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VIA ELECTRONIC FILING

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

February 20, 2026

Re: Electronic Application of Louisville Gas and Electric Company for Approval of Retired Asset Recovery Rider Cost Recovery for the Retirement of Mill Creek Unit 1 and of Retired Asset Recovery Rider Tariff Revisions and Monthly Reporting Forms – Case No. 2024-00317

Dear Ms. Bridwell:

In accordance with the Commission’s final order dated February 24, 2025 in Case No. 2024-00317 and subject to the terms of the Commission’s July 22, 2021 Order in Case No. 2020-00085 (Electronic Emergency Docket Related to the Novel Coronavirus COVID-19), Louisville Gas and Electric Company (“LG&E”) is filing its Retired Asset Recovery Adjustment Clause Report for the expense month of January 2026. Included within are the calculation and supporting documentation of LG&E’s Retired Asset Recovery Billing Factors, which will be billed during the March 2026 billing cycle beginning March 2, 2026.

Pursuant to the Commission’s February 16, 2026 Order in Case No. 2025-00114, LG&E has updated its Retired Asset Recovery Report forms as follows:

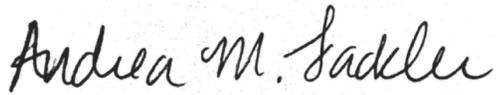
- 1) All Form Pages – Removed “Rider” based on the Commission’s approval of LG&E’s proposal to make Rider RAR an Adjustment Clause.
- 2) Form 1.10 – Removed lines for “Jurisdictional Allocation Ratio” and “Jurisdictional E(m)”, changed references to “Total E(m)” to “E(m)”, and changed “Adjusted Net Jurisdictional E(m)” to “Adjusted E(m)” based on the Commission’s approval of LG&E’s proposed tariff changes.
- 3) Form 2.00 MC1 – Updated the calculations for Return and Levelized Expense to reflect the approved base rate weighted average cost of capital (“WACC” or rate of return) including the approved capital rider return on equity of 9.675%.
- 4) Form 2.10 – Removed costs embedded in base rates for Mill Creek Unit 1 since the unit was retired and is no longer recovered in base rates. Also updated the WACC to that approved by the Commission (see also #3).

Ms. Linda Bridwell
February 20, 2026

- 5) Form 2.20 – Updated various nomenclature based on the Commission’s approval of LG&E’s proposed tariff changes.
- 6) Form 3.00 – PGR Revenues added to both Group 1 and Group 2 tables based on the Commission’s approval of the new Pilot Generation Recovery (“PGR”) adjustment clause tariff. PGR revenues are excluded from the Average Monthly Jurisdictional Revenues pursuant to the approved tariff.

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

**LOUISVILLE GAS AND ELECTRIC COMPANY
RETIRED ASSET RECOVERY REPORT**

Summary of Group E(m) and Group RAR Billing Factors

For the Expense Month of January 2026

GROUP 1 (Total Revenue)

Group 1 E(m) -- RAR Form 1.10 = \$ 646,852

Group 1 RAR Billing Factor -- RAR Form 1.10 = 1.38%

GROUP 2 (Net Revenue)

Group 2 E(m) -- RAR Form 1.10 = \$ 791,556

Group 2 RAR Billing Factor -- RAR Form 1.10 = 1.95%

Effective Date for Billing: March billing cycle beginning March 2, 2026

Submitted by: Andrea M. Sackler

Title: Manager, Revenue Requirement/Cost of Service

Date Submitted: February 20, 2026

**LOUISVILLE GAS AND ELECTRIC COMPANY
RETIRED ASSET RECOVERY REPORT**

Calculation of E(m) and Group RAR Billing Factors

For the Expense Month of January 2026

Calculation of E(m)

$$E(m) = LE - BR$$

Where:

LE = Monthly Levelized Expense
BR = Monthly Base Rate Revenue Requirement for Retired Generating Units Embedded in Base Rates

| | <u>Retired Asset Costs</u> |
|-------------------------|----------------------------|
| (1) LE -- RAR Form 2.00 | = \$ 1,430,236 |
| (2) BR -- RAR Form 2.10 | = \$ - |
| (3) E(m) = (1) - (2) | = \$ 1,430,236 |

