Reconciliation of the Amount of Pension Expense in the Base Year and Test Year

	Test Year		Base Year	
Pension Expense	1,311,173	p.14	(4,127,807)	p.14
Less: KU Gross-ups (15 year vs. Double Corridor)			223,294	p.13
Less: Actuarial NPPC allocated to KU by LKS	(4,016,010)	p.5	(1,194,749)	p.6
Less: Actuarial NPPC allocated to KU by LG&E	(190,842)	p.5	178,485	p.6
Plus: Actuarial NPPC Allocation to Captial Projects and other miscellaneous Balance Sheet Accounts	(707,580)	p.5	(3,533,627)	p.6
Miscellaneous Allocations Intercompany Adjustment	(206,045)	p.14	307,491	p.14
NPPC	(3,809,304)		(8,146,913)	

NPPC Per Actuary	**2026**		NPPC Per Actuary	**2024**	
KU	(3,809,304)	p.2	KU	(8,814,735)	p.12
	x 1.000			x .333	
Period from Jan. 2026 to Dec. 2026	(3,809,304)		Period from Sept. 2024 to Dec. 2024	(2,935,307)	
			NPPC Per Actuary	**2025**	
			KU	(7,813,503)	p.2
				x .667	
			Period from Jan. 2025 to Aug. 2025	(5,211,607)	
NPPC Per Actuary	(3,809,304)		NPPC Per Actuary	(8,146,913)	
	-			-	

LG&E & KU Energy LLC
Estimated Net Periodic Pension Cost ("NPPC") Reflecting 15-year (Gain)/Loss Amortization Method For LG&E and KU Pension Plan
2025 Fiscal Year

	Reg-15 LG&E	Reg-15 Servco	Reg-15 KU
Service cost	2,675,583	6,237,053	2,644,472
Interest cost	16,536,924	21,597,067	13,213,991
Expected return on assets	(33,978,630)	(25,637,185)	(29,105,018)
Amortizations:			
Prior service cost	1,203,159	228,236	66,291
(Gain)/loss	10,052,320	3,867,082	5,366,761
ASC 715 NPBC	(3,510,644)	6,292,253	(7,813,503)

p.4 p.9 p.1

LG&E & KU Energy LLC
Estimated Net Periodic Pension Cost ("NPPC") Reflecting 15-year (Gain)/Loss Amortization Method For LG&E and KU Pension Plan
2026 Fiscal Year

	Reg-15 LG&E	Reg-15 Servco	Reg-15 KU
Service cost	2,627,098	5,615,159	2,382,068
Interest cost	15,864,517	20,901,005	12,731,507
Expected return on assets	(28,988,663)	(20,616,730)	(25,083,638)
Amortizations:			
Prior service cost	872,007	228,236	66,291
(Gain)/loss	10,989,410	4,600,523	6,094,468
ASC 715 NPBC	1,364,369	10,728,193	(3,809,304)

p.4 p.9 p.1

Notes

1. Discount rate: 5.30% beginning on December 31, 2024 and throughout the forecast period (based on economic conditions as of August 21, 2024).
2. Expected return on assets assumption for calculating annual NPPC: 8.25% in 2025 and 7.25% throughout the rest of the forecast period.
3. Projected asset return assumption: The fair value of assets are based on actual return through August 21, 2024 (as provided by PPL), 8.25% per annum return for the remainder of 2024 and 2025, and 7.25% return in subsequent years. Additionally, estimated administrative expenses of $2.5 million in 2024 and all subsequent years are assumed to be paid from the trust and are allocated based on actual administrative expenses in 2023 ($1.0 million for LG&E, $0.7 million for KU and $0.8 million for Servco in 2024 and all subsequent years).
4. Population projection assumes the experience of the current population aligns with the accounting valuation assumptions.
5. Expected effect of collective bargaining as of December 31, 2026 is consistent with the actual impact of a three-year increase in the Flat Rate Multipliers reflected at
6. Actual contributions for 2024 and assumed contributions for 2025-2029 are detailed in the table at the end of this exhibit. Disclosure of significant risks related to the plan is required under ASOP No. 51. The analysis provided herein provides future pension contributions based on specific economic outcomes. It is beyond the scope of this analysis to analyze the potential range of future pension contributions due to different economic outcomes or demographic or legislative changes, but we can do so upon request. See Appendix C in our valuation report dated September 2023 for disclosures required under ASOP No. 51 of significant risks related to the plan.
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LG&E & KU Energy LLC
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2027 Fiscal Year

[redacted]

LG&E & KU Energy LLC
Estimated Net Periodic Pension Cost ("NPPC") Reflecting 15-year (Gain)/Loss Amortization Method For LG&E and KU Pension Plan
2028 Fiscal Year

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Notes

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LG&E & KU Energy LLC
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2029 Fiscal Year

