44,847	-	578	-	-	44,269	
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
					\$ -		
<b>ALLOCATED ALLOWANCES FROM EPA: OTHER FUELS</b>							
Quantity	309	-	-	7	-	302	
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>ALLOWANCES FROM PURCHASES:</b>							
<b>From Market:</b>							
Quantity	-	-	-	-	-	-	
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$/Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>From LG&amp;E:</b>							
Quantity	-	33	33	-	-	-	Purchase of 33 allowances related to KU 81% share in Trimble County - Unit 2.
Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$/Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

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

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

For the Month Ended: March 31, 2021

Environmental Compliance Plan		
O&M Expenses	Pre-2020 Environmental Compliance Plans	2020 Environmental Compliance Plan
11th Previous Month	\$ 1,216,956	\$ -
10th Previous Month	1,130,365	-
9th Previous Month	1,290,693	-
8th Previous Month	1,216,028	-
7th Previous Month	1,480,461	-
6th Previous Month	1,884,501	-
5th Previous Month	1,676,860	-
4th Previous Month	2,547,075	-
3rd Previous Month	2,008,526	-
2nd Previous Month	1,415,828	-
Previous Month	1,797,734	-
Current Month	1,675,987	-
<b>Total 12 Month O&amp;M</b>	<b>\$ 19,341,012</b>	<b>\$ -</b>

Determination of Working Capital Allowance		
12 Months O&M Expenses	\$ 19,341,012	\$ -
One Eighth (1/8) of 12 Month O&M Expenses	1/8	1/8
<b>Pollution Control Cash Working Capital Allowance</b>	<b>\$ 2,417,627</b>	<b>\$ -</b>



ES FORM 2.50

**KENTUCKY UTILITIES COMPANY  
ENVIRONMENTAL SURCHARGE REPORT**

Pollution Control - Operations & Maintenance Expenses

For the Month Ended: March 31, 2021

O&M Expense Account	E. W. Brown	Ghent	Trimble County	Total
<b>2009 Plan</b>				
506154 - ECR NOx Operation -- Consumables	30,074			30,074
506155 - ECR NOx Operation -- Labor and Other	-			-
512151 - ECR NOx Maintenance	21,127			21,127
506159 - ECR Sorbent Injection Operation				-
506152 - ECR Sorbent Reactant - Reagent Only				-
512152 - ECR Sorbent Injection Maintenance				-
502013 - ECR Landfill Operations		128,561	48,935	177,496
512107 - ECR Landfill Maintenance		572,032	51,766	623,798
Adjustment for CCP Disposal in Base Rates (ES Form 2.51)		-	-	-
<b>Total 2009 Plan O&amp;M Expenses</b>	<b>51,201</b>	<b>700,593</b>	<b>100,700</b>	<b>852,494</b>
<b>2011 Plan</b>				
506159 - ECR Sorbent Injection Operation	-	128,458		128,458
506152 - ECR Sorbent Reactant - Reagent Only	21,407	552,674		574,080
512152 - ECR Sorbent Injection Maintenance	9,068	(45,170)		(36,102)
506156 - ECR Baghouse Operations	-	-		-
512156 - ECR Baghouse Maintenance	7,445	52,265		59,711
506151 - ECR Activated Carbon	44,514	53,565		98,080
502013 - ECR Landfill Operations	196,444			196,444
512107 - ECR Landfill Maintenance	68,461			68,461
<b>Total 2011 Plan O&amp;M Expenses</b>	<b>347,339</b>	<b>741,792</b>		<b>1,089,132</b>
<b>2016 Plan</b>				
506153 - ECR Liquid Injection - Reagent Only		60,286		60,286
<b>Total 2016 Plan O&amp;M Expenses</b>		<b>60,286</b>		<b>60,286</b>
<b>2020 Plan</b>				
502015 - ECR Effluent Water Chemicals		-	-	-
502017 - ECR Effluent Water Operations		-	-	-
512157 - ECR Effluent Water Maintenance		-	-	-
<b>Total 2020 Plan O&amp;M Expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Current Month O&amp;M Expense for All Plans</b>	<b>\$ 398,540</b>	<b>\$ 1,502,672</b>	<b>\$ 100,700</b>	<b>\$ 2,001,912</b>