Calculation of Adjusted E(m)

| | |
|--|----------------|
| (4) Adjustment for (Over)/Under Recovery from Prior Expense Month -- RAR Form 2.20 | = \$ 8,173 |
| (5) Prior Period Adjustment (if necessary) | = \$ - |
| (6) Adjusted E(m) = (3) + (4) + (5) | = \$ 1,438,408 |

Calculation of Group RAR Billing Factors

| | <u>GROUP 1</u> <u>(Total Revenue)</u> | <u>GROUP 2</u> <u>(Net Revenue)</u> |
|--|--|--|
| (7) Revenue as a Percentage of 12-month Total Revenue Ending with the Current Expense Month -- RAR Form 3.00 | = 44.97% | 55.03% |
| (8) Group E(m) = (6) x (7) | = \$ 646,852 | \$ 791,556 |
| (9) Group R(m) = Average Monthly Group Revenue for the 12 Months Ending with the Current Expense Month -- RAR Form 3.00 | = \$ 47,012,464 | \$ 40,529,245 |
| (10) Group RAR Billing Factors = (8) ÷ (9) | = 1.38% | 1.95% |

**LOUISVILLE GAS AND ELECTRIC COMPANY
RETIRED ASSET RECOVERY REPORT**

Calculation of Monthly Levelized Expense

For the Month Ended: January 31, 2026

Mill Creek Unit 1

| Month | Retirement Costs (including Adjustments) | Return | Levelized Expense | Retirement Costs Balance to Recover | ADIT | Retired Asset Balance Subject to Return |
|---------------------|--|---------|-------------------|--|--------------|---|
| Dec-24 ¹ | 124,474,040 | | | 124,474,040 | (31,056,273) | 93,417,767 |
| Jan-25 | | | | 124,474,040 | (31,056,273) | 93,417,767 |
| Feb-25 | | | | 124,474,040 | (31,056,273) | 93,417,767 |
| Mar-25 | | 665,057 | (\$1,407,781) | 123,731,317 | (30,870,963) | 92,860,353 |
| Apr-25 ² | (12,203) | 661,089 | (\$1,407,642) | 122,972,560 | (30,681,654) | 92,290,906 |
| May-25 | | 657,035 | (\$1,407,642) | 122,221,952 | (30,494,377) | 91,727,575 |
| Jun-25 | | 653,024 | (\$1,407,642) | 121,467,334 | (30,306,100) | 91,161,234 |
| Jul-25 | | 648,992 | (\$1,407,642) | 120,708,684 | (30,116,817) | 90,591,867 |
| Aug-25 | | 644,939 | (\$1,407,642) | 119,945,980 | (29,926,522) | 90,019,458 |
| Sep-25 | | 640,864 | (\$1,407,642) | 119,179,201 | (29,735,211) | 89,443,991 |
| Oct-25 | | 636,767 | (\$1,407,642) | 118,408,326 | (29,542,877) | 88,865,449 |
| Nov-25 | | 632,648 | (\$1,407,642) | 117,633,332 | (29,349,516) | 88,283,815 |
| Dec-25 | | 628,508 | (\$1,407,642) | 116,854,197 | (29,155,122) | 87,699,075 |
| Jan-26 ³ | | 661,763 | (\$1,430,236) | 116,085,724 | (28,963,388) | 87,122,336 |
| Feb-26 | | 657,411 | (\$1,430,236) | 115,312,899 | (28,770,568) | 86,542,330 |
| Mar-26 | | 653,034 | (\$1,430,236) | 114,535,697 | (28,576,656) | 85,959,041 |
| Apr-26 | | 648,633 | (\$1,430,236) | 113,754,094 | (28,381,646) | 85,372,447 |
| May-26 | | 644,206 | (\$1,430,236) | 112,968,064 | (28,185,532) | 84,782,532 |
| Jun-26 | | 639,755 | (\$1,430,236) | 112,177,584 | (27,988,307) | 84,189,276 |