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LG&E & KU Pension Plan
Estimated Cash Contributions for Plan Years 2025-2029

Date	LG&E	KU	Servco
2024 actual	-	-	-
12/31/2025	-	-	-
12/31/2026	-	-	-

[redacted]

Allocation of LKS Regulated Pension Expense to PPLS
2025 Business Plan
LKS Pension Expense

	LKS - Reg 15		-	PPLS Allocation (KY-Reg)		=	LKS - Reg 15 (Net of PPLS)	
p.2	2025	2026		2025	2026		2025	2026
Service Cost	6,237,053	5,615,159		1,820,035	1,638,560		4,417,018	3,976,599
Interest Cost	21,597,067	20,901,005		6,302,241	6,099,123		15,294,826	14,801,882
Expected Return on Assets	(25,637,185)	(20,616,730)		(7,481,188)	(6,016,169)		(18,155,997)	(14,600,561)
	2,196,935	5,899,434		641,088	1,721,514		1,555,847	4,177,920
Amortizations:								
Prior Service Cost	228,236	228,236		66,602	66,602		161,634	161,634
(Gain)/Loss	3,867,082	4,600,523		1,128,453	1,342,479		2,738,629	3,258,044
	4,095,318	4,828,759		1,195,055	1,409,080		2,900,263	3,419,679
Total Expense Per Disclosure	6,292,253	10,728,193		1,836,143	3,130,595		4,456,110	7,597,598
				p.6	p.5		p.6	p.5

PPLS Allocation - DC Adjustment (Gain)/Loss (1,128,453) (1,146,393)
p.9

Support: Risk Management\PPLS Transfers\Headcount report_List of Transfers

Calculation of Allocation Factor:

(As of August 31, 2024)

Employees Transferred to PPLS	(a)	424
Total LKS Employees - FT/Reg		1,029
Add: Employees Transferred to PPLS		424
Total Adjusted LKS Employees - FT/Reg	(b)	1,453
% of Employees Transferred to PPLS	(a) ÷ (b)	29.18% p.9

Allocated Pension Expense for PowerPlan/UI Cash Flow Adjustments
2026

Total Net Periodic Pension Expense - Regulatory View

	O&M						Capital/Other Balance Sheet						
	LG&E	KU	LKS	LKE Other	PAA	Total	LG&E	KU	LKS	PPLS	LKE Other	PAA	Total
Total Expense (Excl. NQ and WKE) @ 15 YR	1,364,369 p.2	(3,809,304)	7,597,598 p.4		(4,692,848)	459,815	1,364,369 p.2	(3,809,304)	7,597,598 p.4	3,130,595		(4,692,848)	3,590,410
Step 1: Split Original Entity Plan Expense b/w O&M & Capital p.7													
O&M/Capital %	O 68.07%	Q 50.06%	E 69.10%		100.00%		G 31.93%	I 49.94%	L 30.90%			0.00%	
O&M $ Prior to Allocation of LKS/LG&E Pension	928,699	(1,907,047)	5,250,257		(4,692,848)	(420,939)	435,670	(1,902,257)	2,347,341			-	880,754
Step 2: Allocate LKS/LG&E Expense based on Allocated Labor													
Allocate LKS (% includes O&M/Cap Split)	P 31.55%	R 37.19%		F 0.37%			H 15.22%	J 15.67%			M 0.00%		
$ Allocated from LKS	2,396,975	2,825,241	(5,250,257)	28,041		0	1,156,573	1,190,769	(2,347,341)		-		0
Allocate LG&E to KU (% includes O&M/Cap Split)		N 13.70%						K 0.29%					
$ Allocated to KU from LG&E	(186,933)	186,933				-	(3,909)	3,909					-
Allocated Expense @ 15 YR	3,138,740	1,105,128	-	28,041	(4,692,848)	(420,939)	1,588,334	(707,580)	-	3,130,595	-	-	4,011,349
Step 3: Double Corridor Adjustments													
LKS to LKC				(10,268)		(10,268) p.9							
LKS to PPLS										(1,146,393)			(1,146,393)
Step 4: Add Non-Qualified & WKE (100% LKC Expense)													
Non-Qualified Plans (O&M Only)				4,884,075		4,884,075				261,745			261,745
WKE Non-Union (O&M Only)				(341,673)		(341,673)							-
Total Allocated Expense (Incl. NQ Plans and WKE)	**3,138,740**	**1,105,128**	**-**	**4,560,175**	**(4,692,848)**	**4,111,195**	**1,588,334**	**(707,580)**	**-**	**2,245,947**	**-**	**-**	**3,126,701**
												Total Expense	**7,237,896**

Test Year									
Pension Exp	1,105,128 p.1, 14	**KU by LKS**	4,016,010 p.1	**KU by LG&E**	190,842 p.1	**Capital & Miscellaneous BS**	(707,580) p.1, 14		