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

**KENTUCKY UTILITIES COMPANY**  
**ENVIRONMENTAL SURCHARGE REPORT**  
CCP Disposal Facilities Expenses  
For the Month Ended: March 31, 2021

	Ghent	Trimble County
On-Site CCP Disposal O&M Expense		
Existing CCP Disposal Facilities (Pre 2009 Plan Project)		
(1) 12 Months Ending with Expense Month	\$ -	\$ -
(2) Monthly Amount [(1) / 12]	\$ -	\$ -
2009 Plan Project		
(3) Monthly Expense	\$ 700,593.31	\$ 100,700.36
Total Generating Station		
(4) Monthly Expense [(2) + (3)]	\$ 700,593.31	\$ 100,700.36
Base Rates		
(5) Annual Expense Amount (12 Mo Ending with Last Test Year)	\$ -	\$ -
(6) Monthly Expense Amount [(5) / 12]	\$ -	\$ -
(7) Total Generating Station Less Base Rates [(4) - (6)]	\$ 700,593.31	\$ 100,700.36
(8) Less 2009 Plan Project [(7) - (3)]	\$ -	\$ -
If Line (8) Greater than Zero, No Adjustment		
If Line (8) Less than Zero, Adjustment for Base Rates		
Adjustment for Base Rate Amount (to ES Form 2.50)	\$ -	\$ -

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

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



ES FORM 2.61

**KENTUCKY UTILITIES COMPANY  
ENVIRONMENTAL SURCHARGE REPORT**

**Beneficial Reuse Opportunities  
For the Month Ended: March 31, 2021**

On-Site CCP Disposal O&M Expense	E. W. Brown	Ghent	Trimble County	Total
Existing Beneficial Reuse Opportunities (Pre 2009 Plan Project)				
(1) 12 Months Ending with Expense Month	\$ (2,467)	\$ (3,319,778)	\$ -	\$ (3,322,245)
(2) Monthly Amount [(1) / 12]	\$ (206)	\$ (276,648)	\$ -	\$ (276,854)
2009 Plan Project 33				
(3) Monthly Amount (Expense/Revenue)	\$ -	\$ (17,041)	\$ (68,697)	\$ (85,738)
Total Beneficial Reuse - Generating Station				
(4) Monthly Expense [(2) + (3)]	\$ (206)	\$ (293,689)	\$ (68,697)	\$ (362,591)
Beneficial Reuse in Base Rates				
(5) Annual Expense Amount (12 Mo Ending with Last Test Year)	\$ -	\$ (440,000)	\$ -	\$ (440,000)
(6) Monthly Expense Amount [(5) / 12]	\$ -	\$ (36,667)	\$ -	\$ (36,667)
(7) Total Generating Station Less Base Rates [(4) - (6)]	\$ (206)	\$ (257,022)	\$ (68,697)	\$ (325,925)
(8) Less 2009 Plan Project 33 [(7) - (3)]	\$ (206)	\$ (239,982)	\$ -	\$ (240,187)
If Line (8) Greater than Zero, No Adjustment				
If Line (8) Less than Zero, Adjustment for Base Rates				
Adjustment for Base Rate Amount (to ES Form 2.60)	\$ (206)	\$ (239,982)	\$ -	\$ (240,187)