| Jul-26 | | 635,278 | (\$1,430,236) | 111,382,626 | (27,789,965) | 83,592,661 |
| Aug-26 | | 630,776 | (\$1,430,236) | 110,583,167 | (27,590,500) | 82,992,667 |
| Sep-26 | | 626,249 | (\$1,430,236) | 109,779,180 | (27,389,905) | 82,389,274 |
| Oct-26 | | 621,696 | (\$1,430,236) | 108,970,640 | (27,188,175) | 81,782,465 |
| Nov-26 | | 617,117 | (\$1,430,236) | 108,157,521 | (26,985,329) | 81,172,220 |
| Dec-26 | | 612,512 | (\$1,430,236) | 107,339,797 | (26,781,279) | 80,558,518 |
| Jan-27 | | 607,881 | (\$1,430,236) | 106,517,443 | (26,576,102) | 79,941,341 |
| Feb-27 | | 603,224 | (\$1,430,236) | 105,690,431 | (26,369,763) | 79,320,669 |
| Mar-27 | | 598,541 | (\$1,430,236) | 104,858,736 | (26,162,255) | 78,696,481 |
| Apr-27 | | 593,831 | (\$1,430,236) | 104,022,331 | (25,953,572) | 78,068,759 |
| May-27 | | 589,094 | (\$1,430,236) | 103,181,189 | (25,743,707) | 77,437,482 |
| Jun-27 | | 584,330 | (\$1,430,236) | 102,335,284 | (25,532,653) | 76,802,630 |
| Jul-27 | | 579,540 | (\$1,430,236) | 101,484,588 | (25,320,405) | 76,164,183 |
| Aug-27 | | 574,722 | (\$1,430,236) | 100,629,074 | (25,106,954) | 75,522,120 |
| Sep-27 | | 569,877 | (\$1,430,236) | 99,768,716 | (24,892,295) | 74,876,421 |
| Oct-27 | | 565,005 | (\$1,430,236) | 98,903,485 | (24,676,420) | 74,227,066 |
| Nov-27 | | 560,105 | (\$1,430,236) | 98,033,355 | (24,459,322) | 73,574,033 |
| Dec-27 | | 555,177 | (\$1,430,236) | 97,158,296 | (24,240,995) | 72,917,301 |
| Jan-28 | | 550,222 | (\$1,430,236) | 96,278,283 | (24,021,431) | 72,256,851 |
| Feb-28 | | 545,238 | (\$1,430,236) | 95,393,285 | (23,800,625) | 71,592,660 |
| Mar-28 | | 540,226 | (\$1,430,236) | 94,503,276 | (23,578,567) | 70,924,708 |
| Apr-28 | | 535,186 | (\$1,430,236) | 93,608,226 | (23,355,252) | 70,252,974 |
| May-28 | | 530,117 | (\$1,430,236) | 92,708,107 | (23,130,673) | 69,577,435 |
| Jun-28 | | 525,020 | (\$1,430,236) | 91,802,892 | (22,904,821) | 68,898,070 |
| Jul-28 | | 519,893 | (\$1,430,236) | 90,892,549 | (22,677,691) | 68,214,858 |
| Aug-28 | | 514,738 | (\$1,430,236) | 89,977,051 | (22,449,274) | 67,527,777 |
| Sep-28 | | 509,553 | (\$1,430,236) | 89,056,369 | (22,219,564) | 66,836,805 |
| Oct-28 | | 504,339 | (\$1,430,236) | 88,130,473 | (21,988,553) | 66,141,920 |
| Nov-28 | | 499,096 | (\$1,430,236) | 87,199,333 | (21,756,234) | 65,443,099 |
| Dec-28 | | 493,823 | (\$1,430,236) | 86,262,920 | (21,522,599) | 64,740,321 |
| Jan-29 | | 488,520 | (\$1,430,236) | 85,321,204 | (21,287,640) | 64,033,564 |
| Feb-29 | | 483,187 | (\$1,430,236) | 84,374,155 | (21,051,352) | 63,322,803 |
| Mar-29 | | 477,823 | (\$1,430,236) | 83,421,743 | (20,813,725) | 62,608,018 |
| Apr-29 | | 472,430 | (\$1,430,236) | 82,463,937 | (20,574,752) | 61,889,184 |
| May-29 | | 467,005 | (\$1,430,236) | 81,500,706 | (20,334,426) | 61,166,280 |