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Allocated Pension Expense for PowerPlan/UI Cash Flow Adjustments
2025

Total Net Periodic Pension Expense - Regulatory View

	O&M						Capital/Other Balance Sheet						
	LG&E	KU	LKS	LKE Other	PAA	Total	LG&E	KU	LKS	PPLS	LKE Other	PAA	Total
Total Expense (Excl. NQ and WKE) @ 15 YR	(3,510,644)	(7,813,503)	4,456,110		(4,692,848)	(11,560,885)	(3,510,644)	(7,813,503)	4,456,110	1,836,143		(4,692,848)	(9,724,742)
	p.2		p.4				p.2		p.4				
Step 1: Split Original Entity Plan Expense b/w O&M & Capital	p.7												
O&M/Capital %	O 68.07%	Q 50.06%	E 69.10%		100.00%		G 31.93%	I 49.94%	L 30.90%			0.00%	
O&M $ Prior to Allocation of LKS/LG&E Pension	(2,389,625)	(3,911,663)	3,079,358		(4,692,848)	(7,914,779)	(1,121,019)	(3,901,840)	1,376,752			-	(3,646,106)
Step 2: Allocate LKS/LG&E Expense based on Allocated Labor													
Allocate LKS (% includes O&M/Cap Split)	P 31.55%	R 37.19%		F 0.37%			H 15.22%	J 15.67%			M 0.00%		
$ Allocated from Servco	1,405,863	1,657,048	(3,079,358)	16,447		0	678,348	698,404	(1,376,752)		-		(0)
Allocate LG&E to KU (% includes O&M/Cap Split)		N 13.70%						K 0.29%					
$ Allocated to KU from LG&E	480,996	(480,996)				-	10,058	(10,058)					-
Allocated Expense @ 15 YR	(502,765)	(2,735,612)	-	16,447	(4,692,848)	(7,914,779)	(432,613)	(3,213,493)	-	1,836,143	-	-	(1,809,964)
Step 3: Double Corridor Adjustments													
LKS to LKC				(10,108)		(10,108) p.9							
LKS to PPLS										(1,128,453)			(1,128,453)
Step 4: Add Non-Qualified & WKE (100% LKC Expense)													
Non-Qualified Plans (O&M Only)				4,884,075		4,884,075				261,745			261,745
WKE Non-Union (O&M Only)				(508,810)		(508,810)							-
Total Allocated Expense (Incl. NQ Plans and WKE)	**(502,765)**	**(2,735,612)**	**-**	**4,381,604**	**(4,692,848)**	**(3,549,621)**	**(432,613)**	**(3,213,493)**	**-**	**969,434**	**-**	**-**	**(2,676,672)**
												Total Expense	**(6,226,293)**

Base Year

KU by LKS	2,355,453	6 mos. Forecast =	1,177,727	**Capital & Miscellaneous BS**	(3,213,493)	6 mos. Forecast =	(1,606,747)	
		6 mos. Actual =	17,022 p.13			6 mos. Actual =	(1,926,880) p.13	
			1,194,749 p.1				**(3,533,627)** p.1, 14	
KU by LG&E	(491,055)	6 mos. Forecast =	(245,527)	**Pension Exp**	(2,735,612)	6 mos. Forecast =	(1,367,806)	
		6 mos. Actual =	67,043 p.13			6 mos. Actual =	(2,461,043) p.13	
			(178,485) p.1				**(3,828,849)** p.14	

Allocation of Budgeted Straight Time Labor for 2025 and 2026

ET	(Multiple Items)

Sum of Amt	Column Labels				
Row Labels	4	20	100	110	Grand Total
P00020: TOTAL LG&E AND KU SERVICES COMPANY	-	346,545	43,916,071	49,631,352	93,893,968
Bal Sh - Capital			8,569,497	6,691,449	15,260,946
Bal Sh - other	-	346,545	5,723,861	8,024,515	14,094,921
Income Statement	-	-	29,622,713	34,915,388	64,538,101
P01000: TOTAL LGE UTILITY	-	-	74,689,946	12,146,298	86,836,244
Bal Sh - Capital			17,520,539	248,788	17,769,327
Bal Sh - other			9,959,223		9,959,223
Income Statement	-	-	47,210,184	11,897,510	59,107,694
P10040: TOTAL KU COMPANY	-	-	792,662	65,143,547	65,936,209
Bal Sh - Capital			214,751	27,204,696	27,419,447
Bal Sh - other				5,507,208	5,507,208
Income Statement	-	-	577,911	32,431,643	33,009,554
Grand Total	-	346,545	119,398,679	126,921,197	246,666,421