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

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

For the Month Ended: March 31, 2021

GROUP 1 (Total Revenues) - Kentucky Jurisdictional Revenues							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Month	Non-fuel Base Rate Revenues	Base Rate Fuel Component	Fuel Clause Revenues Including Off-System Sales Tracker	DSM Revenues	Environmental Surcharge Revenues	Total  (2)+(3)+(4)+(5)+(6)	Total Excluding Environmental Surcharge  (7)-(6)
Apr-20	\$ 36,827,220	\$ 10,368,187	\$ (815,410)	\$ 276,320	\$ 1,095,543	\$ 47,751,859	\$ 46,656,316
May-20	34,954,712	9,667,651	(1,305,364)	284,307	1,088,667	44,689,973	43,601,306
Jun-20	39,491,754	11,313,813	(1,571,167)	332,062	2,193,361	51,759,822	49,566,461
Jul-20	46,891,099	14,089,696	(2,033,028)	412,922	2,840,537	62,201,227	59,360,690
Aug-20	46,477,810	14,050,270	(1,642,717)	412,924	2,255,139	61,553,426	59,298,287
Sep-20	42,952,904	12,661,629	(1,060,938)	375,295	1,127,866	56,056,756	54,928,890
Oct-20	33,124,742	9,000,391	(808,917)	270,010	1,019,457	42,605,683	41,586,226
Nov-20	33,401,812	9,187,874	(1,072,881)	272,639	1,282,892	43,072,335	41,789,444
Dec-20	47,511,229	14,281,815	(1,552,240)	421,098	2,999,333	63,661,234	60,661,901
Jan-21	56,919,514	17,844,257	(2,057,349)	534,368	4,226,690	77,467,479	73,240,789
Feb-21	57,064,973	18,094,210	(1,466,172)	557,252	2,492,431	76,742,694	74,250,264
Mar-21	49,639,884	15,228,487	(1,052,809)	471,093	1,196,667	65,483,322	64,286,655
Average Monthly Jurisdictional Revenues, Excluding Environmental Surcharge, for 12 Months Ending Current Expense Month.							\$ 55,768,936
Average Kentucky Jurisdictional Revenues excluding Environmental Surcharge for 12-months ending with Current Month =							\$ 127,026,248
GROUP 1 Revenues as a Percentage of Total Revenues for 12-months ending with the Current Month							43.90%

GROUP 2 (Net Revenues) - Kentucky Jurisdictional Revenues								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Month	Non-fuel Base Rate Revenues	Base Rate Fuel Component	Fuel Clause Revenues Including Off-System Sales Tracker	DSM Revenues	Environmental Surcharge Revenues	Total  (2)+(3)+(4)+(5)+(6)	Total Excluding Environmental Surcharge  (7)-(6)	Total Non-Fuel Revenues plus DSM  (2)+(5)
Apr-20	\$ 45,632,779	\$ 18,442,174	\$ (1,583,374)	\$ 251,084	\$ 1,484,806	\$ 64,227,470	\$ 62,742,664	\$ 45,883,863
May-20	45,360,450	16,949,738	(2,042,443)	290,791	1,593,916	62,152,453	60,558,537	45,651,241
Jun-20	51,849,302	20,684,908	(2,811,283)	352,174	3,033,066	73,108,166	70,075,100	52,201,476
Jul-20	58,764,733	25,142,977	(3,555,317)	427,159	3,902,926	84,682,478	80,779,552	59,191,892
Aug-20	54,811,739	23,203,373	(2,759,789)	390,511	2,964,399	78,610,232	75,645,834	55,202,250
Sep-20	56,384,149	25,128,734	(2,208,405)	426,461	1,738,768	81,469,707	79,730,939	56,810,610
Oct-20	49,645,553	21,416,110	(1,865,207)	340,939	1,662,152	71,199,546	69,537,394	49,986,492
Nov-20	45,996,222	19,223,484	(2,028,611)	325,202	1,905,586	65,421,883	63,516,298	46,321,424
Dec-20	51,884,092	22,802,289	(2,331,837)	360,681	3,335,564	76,050,788	72,715,225	52,244,773
Jan-21	52,387,089	23,016,118	(2,449,214)	431,996	4,113,737	77,499,726	73,385,989	52,819,085
Feb-21	51,196,180	22,225,447	(1,906,231)	428,761	2,603,661	74,547,817	71,944,156	51,624,940
Mar-21	52,735,695	22,959,914	(1,682,965)	443,416	1,510,122	75,966,182	74,456,060	53,179,111
Average Monthly Jurisdictional Revenues, Excluding Environmental Surcharge and Fuel, for 12 Months Ending Current Expense Month.							\$ 71,257,312	\$ 51,759,763
Average Kentucky Jurisdictional Revenues excluding Environmental Surcharge for 12-months ending with Current Month =							\$ 127,026,248	
GROUP 2 Revenues as a Percentage of Total Revenues for 12-months ending with the Current Month							56.10%	