Mill Creek Unit 1

| | | | | | | |
|--------|--|---------|---------------|------------|--------------|------------|
| Jun-29 | | 461,551 | (\$1,430,236) | 80,532,021 | (20,092,739) | 60,439,282 |
| Jul-29 | | 456,065 | (\$1,430,236) | 79,557,850 | (19,849,684) | 59,708,167 |
| Aug-29 | | 450,548 | (\$1,430,236) | 78,578,162 | (19,605,252) | 58,972,911 |
| Sep-29 | | 445,000 | (\$1,430,236) | 77,592,927 | (19,359,435) | 58,233,491 |
| Oct-29 | | 439,420 | (\$1,430,236) | 76,602,111 | (19,112,227) | 57,489,884 |
| Nov-29 | | 433,809 | (\$1,430,236) | 75,605,684 | (18,863,618) | 56,742,066 |
| Dec-29 | | 428,166 | (\$1,430,236) | 74,603,615 | (18,613,602) | 55,990,013 |
| Jan-30 | | 422,491 | (\$1,430,236) | 73,595,871 | (18,362,170) | 55,233,701 |
| Feb-30 | | 416,784 | (\$1,430,236) | 72,582,419 | (18,109,314) | 54,473,106 |
| Mar-30 | | 411,045 | (\$1,430,236) | 71,563,228 | (17,855,025) | 53,708,203 |
| Apr-30 | | 405,273 | (\$1,430,236) | 70,538,266 | (17,599,297) | 52,938,969 |
| May-30 | | 399,469 | (\$1,430,236) | 69,507,499 | (17,342,121) | 52,165,378 |
| Jun-30 | | 393,631 | (\$1,430,236) | 68,470,894 | (17,083,488) | 51,387,406 |
| Jul-30 | | 387,761 | (\$1,430,236) | 67,428,420 | (16,823,391) | 50,605,029 |
| Aug-30 | | 381,857 | (\$1,430,236) | 66,380,041 | (16,561,820) | 49,818,221 |
| Sep-30 | | 375,920 | (\$1,430,236) | 65,325,725 | (16,298,768) | 49,026,957 |
| Oct-30 | | 369,949 | (\$1,430,236) | 64,265,439 | (16,034,227) | 48,231,212 |
| Nov-30 | | 363,945 | (\$1,430,236) | 63,199,148 | (15,768,187) | 47,430,960 |
| Dec-30 | | 357,906 | (\$1,430,236) | 62,126,818 | (15,500,641) | 46,626,177 |
| Jan-31 | | 351,833 | (\$1,430,236) | 61,048,416 | (15,231,580) | 45,816,836 |
| Feb-31 | | 345,726 | (\$1,430,236) | 59,963,906 | (14,960,995) | 45,002,912 |
| Mar-31 | | 339,584 | (\$1,430,236) | 58,873,255 | (14,688,877) | 44,184,378 |
| Apr-31 | | 333,408 | (\$1,430,236) | 57,776,427 | (14,415,219) | 43,361,209 |
| May-31 | | 327,196 | (\$1,430,236) | 56,673,388 | (14,140,010) | 42,533,378 |
| Jun-31 | | 320,950 | (\$1,430,236) | 55,564,102 | (13,863,244) | 41,700,859 |
| Jul-31 | | 314,668 | (\$1,430,236) | 54,448,534 | (13,584,909) | 40,863,625 |
| Aug-31 | | 308,350 | (\$1,430,236) | 53,326,649 | (13,304,999) | 40,021,650 |
| Sep-31 | | 301,997 | (\$1,430,236) | 52,198,410 | (13,023,503) | 39,174,907 |
| Oct-31 | | 295,607 | (\$1,430,236) | 51,063,781 | (12,740,413) | 38,323,368 |
| Nov-31 | | 289,182 | (\$1,430,236) | 49,922,727 | (12,455,720) | 37,467,007 |
| Dec-31 | | 282,720 | (\$1,430,236) | 48,775,212 | (12,169,415) | 36,605,796 |
| Jan-32 | | 276,221 | (\$1,430,236) | 47,621,197 | (11,881,489) | 35,739,708 |