Income Statement	156,655,349
	64%

Based on Budgeted Labor

Allocation of Labor

	LG&E	KU	LKE Other	Total
LKS:				
Total	46.77%	52.86%	0.37%	100.00%
O&M	P 31.55%	R 37.19%	F 0.37%	E 69.10%
Capital	H 15.22%	J 15.67%	M 0.00%	L 30.90%
LG&E:				
Total	86.01%	13.99%		100.00%
O&M	54.37%	N 13.70%		O 68.07%
Capital	31.65%	K 0.287%		G 31.93%
KU:				
O&M		Q 50.06%		
Capital		I 49.94%		
LKS to LGE/KU only	0.4695	0.5305		100.00%

p.10

p.5, 6

Case No. 2025-00113
Attachment to Response to AG-KIUC-1 Question No. 74

McCombs / Poplaski

LG&E & KU Energy LLC
Estimated ASC 715 Net Periodic Pension Cost ("NPPC") For LG&E and KU Pension Plan
2025 Fiscal Year

	Regulatory	Regulatory	Regulatory	Financial	
	LG&E	Servco	KU	WKE	Total
Service cost	2,675,583	6,237,053	2,644,472	-	11,557,108
Interest cost	16,536,924	21,597,067	13,213,991	459,172	51,807,154
Expected return on assets	(33,978,630)	(25,637,185)	(29,105,018)	(967,982)	(89,688,815)
Amortizations:					
Prior service cost	1,203,159	228,236	66,291	-	1,497,686
(Gain)/loss	10,616,665	-	2,989,084	-	13,605,749
ASC 715 NPBC	(2,946,299)	2,425,171	(10,191,180)	(508,810)	(11,221,118)

p.10

LG&E & KU Energy LLC
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2026 Fiscal Year

	Regulatory	Regulatory	Regulatory	Financial	
	LG&E	Servco	KU	WKE	Total
Service cost	2,627,098	5,615,159	2,382,068	-	10,624,325
Interest cost	15,864,517	20,901,005	12,731,507	441,087	49,938,116
Expected return on assets	(28,988,663)	(20,616,730)	(25,083,638)	(836,485)	(75,525,516)
Amortizations:					
Prior service cost	872,007	228,236	66,291	-	1,166,534
(Gain)/loss	12,656,372	671,965	4,385,036	53,725	17,767,098
ASC 715 NPBC	3,031,331	6,799,635	(5,518,736)	(341,673)	3,970,557

p.10

Notes

1. Discount rate: 5.30% beginning on December 31, 2024 and throughout the forecast period (based on economic conditions as of August 21, 2024).

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2027 Fiscal Year

[redacted]

LG&E & KU Energy LLC
Estimated ASC 715 Net Periodic Pension Cost ("NPPC") For LG&E and KU Pension Plan
2028 Fiscal Year

[redacted]

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LG&E & KU Energy LLC
Estimated ASC 715 Net Periodic Pension Cost ("NPPC") For LG&E and KU Pension Plan
2029 Fiscal Year

[redacted]

Notes

1. Discount rate: 5.30% beginning on December 31, 2024 and throughout the forecast period (based on economic conditions as of August 21, 2024).

2. Expected return on assets assumption for calculating annual NPPC: 8.25% in 2025 and 7.25% throughout the rest of the forecast period.

3. Projected asset return assumption: The fair value of assets are based on actual return through August 21, 2024 (as provided by PPL), 8.25% per annum return for the remainder of 2024 and 2025, and 7.25% return in subsequent years. Additionally, estimated administrative expenses of $2.5 million in 2024 and all subsequent years are assumed to be paid from the trust and are allocated based on actual administrative expenses in 2023 ($1.0 million for LG&E, $0.7 million for KU and $0.8 million for Servco in 2024 and all subsequent years).

4. Population projection assumes the experience of the current population aligns with the accounting valuation assumptions.

5. Expected effect of collective bargaining as of December 31, 2026 is consistent with the actual impact of a three-year increase in the Flat Rate Multipliers reflected at December 31, 2023 and adjusted based on the expected population at the time of the future plan changes.

6. Actual contributions for 2024 and assumed contributions for 2025-2029 are detailed in the table at the end of this exhibit. Disclosure of significant risks related to the plan is required under ASOP No. 51. The analysis provided herein provides future pension contributions based on specific economic outcomes. It is beyond the scope of this analysis to analyze the potential range of future pension contributions due to different economic outcomes or demographic or legislative changes, but we can do so upon request. See Appendix C in our valuation report dated September 2023 for disclosures required under ASOP No. 51 of significant risks related to the plan.

7. These accounting projections are based on the double-corridor amortization method valuation results provided on May 31, 2024. Except where noted above, the description of the data, assumptions, methods, models, plan provisions, and limitations as set forth in the accounting valuation results cover letter provided on May 31, 2024 should be considered part of these results. Please see the attached letter for a description of all other assumptions, methods, and models used in this analysis.