ES FORM 3.10

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

Reconciliation of Reported Revenues

For the Month Ended: March 31, 2021

	Revenues per Form 3.00	Revenues per Income Statement
<b>Kentucky Retail Revenues</b>		
(1) Base Rates (Customer Charge, Energy Charge, Demand Charge)	\$ 140,563,980	\$ 140,571,457
(2) Fuel Adjustment Clause including Off System Sales Tracker	\$ (2,735,774)	\$ (2,735,774)
(3) DSM	\$ 914,509	\$ 914,509
(4) Environmental Surcharge		\$ 2,706,789
(5) CSR Credits		\$ (906,882)
(6) EDR Credits		\$ (276,654)
(7) Total Kentucky Jurisdictional Revenues for Environmental Surcharge Purposes =	\$ 138,742,715	
<b>Non -Jurisdictional Revenues</b>		
(8) Tennessee Retail	\$ -	\$ -
(9) Virginia Retail	\$ 7,454,039	\$ 7,454,039
(10) Wholesale	\$ 1,947,125	\$ 1,947,125
(11) InterSystem (Total Less Transmission Portion Booked in Account 447)	\$ 2,886,493	\$ 2,886,493
(12) Total Non-Jurisdictional Revenues for Environmental Surcharge Purposes =	\$ 12,287,658	
(13) Total Company Revenues for Environmental Surcharge Purposes =	\$ 151,030,373	
Jurisdictional Allocation Ratio for Current Month [(7) / (13)] =	91.86%	
<b>Reconciling Revenues</b>		
(14) Brokered	\$ -	\$ -
(15) InterSystem (Transmission Portion Booked in Account 447)		\$ -
(16) Unbilled		\$ (17,942,605)
(17) Provision for Refund		\$ -
(18) Miscellaneous		\$ 6,693,521
(19) Total Company Revenues per Income Statement =		\$ 141,312,018

NOTE: Base Rates (Line 1) includes the TCJA credit of -\$3.05 for this month.

**KENTUCKY UTILITY COMPANY**

**Response to Commission Staff's Second Request for Information  
Dated March 13, 2024**

**Case No. 2023-00376**

**Question No. 2**

**Responding Witness: Andrea M. Fackler**

- Q-2. Refer to the monthly ES filings beginning with November 2020, ES Form 2.50. The November 2020 ES Form and subsequent monthly ES Forms 2.5 over the review period contain no data indicating expenses were incurred to implement the 2020 compliance plan. Confirm that no Operations and Maintenance (O&M) expenses have been incurred to implement the 2020 compliance plan at the Brown, Ghent, and Trimble stations over the review period.
- A-2. Confirmed. In the Company's initial application in Case No. 2020-00060, the Company stated that O&M expenses would be incurred when the proposed ELG water treatment systems at Trimble County (Project 44) and Ghent (Project 43) and the BATW recirculation system at Ghent (Project 43) were placed in service. At the time, the Company estimated in-service dates for the Trimble County ELG water treatment system of June 2023, the Ghent BATW recirculation system of December 2023, and the Ghent ELG water treatment system of November 2024<sup>1</sup>. As discussed in the Company's quarterly ECR status reports, most recently updated through Q4 2023 and filed on January 30, 2024, the Trimble County ELG water treatment system is expected to be placed in service in September 2024, the Ghent BATW recirculation system is expected to be placed in service in April 2024, and the Ghent ELG water treatment system is expected to be placed in service in December 2024<sup>2</sup>.

