Reconciliation of the Amount of Post Retirement Expense in the Base Year and Test Year

	Test Year		Base Year	
Post Retirement Expense	(36,987)	p.12	(103,534)	p.12
Less: Actuarial NPPC allocated to KU by LKS	397,260	p.6	275,420	p.7
Less: Actuarial NPPC allocated to KU by LG&E	(421,268)	p.6	(211,977)	p.7
Plus: Actuarial NPPC Allocation to Captial Projects and other miscellaneous Balance Sheet Accounts	10,940	p.6	(134,720)	p.7
Miscellaneous Allocations Intercompany Adjustment	290,559	p.12	(364)	p.12
NPPC	240,504		(175,175)	

NPPC Per Actuary	**2026**		NPPC Per Actuary	**2024**	
KU	240,504	p.2	KU	(207,969)	p.10
	x 1.000			x .333	
Period from Jan. 2026 to Dec. 2026	240,504		Period from Sept. 2024 to Dec. 2024	(69,254)	

			NPPC Per Actuary	**2025**	
			KU	(158,802)	p.2
				x .667	
			Period from Jan. 2025 to Aug. 2025	(105,921)	
NPPC Per Actuary	240,504		NPPC Per Actuary	(175,175)	
	-			-	

LG&E & KU Energy LLC
2025 Estimated ASC 715 Net Periodic Benefit Cost ("NPBC") For Postretirement Benefit Plan

	LG&E	KU	ServCo	LPI/WKE NU	Sub-total	WKE Union	Consolidated US GAAP
			p.5				
Service cost	840,390	629,834	1,315,719	-	2,785,943	-	2,785,943
Interest cost	2,449,170	2,333,568	2,344,316	33,147	7,160,201	637	7,160,838
Expected return on assets	-	(2,744,046)	(4,764,432)	(340,677)	(7,849,155)	-	(7,849,155)
Amortizations:							
Prior service cost	538,003	424,373	424,993	5,647	1,393,016	-	1,393,016
(Gain)/loss	(838,361)	(802,531)	(795,802)	(11,326)	(2,448,020)	(27,333)	(2,475,353)
ASC 715 NPBC p.7	2,989,202	(158,802)	(1,475,206)	(313,209)	1,041,985	(26,696)	1,015,289
		p.1					

LG&E & KU Energy LLC
2026 Estimated ASC 715 Net Periodic Benefit Cost ("NPBC") For Postretirement Benefit Plan

	LG&E	KU	ServCo	LPI/WKE NU	Sub-total	WKE Union	Consolidated US GAAP
			p.5				
Service cost	877,723	645,556	1,286,238	-	2,809,517	-	2,809,517
Interest cost	2,394,432	2,254,830	2,349,184	31,863	7,030,309	431	7,030,740
Expected return on assets	-	(2,328,568)	(4,342,081)	(321,754)	(6,992,403)	-	(6,992,403)
Amortizations:							
Prior service cost	538,003	424,373	424,993	5,647	1,393,016	-	1,393,016
(Gain)/loss	(798,431)	(755,687)	(779,558)	(10,634)	(2,344,310)	(26,394)	(2,370,704)
ASC 715 NPBC p.6	3,011,727	240,504	(1,061,224)	(294,878)	1,896,129	(25,963)	1,870,166
		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 NPBC: 8.25% for 2025 and 7.25% annually throughout the remainder of the forecast period (applied only to 401(h) amounts; Non-union and Union VEBA amounts are assumed to remain level over the projection period (i.e., contributions equal disbursements and a 0.00% expected return on assets)).
3. Projected asset return assumption: 401(h) amounts are based on actual return through August 21, 2024, 8.25% for the remainder of 2024 and 2025, then 7.25% in subsequent years. Contributions to the 401(h) account are assumed to be equal to the maximum deductible amount and are expected to be contributed at June 30th of the following fiscal year (projected to be $0 in all years). Benefit payments are assumed to be paid from the 401(h) account to the extent allowable. Non-union and Union VEBA amounts are assumed to remain level over the projection period (i.e., contributions equal disbursements and a 0.00% actual return on assets).
4. Population projection assumes the experience of the current population aligns with the accounting valuation assumptions.
5. It is assumed that no plan changes occur throughout the projection period.
6. These accounting projections are based on the January 1, 2024 valuation results provided on May 31, 2024. Except where noted above, the descriptions 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 Energy LLC
2027 Estimated ASC 715 Net Periodic Benefit Cost ("NPBC") For Postretirement Benefit Plan