LG&E & KU Pension Plan
Estimated Cash Contributions for Plan Years 2025-2029

Date	LG&E	Servco	KU	WKE
2024 actual	-	-	-	-
12/31/2025	-	-	-	-
12/31/2026	-	-	-	-

[redacted]

Pension Expense "Gross Up" for Jurisdictions/Entities not permitted 15 Year Amortization of Gain/Loss

Financial Planning

		2025			2026		
		LGE	KU	LKS Reg	LGE	KU	LKS Reg
Double Corridor	p.8	10,616,665	2,989,084	-	12,656,372	4,385,036	671,965
15 Year Amort	p.2	10,052,320	5,366,761	3,867,082	10,989,410	6,094,468	4,600,523
Difference		564,345	(2,377,677)	(3,867,082)	1,666,962	(1,709,432)	(3,928,558)
DC Calulation for $ Allocated to PPLS:							
Difference	(a)			(3,867,082)			(3,928,558)
Allocation Factor - Transferred Emp.				29.18% p.4			29.18% p.4
PPLS DC Adjustment	(b)			(1,128,453) p.4			(1,146,393) p.4
Adjusted Difference - KY Regulated	(a - b)			(2,738,629)			(2,782,165)
Double Corridor Adjustments - KY Regulated							
Adjust for Labor to LKC:							
Labor % Allocated to LKC				0.369%			0.369%
DC Adj - $ Allocated to LKC				(10,108) p.6			(10,268) p.5

Allocation Percentages

	2025-2026
LKS Labor Allocation:	
LKS - LGE	46.772%
LKS - KU	52.859%
LKE - LKC	0.369%
LKS - PPL	0.000%
	100.000%

p.7

Case No. 2025-00113
Attachment to Response to AG-KIUC-1 Question No. 74

McCombs / Poplaski

LG&E and KU Energy LLC Retirement Programs Qualified REG - 15 Plan Name Benefit Cost for Fiscal Year Beginning 1-Jan-24 under US GAAP	Regulatory LG&E USD	Regulatory ServCo USD	Regulatory KU USD
Balance Sheet Asset/(Liability)	**1-Jan-24**	**1-Jan-24**	**1-Jan-24**
A Development of Balance Sheet Asset/(Liability)			
1 Projected benefit obligation (PBO)	(341,627,221)	(435,144,841)	(267,420,870)
2 Fair value of plan assets, excluding receivable contributions	376,377,763	306,199,023	318,615,130
3 Net balance sheet asset/(liability)	34,750,542	(128,945,818)	51,194,260
B Current and Noncurrent Classification			
1 Noncurrent asset	34,750,542	0	51,194,260
2 Current liability	0	0	0
3 Noncurrent liability	0	(128,945,818)	0
4 Net balance sheet asset/(liability)	34,750,542	(128,945,818)	51,194,260
C Accumulated Benefit Obligation (ABO)			
1 ABO at current fiscal year begin	(329,886,098)	(404,596,960)	(255,882,570)
D Accumulated Other Comprehensive (Income)/Loss			
1 Net prior service cost/(credit)	6,612,003	1,148,490	433,742
2 Net loss/(gain)	200,762,757	91,598,314	119,675,441
3 Accumulated other comprehensive (income)/loss [Before adjustment for tax effects]	207,374,760	92,746,804	120,109,183
E Assumptions and Dates			
1 Discount rate	5.53%	5.53%	5.53%
2 Rate of compensation increase	3.25%	3.25%	3.25%
5 Census date	1-Jan-24	1-Jan-24	1-Jan-24
Changes in Plan Obligations and Assets			
A Change in Projected Benefit Obligation (PBO)			
1 PBO at beginning of prior fiscal year	345,343,771	431,953,059	274,173,188
2 Employer service cost	2,451,201	7,016,009	3,089,686
3 Interest cost	18,837,518	24,007,178	15,165,109
4 Actuarial loss/(gain)	14,634,830	4,748,385	2,392,142
5 Plan participants' contributions	0	0	0
6 Benefits paid from plan assets	(41,485,213)	(32,809,106)	(27,832,997)
7 Benefits paid from Company assets	0	0	0
8 Administrative expenses paid	0	0	0
9 Plan amendments	1,845,114	229,316	433,742
10 Acquisitions/(divestitures)	0	0	0
11 Curtailments	0	0	0
12 Settlements	0	0	0
13 Special/contractual termination benefits	0	0	0
14 PBO at beginning of current fiscal year	341,627,221	435,144,841	267,420,870
B Change in Plan Assets			
1 Fair value of plan assets at beginning of prior fiscal year	379,057,441	307,395,435	313,266,872
2 Actual return on plan assets	38,805,535	31,612,694	33,181,255
3 Employer contributions	0	0	0
4 Plan participants' contributions	0	0	0
5 Benefits paid	(41,485,213)	(32,809,106)	(27,832,997)
6 Administrative expenses paid	0	0	0
7 Transfer payments	0	0	0
8 Acquisitions/(divestitures)	0	0	0
9 Settlements	0	0	0
10 Fair value of plan assets at beginning of current fiscal year	376,377,763	306,199,023	318,615,130
Summary of Net Balances			
A Summary of Prior Service Cost/(Credit) Bases			
1 Net amount at beginning of current fiscal year	6,612,003	1,148,490	433,742
2 Amortization amount in current fiscal year	(1,974,608)	(543,503)	(66,291)
3 Effect of curtailments	0	0	0
4 Other events	0	0	0
B Summary of Net Loss/(Gain)			
1 Net amount at beginning of current fiscal year	200,762,757	91,598,314	119,675,441
2 Amortization amount in current fiscal year	(8,494,212)	(2,285,260)	(4,128,954)
3 Effect of curtailments	0	0	0
4 Effect of settlements	0	0	0
5 Other events	0	0	0