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<sup>1</sup>*Electronic Application of Kentucky Utilities Company for Approval of its 2020 Compliance Plan for Recovery by Environmental Surcharge*, Case No. 2020-00060, Straight Direct Testimony at 4.

<sup>2</sup>2020 ECR Plan Status Update Report, Quarterly Report #13 Dated January 30, 2024 at 2.

**KENTUCKY UTILITY COMPANY**

**Response to Commission Staff's Second Request for Information  
Dated March 13, 2024**

**Case No. 2023-00376**

**Question No. 3**

**Responding Witness: Andrea M. Fackler**

- Q-3. Refer to the monthly ES filings for August 2021 and September 2021, Form 2.01, for the Project 39 – Green River Station. Explain why the Current Month Amortization in column 4 is based on a remaining amortization period of 88 months in August 2021, but is based on only 58 months in September 2021.
- A-3. The Company used a remaining amortization period of 59 months in August 2021 and 58 months in September 2021 on ES Form 2.01 for Project 39 – Green River Station. The table below summarizes the accumulated CCR closure costs for the Green River station, accumulated amortization, remaining amortization months, and the calculated current month amortization expense as reported in KU's August 2021 and September 2021 expense month filings. See also the attachment to the response to Question No. 4.

	(1)	(2)	(3)	(4)
	Accumulated CCR		Amortization	Current
Expense	Closure Costs	Accumulated	Months	Month
Month	Project 39 - Green River	Amortization	Remaining	Amortization
				$[(1)-(2)]/(3)$
Aug-21	\$35,670,002	\$13,423,622	59	\$377,057
Sep-21	\$35,806,734	\$13,800,680	58	\$379,415



**KENTUCKY UTILITY COMPANY**

**Response to Commission Staff's Second Request for Information  
Dated March 13, 2024**

**Case No. 2023-00376**

**Question No. 4**

**Responding Witness: Andrea M. Fackler**

Q-4. Refer to the monthly ES filings for August 2021 and September 2021, Form 2.01. For the Project 40 – Ghent Station.

- a. Explain why the September Accumulated Amortization (Prior Month) amount does not match the August Accumulated Amortization (Current Month) amount.
- b. Explain how the correction will affect the September ES filing and all subsequent filings.

A-4.

- a. See attached ES Form 2.01 from KU's August 2021 and September 2021 expense month filings. In the August 2021 expense month filing KU reported an Accumulated Amortization (Current Month) of \$10,002,642 in column 5 for Project 40 – Ghent Station on ES Form 2.01. This amount matches the Accumulated Amortization (Prior Month) of \$10,002,642 in column 3 reported in the September 2021 expense month filing.
- b. No correction is needed.