| Feb-32 | | 269,686 | (\$1,430,236) | 46,460,647 | (11,591,931) | 34,868,716 |
| Mar-32 | | 263,114 | (\$1,430,236) | 45,293,525 | (11,300,735) | 33,992,791 |
| Apr-32 | | 256,504 | (\$1,430,236) | 44,119,793 | (11,007,888) | 33,111,905 |
| May-32 | | 249,857 | (\$1,430,236) | 42,939,415 | (10,713,384) | 32,226,031 |
| Jun-32 | | 243,172 | (\$1,430,236) | 41,752,351 | (10,417,212) | 31,335,140 |
| Jul-32 | | 236,450 | (\$1,430,236) | 40,558,565 | (10,119,362) | 30,439,203 |
| Aug-32 | | 229,689 | (\$1,430,236) | 39,358,019 | (9,819,826) | 29,538,193 |
| Sep-32 | | 222,890 | (\$1,430,236) | 38,150,673 | (9,518,593) | 28,632,080 |
| Oct-32 | | 216,053 | (\$1,430,236) | 36,936,490 | (9,215,654) | 27,720,836 |
| Nov-32 | | 209,177 | (\$1,430,236) | 35,715,432 | (8,911,000) | 26,804,431 |
| Dec-32 | | 202,262 | (\$1,430,236) | 34,487,458 | (8,604,621) | 25,882,837 |
| Jan-33 | | 195,308 | (\$1,430,236) | 33,252,530 | (8,296,506) | 24,956,023 |
| Feb-33 | | 188,314 | (\$1,430,236) | 32,010,608 | (7,986,647) | 24,023,961 |
| Mar-33 | | 181,281 | (\$1,430,236) | 30,761,653 | (7,675,032) | 23,086,621 |
| Apr-33 | | 174,208 | (\$1,430,236) | 29,505,625 | (7,361,653) | 22,143,972 |
| May-33 | | 167,095 | (\$1,430,236) | 28,242,484 | (7,046,500) | 21,195,984 |
| Jun-33 | | 159,941 | (\$1,430,236) | 26,972,190 | (6,729,561) | 20,242,628 |
| Jul-33 | | 152,748 | (\$1,430,236) | 25,694,702 | (6,410,828) | 19,283,874 |
| Aug-33 | | 145,513 | (\$1,430,236) | 24,409,979 | (6,090,290) | 18,319,689 |
| Sep-33 | | 138,237 | (\$1,430,236) | 23,117,980 | (5,767,936) | 17,350,044 |
| Oct-33 | | 130,921 | (\$1,430,236) | 21,818,665 | (5,443,757) | 16,374,908 |
| Nov-33 | | 123,562 | (\$1,430,236) | 20,511,992 | (5,117,742) | 15,394,250 |
| Dec-33 | | 116,162 | (\$1,430,236) | 19,197,919 | (4,789,881) | 14,408,038 |
| Jan-34 | | 108,721 | (\$1,430,236) | 17,876,404 | (4,460,163) | 13,416,241 |
| Feb-34 | | 101,237 | (\$1,430,236) | 16,547,405 | (4,128,577) | 12,418,827 |
| Mar-34 | | 93,710 | (\$1,430,236) | 15,210,879 | (3,795,114) | 11,415,765 |
| Apr-34 | | 86,141 | (\$1,430,236) | 13,866,785 | (3,459,763) | 10,407,022 |
| May-34 | | 78,530 | (\$1,430,236) | 12,515,079 | (3,122,512) | 9,392,567 |
| Jun-34 | | 70,875 | (\$1,430,236) | 11,155,718 | (2,783,352) | 8,372,366 |
| Jul-34 | | 63,176 | (\$1,430,236) | 9,788,659 | (2,442,270) | 7,346,389 |
| Aug-34 | | 55,435 | (\$1,430,236) | 8,413,858 | (2,099,258) | 6,314,600 |
| Sep-34 | | 47,649 | (\$1,430,236) | 7,031,271 | (1,754,302) | 5,276,969 |
| Oct-34 | | 39,819 | (\$1,430,236) | 5,640,855 | (1,407,393) | 4,233,461 |
| Nov-34 | | 31,945 | (\$1,430,236) | 4,242,564 | (1,058,520) | 3,184,044 |