LG&E and KU Energy LLC Retirement Programs Qualified REG - 15 Plan Name Benefit Cost for Fiscal Year Beginning 1-Jan-24 under US GAAP	Regulatory LG&E USD	Regulatory ServCo USD	Regulatory KU USD
Development of Plan Assets for Benefit Cost			
A Reconciliation of Fair Value of Plan Assets			
1 Fair value of plan assets at 1-Jan-23	379,057,441	307,395,435	313,266,872
2 Actual return on plan assets	38,805,535	31,612,694	33,181,255
3 Employer contributions	0	0	0
4 Plan participants' contributions	0	0	0
5 Benefits paid	(41,485,213)	(32,809,106)	(27,832,997)
6 Administrative expenses paid	0	0	0
7 Acquisitions/(divestitures)	0	0	0
8 Settlements	0	0	0
9 Fair value of plan assets at 31-Dec-23	376,377,763	306,199,023	318,615,130
B Reconciliation of Market-Related Value of Plan Assets			
1 Market-related value of plan assets at 1-Jan-23	472,296,741	380,610,417	387,780,741
2 Actual return on plan assets	18,915,820	15,717,130	16,408,517
3 Employer contributions	0	0	0
4 Plan participants' contributions	0	0	0
5 Benefits paid	(41,485,213)	(32,809,106)	(27,832,997)
6 Administrative expenses paid	0	0	0
7 Acquisitions/(divestitures)	0	0	0
8 Settlements	0	0	0
9 Market-related value of plan assets at 31-Dec-23	449,727,348	363,518,441	376,356,261
C Rate of Return on Invested Assets			
1 Weighted invested assets	358,314,834	290,990,882	299,350,373
2 Rate of return	10.830%	10.864%	11.084%
D Investment Loss/(Gain)			
1 Actual return	38,805,535	31,612,694	33,181,255
2 Expected return	37,268,366	29,912,373	30,943,683
3 Loss/(gain)	(1,537,169)	(1,700,321)	(2,237,572)
Summary and Comparison of Benefit Cost and Cash Flows	**31-Dec-24**	**31-Dec-24**	**31-Dec-24**
A Total Benefit Cost			
1 Employer service cost	2,646,971	6,808,154	2,866,890
2 Interest cost	17,753,703	22,746,931	14,007,370
3 Expected return on plan assets	(35,404,345)	(28,026,117)	(29,884,240)
4 Subtotal	(15,003,671)	1,528,968	(13,009,980)
5 Net prior service cost/(credit) amortization	1,974,608	543,503	66,291
6 Net loss/(gain) amortization	8,494,212	2,285,260	4,128,954
7 Subtotal	10,468,820	2,828,763	4,195,245
8 Net periodic benefit cost/(income)	(4,534,851)	4,357,731	(8,814,735)
9 Curtailment (gain)/loss	0	0	0
10 Settlement (gain)/loss	0	0	0
11 Special/contractual termination benefits	0	0	0
12 Total benefit cost	(4,534,851)	4,357,731	(8,814,735)
			p.1
B Assumptions			
1 Discount rate	5.53%	5.53%	5.53%
2 Expected long-term rate of return on plan assets	8.25%	8.25%	8.25%
3 Rate of compensation increase	3.25%	3.25%	3.25%
4 Census date	1-Jan-24	1-Jan-24	1-Jan-24
C Plan Assets at Beginning of Year			
1 Fair value	376,377,763	306,199,023	318,615,130
2 Market-related value	449,727,348	363,518,441	376,356,261
D Expected Cash Flows			
1 Employer contributions	0	0	0
2 Plan participants' contributions	0	0	0
3 Benefits paid from Company assets	0	0	0
4 Benefits paid from plan assets	41,167,537	47,615,852	28,246,094
E Amortization Period	15.00000	15.00000	15.00000