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

**For the Month Ended: August 31, 2021**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Description	Accumulated CCR Closure Costs	Accumulated Amortization (Prior Month)	Current Month Amortization	Accumulated Amortization (Current Month)	Accumulated Deferred Income Taxes (ADIT)	Unamortized CCR Closure Cost Balance (Net of ADIT)
			[(2)-(3)]/ Remaining Amort Months	(3)+(4)		(2)-(5)-(6)
<b>2016 Plan:</b>						
Amended Project 36 - Brown Station (Main Pond)	\$ 8,385,537	\$ 2,371,221	\$ 101,938	\$ 2,473,158	\$ 1,475,138	\$ 4,437,240
Project 39 - Green River Station	\$ 35,670,002	\$ 13,423,622	\$ 377,057	\$ 13,800,680	\$ 6,399,753	\$ 15,469,570
Project 39 - Pineville Station	\$ 7,721,106	\$ 2,409,379	\$ 90,029	\$ 2,499,408	\$ 1,335,588	\$ 3,886,111
Project 39 - Tyrone Station	\$ 7,789,832	\$ 2,836,385	\$ 83,957	\$ 2,920,342	\$ 1,238,557	\$ 3,630,934
Project 40 - Ghent Station	\$ 115,426,876	\$ 9,559,683	\$ 442,959	\$ 10,002,642	\$ 27,935,597	\$ 77,488,637
Project 41 - Trimble County Station	\$ 2,422,215	\$ 322,879	\$ 8,784	\$ 331,662	\$ 631,579	\$ 1,458,973
Project 42 - Brown Station (Aux. Pond)	\$ 30,935,871	\$ 1,962,623	\$ 121,227	\$ 2,083,850	\$ 7,413,680	\$ 21,438,340
<b>Net Total - All Projects:</b>	\$ 208,351,440	\$ 32,885,792	\$ 1,225,951	\$ 34,111,743	\$ 46,429,892	\$ 127,809,806

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

Note 2: Amended Project 36 – Brown Station (Main Pond)’s CCR Closure Costs were not included in the proposed ECR project eliminations in KU’s base rate proceeding (CN 2020-00349) and therefore continue to be recovered in the ECR mechanism.

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

**For the Month Ended: September 30, 2021**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Description	Accumulated CCR Closure Costs	Accumulated Amortization (Prior Month)	Current Month Amortization	Accumulated Amortization (Current Month)	Accumulated Deferred Income Taxes (ADIT)	Unamortized CCR Closure Cost Balance (Net of ADIT)
			[(2)-(3)]/ Remaining Amort Months	(3)+(4)		(2)-(5)-(6)
<b>2016 Plan:</b>						
Amended Project 36 - Brown Station (Main Pond)	\$ 8,393,592	\$ 2,473,158	\$ 102,076	\$ 2,575,235	\$ 1,451,680	\$ 4,366,677
Project 39 - Green River Station	\$ 35,806,734	\$ 13,800,680	\$ 379,415	\$ 14,180,094	\$ 6,322,938	\$ 15,303,701
Project 39 - Pineville Station	\$ 7,744,905	\$ 2,499,408	\$ 90,440	\$ 2,589,848	\$ 1,318,395	\$ 3,836,661
Project 39 - Tyrone Station	\$ 7,789,832	\$ 2,920,342	\$ 83,957	\$ 3,004,299	\$ 1,217,202	\$ 3,568,332
Project 40 - Ghent Station	\$ 117,471,457	\$ 10,002,642	\$ 451,550	\$ 10,454,191	\$ 28,326,200	\$ 78,691,065
Project 41 - Trimble County Station	\$ 3,174,346	\$ 331,662	\$ 11,944	\$ 343,607	\$ 815,793	\$ 2,014,946
Project 42 - Brown Station (Aux. Pond)	\$ 30,815,456	\$ 2,083,850	\$ 120,721	\$ 2,204,571	\$ 7,352,613	\$ 21,258,271
<b>Net Total - All Projects:</b>	<b>\$ 211,196,321</b>	<b>\$ 34,111,743</b>	<b>\$ 1,240,102</b>	<b>\$ 35,351,845</b>	<b>\$ 46,804,823</b>	<b>\$ 129,039,653</b>

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

Note 2: Amended Project 36 – Brown Station (Main Pond)’s CCR Closure Costs were not included in the proposed ECR project eliminations in KU’s base rate proceeding (CN 2020-00349) and therefore continue to be recovered in the ECR mechanism.