Mill Creek Unit 1

| | | | | | | |
|--------|--|--------|---------------|-----------|-----------|-----------|
| Dec-34 | | 24,026 | (\$1,430,236) | 2,836,354 | (707,670) | 2,128,684 |
| Jan-35 | | 16,063 | (\$1,430,236) | 1,422,181 | (354,834) | 1,067,347 |
| Feb-35 | | 8,054 | (\$1,430,236) | - | - | - |

- 1) Includes \$624,171.36 reduction to Estimated Obsolete Materials and Supplies to recognize the actual write-off amount of \$111,528.64.
- 2) Reduction to Estimated Obsolete Materials and Supplies to account for revenues recovered through scrap process.
- 3) Return and Levelized Expense updated to reflect newly authorized capital structure and ROE (Case No. 2025-00114, PSC Order, Feb 16, 2026).

**LOUISVILLE GAS AND ELECTRIC COMPANY
RETIRED ASSET RECOVERY REPORT**

Calculation of Monthly Base Rate Revenue Requirement for Retired Generating Units Embedded in Base Rates

For the Expense Month of January 2026

| | Mill Creek Unit 1 (Note 1) | | | |
|--|---------------------------------------|-------------|-------------|-------------|
| Cost Embedded in Base Rates from RAR Form 2.20 | \$ - | \$ - | \$ - | \$ - |
| WACC Approved in Case No. 2025-00114 | 9.055% | | | |
| Subtotal Annual Return on Rate Base | \$ - | \$ - | \$ - | \$ - |
| Annual Depreciation Expense -- RAR Form 2.20 | \$ - | \$ - | \$ - | \$ - |
| Total Annual Base Rate Revenue Requirement | \$ - | \$ - | \$ - | \$ - |
| Total Revenue Requirement / 12 Months | \$ - | \$ - | \$ - | \$ - |

Note 1: Beginning January 1, 2026, Mill Creek Unit 1 is no longer embedded in base rates (Case No. 2025-00114, PSC Order, Feb 16, 2026).

**LOUISVILLE GAS AND ELECTRIC COMPANY
RETIRED ASSET RECOVERY REPORT**

Calculation of Retired Asset Costs, Costs Embedded in Base Rates, and (Over)/Under Recovery

For the Month Ended: January 31, 2026

Calculation of Retired Asset Costs at Retirement

| | | Mill Creek Unit 1 | | | |
|------|--|--------------------------|-------------|-------------|-------------|
| (1) | Retirement Date | 12/31/2024 | | | |
| (2) | Retired Unit Net Book Value | | | | |
| (3) | Plant in Service | \$ 215,127,416 | \$ - | \$ - | \$ - |
| (4) | Construction Work in Progress | - | - | - | - |
| (5) | Depreciation Reserve | 132,101,761 | - | - | - |
| (6) | Subtotal Net Book Value = (3) + (4) - (5) | \$ 83,025,656 | \$ - | \$ - | \$ - |
| (7) | Obsolete Materials and Supplies -- Estimate | \$ 735,700 | \$ - | \$ - | \$ - |
| (8) | Cost of Removal Expenses -- Estimate | | | | |
| (9) | Decommissioning Costs | \$ 1,000,000 | \$ - | \$ - | \$ - |
| (10) | Demolition Costs | 40,336,856 | - | - | - |
| (11) | Subtotal Cost of Removal Expenses = (9) + (10) | \$ 41,336,856 | \$ - | \$ - | \$ - |
| (12) | Total Retirement Costs = (6) + (7) + (11) | \$ 125,098,212 | \$ - | \$ - | \$ - |
| (13) | ADIT = (12) x 24.95% | \$ 31,212,004 | \$ - | \$ - | \$ - |
| (14) | Total Retired Assets = (12) - (13) | \$ 93,886,208 | \$ - | \$ - | \$ - |