Month Number	(Multiple Items)	*(Selected YYYYMM: 202409, 202410, 202411, 202412, 202501, 202502)*	6	Months Actual Base Period

Sum of amount	Column Labels						
	Balance Sheet/BTL		Balance Sheet/BTL T	O&M		O&M Total	Grand Total
Row Labels	0728	0730		0728	0730		
KENTUCKY UTILITIES COMPANY	**649,289**	**(2,606,407)**	**(1,957,119)**	**744,388**	**(3,259,367)**	**(2,514,980)**	**(4,472,099)**
0020	4,288	(21,201)	(16,914)	31	(140)	(108)	(17,022) p.6
0100	3,729	(16,943)	(13,214)	14,568	(68,396)	(53,829)	(67,043) p.6
0110	641,244	(2,568,124)	p.6 (1,926,880)	729,789	(3,190,832)	p.6 (2,461,043)	(4,387,923)
0304	28	(139)	(111)				(111)
LG&E and KU CAPITAL LLC					**(251,401)**	**(251,401)**	**(251,401)**
0004					(251,401)	(251,401)	(251,401)
LG&E and KU Services Company	**153,493**	**101,656**	**255,149**	**2,093,523**	**(601,017)**	**1,492,506**	**1,747,655**
0004				3,136	(4,301)	(1,165)	(1,165)
0020	(40)	448	409	1,420,428	(959,114)	461,314	461,723
0100	66,600	44,068	110,669	301,441	183,884	485,325	595,994
0110	86,621	57,356	143,977	368,519	178,513	547,032	691,009
0304	311	(217)	94				94
LOUISVILLE GAS & ELECTRIC COI	**433,302**	**(1,216,294)**	**(782,993)**	**891,728**	**(2,228,832)**	**(1,337,104)**	**(2,120,097)**
0004					(672)	(672)	(672)
0020	3,206	(11,707)	(8,501)	315	(2,015)	(1,700)	(10,201)
0100	413,329	(1,148,652)	(735,323)	727,604	(1,695,886)	(968,282)	(1,703,605)
0110	16,767	(55,936)	(39,169)	163,809	(530,259)	(366,450)	(405,620)
Grand Total	**1,236,083**	**(3,721,046)**	**(2,484,963)**	**3,729,639**	**(6,340,617)**	**(2,610,978)**	**(5,095,941)**

	KU
O&M	(2,514,980)
B/S	(1,957,119)
G/L 15yr	(4,472,099)
Non-pension entries	(8,533) p.14
	Actuarial
	(Gains)/Loss
Amortization Difference:	
KY REG-15	4,128,954
Double Corridor	-
	4,128,954
Virgina/FERC Jurisdictional	5.408%
	223,294 p.1

Total NPPC including all company allocations	Pension Base Year KU		Pension Test Year KU	
Per filing	(8,375,851)	p.15	692,203	p.16
Per initial allocation	(7,362,476)	= sum of 1	397,548	= sum of 2
Miscellaneous Allocations Intercompany Adjustment	(1,013,375)		294,655	
O&M Only				
Per filing	(4,127,807)	p.1, 15	1,311,173	p.1, 16
Per initial allocation	(3,828,849)	p.6 1	1,105,128	p.5 2
Non-pension Items	8,533	p.13		
Miscellaneous Allocations Intercompany Adjustment	(307,491)	p.1	206,045	p.1
Capital Only				
Per filing	(4,248,043)	p.15	(618,969)	p.16
Per initial allocation	(3,533,627)	p.6 1	(707,580)	p.5 2
Miscellaneous Allocations Intercompany Adjustment	(714,416)		88,610	

Kentucky Utilities Company
Case No. 2025-00113
Total KU Payroll Costs by Year and Financial Classification
KU, LKS, LGE Payroll Costs Charged to KU
Historical Calendar Years 2022 through 2024 & Base Period for the 12 months ending August 31, 2025