**KENTUCKY UTILITY COMPANY**

**Response to Commission Staff's Second Request for Information  
Dated March 13, 2024**

**Case No. 2023-00376**

**Question No. 5**

**Responding Witness: Andrea M. Fackler**

- Q-5. Refer to the monthly ES filing for April 2023, Form 1.10, line 5 BAS. Provide support for the \$45 and explain what by-product or allowance was sold.
- A-5. See attached. The April 2023 expense month filing included the Company's proceeds from the 2023 EPA SO<sub>2</sub> allowance auction. The auction is funded with current year and seven year vintage SO<sub>2</sub> allowances from each generating unit. The EPA withholds these allowances prior to issuance; therefore, the Company's allowance inventory does not change. The Company receives the proceeds from the auctioned allowances and returns them to customers by including the amount in ES Form 1.10, Line 5 – BAS.

In preparation of this response the Company identified an error in the reporting of these proceeds in the April 2023 expense month filing. The total proceeds amount received of \$48.77 should have been included in ES Form 1.10, Line 5 – BAS. However, the Company inadvertently included the estimated jurisdictional amount. The corrected amount lowers the April 2023 expense month jurisdictional revenue requirement (E(m)) by \$3 but does not change the ECR billing factors that were calculated for the month and billed to customers during the June 2023 billing period.

<u>2023 Vintage</u>	<u>KU</u>
Allowances	1,106.50
Spot Price	\$ 0.02408
Spot Proceeds	\$ 26.64

<u>2029 Vintage</u>	<u>KU</u>
Allowances	1,106.50
Advance Price	\$ 0.02000
Advance Proceeds	\$ 22.13

Subtotal Proceeds \$ 48.77

**Back out IMEA/IMPA Allowances:**

TC Allowances  
Spot Price  
Spot Proceeds

TC Allowances  
Advance Price  
Advance Proceeds

TC Subtotal  
IMEA/IMPA Portion  
IMEA/IMPA

Subtotal	\$ 48.77
Less: IMEA/IMPA	\$ -
<b>TOTAL PROCEEDS</b>	<b>\$ 48.77</b>

Less: Amount in Base Revenue	\$ -
	\$ 48.77

Retail Allocation	92.05%
Amount to Refund Through the ECR Factor	\$ 44.89

**KENTUCKY UTILITY COMPANY**

**Response to Commission Staff’s Second Request for Information  
Dated March 13, 2024**

**Case No. 2023-00376**

**Question No. 6**

**Responding Witness: Andrea M. Fackler**

Q-6. Refer to the monthly ES filings for the period under review, Form 2.01. Provide the remaining amortization months for each project for each month of the review period.

A-6. The table below shows the remaining amortization months by project for each expense month during the review period.

<b>Remaining Amortization Months</b>			
Expense Month	25 Year	10 Year	8 Year
	Projects 40,41,42	Project 39	Project 36
Sep-19	262	82	82
Oct-19	261	81	81
Nov-19	260	80	80
Dec-19	259	79	79
Jan-20	258	78	78
Feb-20	257	77	77
Mar-20	256	76	76
Apr-20	255	75	75
May-20	254	74	74
Jun-20	253	73	73
Jul-20	252	72	72
Aug-20	251	71	71
Sep-20	250	70	70
Oct-20	249	69	69
Nov-20	248	68	68
Dec-20	247	67	67
Jan-21	246	66	66
Feb-21	245	65	65
Mar-21	244	64	64
Apr-21	243	63	63
May-21	242	62	62
Jun-21	241	61	61

Jul-21	240	60	60
Aug-21	239	59	59
Sep-21	238	58	58
Oct-21	237	57	57
Nov-21	236	56	56
Dec-21	235	55	55
Jan-22	234	54	54
Feb-22	233	53	53
Mar-22	232	52	52
Apr-22	231	51	51
May-22	230	50	50
Jun-22	229	49	49
Jul-22	228	48	48
Aug-22	227	47	47
Sep-22	226	46	46
Oct-22	225	45	45
Nov-22	224	44	44
Dec-22	223	43	43
Jan-23	222	42	42
Feb-23	221	41	41
Mar-23	220	40	40
Apr-23	219	39	39
May-23	218	38	38
Jun-23	217	37	37
Jul-23	216	36	36
Aug-23	215	35	35