Calculation of Retired Generating Unit Costs Embedded in Base Rates

| | | Mill Creek Unit 1 (Note 2) | | | |
|------|---|---------------------------------------|-------------|-------------|-------------|
| (15) | Net Book Value in Base Rates | | | | |
| (16) | Plant in Service | \$ - | \$ - | \$ - | \$ - |
| (17) | Construction Work in Progress | - | - | - | - |
| (18) | Depreciation Reserve | - | - | - | - |
| (19) | Subtotal Net Book Value = (16) + (17) - (18) | \$ - | \$ - | \$ - | \$ - |
| (20) | ADIT (Note 1) | \$ - | \$ - | \$ - | \$ - |
| (21) | Total Retired Generating Unit Costs Embedded in Base Rates = (19) - (20) | \$ - | \$ - | \$ - | \$ - |
| (22) | Annual Depreciation Expense | \$ - | \$ - | \$ - | \$ - |

Note 1: Excess ADIT is excluded as it will continue to be returned to customers through base rates.

Note 2: Beginning January 1, 2026, Mill Creek Unit 1 is no longer embedded in base rates (Case No. 2025-00114, PSC Order, Feb 16, 2026).

Calculation of Prior Expense Month (Over)/Under Recovery

| | | |
|------|--|-----------------|
| (23) | Revenue Requirement for the November 2025 Expense Month | \$ (359,873) |
| (24) | Retired Asset Recovery Revenues in the Current Expense Month | (368,046) |
| (25) | Net (Over)/Under Recovery = (23) - (24) | \$ 8,173 |

**LOUISVILLE GAS AND ELECTRIC COMPANY
RETIRED ASSET RECOVERY REPORT**

Monthly Average Revenue Computation of R(m) for Group 1 and Group 2

For the Month Ended: January 31, 2026

GROUP 1 - Total Revenues

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|---|-----------------------------------|-----------------------------|--|-----------------|--|-----------------|-----------------|---|--|
| Month | Non-fuel Base Rate Revenues | Base Rate Fuel Component | Fuel Clause Revenues Including Off-System Sales Tracker | DSM Revenues | Environmental Surcharge Revenues | RAR Revenues | PGR Revenues | Total Revenues (2) + (3) + (4) + (5) + (6) + (7) + (8) | Total Excluding RAR and PGR Revenues (9) - (7) - (8) |
| Feb-25 | 37,045,925 | 10,754,487 | 240,749 | 835,016 | (795,404) | | | \$ 48,080,773 | \$ 48,080,773 |
| Mar-25 | 33,050,535 | 9,280,121 | 142,757 | 720,207 | (849,933) | | | \$ 42,343,687 | \$ 42,343,687 |
| Apr-25 | 27,694,928 | 7,374,424 | 491,878 | 451,938 | (515,350) | | | \$ 35,497,818 | \$ 35,497,818 |
| May-25 | 28,686,584 | 7,663,683 | 254,110 | 333,648 | (492,392) | (101,016) | | \$ 36,344,617 | \$ 36,445,633 |
| Jun-25 | 34,271,466 | 9,699,109 | 366,959 | 422,551 | (112,748) | (124,744) | | \$ 44,522,592 | \$ 44,647,337 |
| Jul-25 | 49,729,902 | 15,135,154 | 544,301 | 660,185 | (145,369) | (230,197) | | \$ 65,693,977 | \$ 65,924,174 |
| Aug-25 | 49,805,576 | 15,254,736 | 242,242 | 665,341 | (849,044) | (188,742) | | \$ 64,930,108 | \$ 65,118,850 |
| Sep-25 | 38,949,467 | 11,317,471 | 168,340 | 493,182 | (1,163,444) | (94,546) | | \$ 49,670,471 | \$ 49,765,018 |
| Oct-25 | 32,865,599 | 9,189,466 | 323,221 | 400,091 | (841,919) | (83,771) | | \$ 41,852,687 | \$ 41,936,458 |
| Nov-25 | 26,958,568 | 7,131,984 | 379,775 | 310,176 | (604,121) | (88,658) | | \$ 34,087,724 | \$ 34,176,382 |
| Dec-25 | 35,986,471 | 10,281,234 | 792,143 | 447,605 | (243,661) | (141,661) | | \$ 47,122,130 | \$ 47,263,791 |
| Jan-26 | 41,226,803 | 11,100,327 | 290,170 | 534,628 | (202,275) | (179,836) | | \$ 52,769,816 | \$ 52,949,652 |
| Average Monthly Revenues Excluding RAR and PGR for 12 Months Ending Current Expense Month = | | | | | | | | | \$ 47,012,464 |
| Total Average Revenues Excluding RAR and PGR for 12 Months Ending Current Expense Month = | | | | | | | | | \$ 104,546,071 |
| GROUP 1 Revenues as a Percentage of Total Revenues for 12 Months Ending Current Expense Month = | | | | | | | | | 44.97% |