	Base Period (September 1, 2024 - August 31, 2025)						
	Operating	Mechanism	Below the Line	Other I/S	Capitalized	Other B/S	Total
Base Labor							
Exempt							
Non-Exempt							
Part-time							
Hourly							
Union							
Total Base Labor	**66,446,266**	**970,183**	**264,784**	**-**	**33,519,236**	**19,578,411**	**120,778,881**
Overtime							
Exempt							
Non-Exempt							
Part-time							
Hourly							
Union							
Total Overtime	**12,770,687**	**15,078**	**2,208**	**-**	**7,037,847**	**559,807**	**20,385,627**
Premiums & Special Pay	573,475	1,849	5	-	84,413	46,271	**706,012**
PPLS Labor	18,036,857	-	17,092	-	1,682,198	2,107,097	**21,843,244**
Total Labor	**97,827,286**	**987,110**	**284,088**	**-**	**42,323,693**	**22,291,586**	**163,713,763**
Off-Duty							
Holiday	3,926,599	51,710	14,075	-	1,828,148	729,586	**6,550,118**
Vacation	6,084,314	78,728	18,986	-	2,974,508	1,094,429	**10,250,966**
Sick	3,109,025	37,964	9,813	-	1,603,894	563,238	**5,323,935**
Other Off-Duty	1,144,225	14,949	4,116	-	531,654	209,952	**1,904,895**
PPLS Off-Duty	3,287,993	-	3,362	-	182,028	630,149	**4,103,532**
Total Off-Duty	**17,552,157**	**183,351**	**50,352**	**-**	**7,120,233**	**3,227,354**	**28,133,446**
Employee Benefits*							
Company Contribution to the Savings Plan	6,315,235	43,345	20,488	-	2,970,207	1,166,080	**10,515,355**
Dental	369,638	3,277	1,638	-	157,580	74,633	**606,768**
Life Insurance	304,227	2,145	1,067	-	145,054	56,150	**508,642**
Long Term Disability	234,390	1,722	779	-	111,810	43,481	**392,181**
Medical	12,095,003	97,274	47,049	-	5,334,070	2,368,700	**19,942,096**
Pension	(4,152,735)	18,501	6,426	-	(3,559,662)	(688,381)	**(8,375,851)** p.14
Post-Employment	(477,486)	(2,150)	(1,439)	-	(246,320)	(80,111)	**(807,505)**
Post-Retirement	(92,537)	(5,520)	(5,477)	-	(92,833)	(56,632)	**(253,000)**
Short Term Incentive	11,157,165	140,684	39,664	-	4,877,347	2,578,431	**18,793,291**
Tuition Reimbursement	165,618	-	-	-	-	1,414	**167,031**
Workers Compensation	950,718	165	186	-	632,273	84,040	**1,667,382**
PPLS Medical/Other	1,861,641	-	3,618	-	223,356	297,430	**2,386,045**
PPLS Benefits**	1,675,894	-	-	-	(141,580)	370,855	**1,905,169**
Other Benefits	1,011,856	(148)	(1,024)	-	(39,134)	(8,290)	**963,259**
Total Employee Benefits	**31,418,626**	**299,295**	**112,975**	**-**	**10,372,168**	**6,207,800**	**48,410,864**
Payroll Taxes	10,016,796	54,143	28,312	(251)	3,873,578	1,740,410	**15,712,987**
Total Payroll Costs	**$ 156,814,864**	**$ 1,523,899**	**$ 475,727**	**$ (251)**	**$ 63,689,671**	**$ 33,467,150**	**$ 255,971,060**
KY Jurisdictional Allocation	94.260%	0.000%	0.000%	94.260%	93.510%	93.510%	
KY Jurisdictional	**$ 147,813,691**	**$ -**	**$ -**	**$ (237)**	**$ 59,556,211**	**$ 31,295,132**	**$ 238,664,798**

*Allocated benefit components from PPLS that are separately identifiable are included in the respective categories shown above.
**PPLS Benefits includes Medical, Dental, Life, Long Term Disability, 401k, Retirement Income and Other

Note: Mechanism and Below the Line are excluded from jurisdictional as they aren't recovered in base rates.
For Capital and Other B/S, we're electing to use the 2024 rate for all years.
For base period, we're using 2024 allocations.

Q70c KU Budget Cost

KU Test Year - LKE Only	Operating	Mechanism	Below the Line	Other I/S	Capitalized	Other B/S	Total
Employee Benefits							
Medical	12,429,037	113,090	46,087	-	5,222,829	2,389,815	20,200,858
Dental	438,584	3,990	1,626	-	184,425	84,489	713,113
Workers Compensation	420,346	317	129	-	261,916	60,535	743,243
Long Term Disability	276,885	2,427	989	-	116,146	52,386	448,834
Life Insurance	293,514	2,628	1,071	-	123,598	56,122	476,934
Team Incentive Award	9,399,165	134,985	36,822	-	3,640,243	1,668,218	14,879,433
Pension	1,214,488	60,362	36,323	-	(1,046,348)	427,379	692,203
Post Retirement	(23,201)	(5,970)	(7,816)	-	74,622	(45,305)	(7,670)
Post Employment	-	-	-	-	-	-	-
Company Contribution to the Savings Plan	7,065,175	61,118	24,907	-	2,983,247	1,329,156	11,463,602
Tuition Reimbursement	199,755	-	-	-	-	-	199,755
Other Benefits	603,780	6,100	2,486	-	271,368	133,334	1,017,068
Total Employee Benefits - LKE	32,317,528	379,045	142,623	-	11,832,047	6,156,130	50,827,373

p.14