GROUP 2 - Net Revenues

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
|---|-----------------------------------|-----------------------------|--|-----------------|--|-----------------|-----------------|---|--|---|
| Month | Non-fuel Base Rate Revenues | Base Rate Fuel Component | Fuel Clause Revenues Including Off-System Sales Tracker | DSM Revenues | Environmental Surcharge Revenues | RAR Revenues | PGR Revenues | Total Revenues (2) + (3) + (4) + (5) + (6) + (7) + (8) | Total Excluding RAR and PGR Revenues (9) - (7) - (8) | Total Non-Fuel Revenues plus DSM and ECR (2) + (5) + (6) |
| Feb-25 | 36,068,953 | 13,892,826 | 249,764 | 1,151,570 | (822,731) | | | \$ 50,540,382 | \$ 50,540,382 | \$ 36,397,792 |
| Mar-25 | 37,944,982 | 15,250,530 | 248,820 | 1,121,638 | (1,068,217) | | | \$ 53,497,754 | \$ 53,497,754 | \$ 37,998,403 |
| Apr-25 | 37,584,047 | 15,354,537 | 805,401 | 848,595 | (820,442) | | | \$ 53,772,137 | \$ 53,772,137 | \$ 37,612,200 |
| May-25 | 37,574,724 | 14,851,622 | 592,680 | 728,920 | (737,641) | (133,651) | | \$ 52,876,655 | \$ 53,010,306 | \$ 37,566,004 |
| Jun-25 | 42,648,236 | 17,534,002 | 630,984 | 824,700 | (247,727) | (173,250) | | \$ 61,216,945 | \$ 61,390,195 | \$ 43,225,209 |
| Jul-25 | 47,028,717 | 19,599,918 | 701,647 | 986,105 | (150,442) | (227,578) | | \$ 67,938,366 | \$ 68,165,945 | \$ 47,864,380 |
| Aug-25 | 47,068,616 | 19,884,802 | 399,122 | 997,402 | (784,179) | (199,201) | | \$ 67,366,562 | \$ 67,565,763 | \$ 47,281,839 |
| Sep-25 | 45,541,146 | 18,913,783 | 280,597 | 879,213 | (1,403,571) | (131,039) | | \$ 64,080,129 | \$ 64,211,168 | \$ 45,016,788 |
| Oct-25 | 40,619,577 | 16,854,114 | 516,081 | 808,092 | (1,176,317) | (112,740) | | \$ 57,508,806 | \$ 57,621,547 | \$ 40,251,352 |
| Nov-25 | 33,897,418 | 12,883,819 | 621,432 | 652,710 | (864,676) | (121,754) | | \$ 47,068,949 | \$ 47,190,703 | \$ 33,685,451 |
| Dec-25 | 40,129,337 | 16,823,309 | 1,165,552 | 800,210 | (409,065) | (167,646) | | \$ 58,341,697 | \$ 58,509,343 | \$ 40,520,482 |
| Jan-26 | 38,664,227 | 15,448,197 | 548,796 | 487,487 | (220,670) | (188,209) | | \$ 54,739,828 | \$ 54,928,037 | \$ 38,931,044 |
| Average Monthly Revenues Excluding RAR, PGR and Fuel for 12 Months Ending Current Expense Month = | | | | | | | | | \$ 57,533,607 | \$ 40,529,245 |
| Total Average Revenues Excluding RAR and PGR for 12 Months Ending Current Expense Month = | | | | | | | | | \$ 104,546,071 | |
| GROUP 2 Revenues as a Percentage of Total Revenues for 12 Months Ending Current Expense Month = | | | | | | | | | 55.03% | |