[redacted]

LG&E & KU Energy LLC
2028 Estimated ASC 715 Net Periodic Benefit Cost ("NPBC") For Postretirement Benefit Plan

[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 NPBC: 8.25% for 2025 and 7.25% annually throughout the remainder of the forecast period (applied only to 401(h) amounts; Non-union and Union VEBA amounts are assumed to remain level over the projection period (i.e., contributions equal disbursements and a 0.00% expected return on assets)).
3. Projected asset return assumption: 401(h) amounts are based on actual return through August 21, 2024, 8.25% for the remainder of 2024 and 2025, then 7.25% in subsequent years. Contributions to the 401(h) account are assumed to be equal to the maximum deductible amount and are expected to be contributed at June 30th of the following fiscal year (projected to be $0 in all years). Benefit payments are assumed to be paid from the 401(h) account to the extent allowable. Non-union and Union VEBA amounts are assumed to remain level over the projection period (i.e., contributions equal disbursements and a 0.00% actual return on assets).
4. Population projection assumes the experience of the current population aligns with the accounting valuation assumptions.
5. It is assumed that no plan changes occur throughout the projection period.
6. These accounting projections are based on the January 1, 2024 valuation results provided on May 31, 2024. Except where noted above, the descriptions 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 Energy LLC
2029 Estimated ASC 715 Net Periodic Benefit Cost ("NPBC") For Postretirement Benefit Plan

[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 NPBC: 8.25% for 2025 and 7.25% annually throughout the remainder of the forecast period (applied only to 401(h) amounts; Non-union and Union VEBA amounts are assumed to remain level over the projection period (i.e., contributions equal disbursements and a 0.00% expected return on assets)).
3. Projected asset return assumption: 401(h) amounts are based on actual return through August 21, 2024, 8.25% for the remainder of 2024 and 2025, then 7.25% in subsequent years. Contributions to the 401(h) account are assumed to be equal to the maximum deductible amount and are expected to be contributed at June 30th of the following fiscal year (projected to be $0 in all years). Benefit payments are assumed to be paid from the 401(h) account to the extent allowable. Non-union and Union VEBA amounts are assumed to remain level over the projection period (i.e., contributions equal disbursements and a 0.00% actual return on assets).
4. Population projection assumes the experience of the current population aligns with the accounting valuation assumptions.
5. It is assumed that no plan changes occur throughout the projection period.
6. These accounting projections are based on the January 1, 2024 valuation results provided on May 31, 2024. Except where noted above, the descriptions 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.

PLAN PROVISION CHANGES FOR POSTRETIREMENT BENEFIT PLAN
USED IN 2025-2029 PROJECTIONS

Effective Date for Projection Purposes	Description of Changes
December 31, 2024	
December 31, 2025	
December 31, 2026	[redacted]

LG&E & KU Energy LLC
Estimated Benefit Payments For Postretirement Benefit Plan

Fiscal Year	LG&E	KU	ServCo	[redacted]
2024	4,520,427	4,715,318	3,312,187	
2025	4,409,735	4,639,007	3,441,232	
2026	4,231,657	4,441,609	3,697,655	
[redacted]				

Estimated Contributions to 401(h) Account

Fiscal Year	401(h) Account
2024	-
2025	-
2026	-
[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 NPBC: 8.25% for 2025 and 7.25% annually throughout the remainder of the forecast period (applied only to 401(h) amounts; Non-union and Union VEBA amounts are assumed to remain level over the projection period (i.e., contributions equal disbursements and a 0.00% expected return on assets)).
3. Projected asset return assumption: 401(h) amounts are based on actual return through August 21, 2024, 8.25% for the remainder of 2024 and 2025, then 7.25% in subsequent years. Contributions to the 401(h) account are assumed to be equal to the maximum deductible amount and are expected to be contributed at June 30th of the following fiscal year (projected to be $0 in all years). Benefit payments are assumed to be paid from the 401(h) account to the extent allowable. Non-union and Union VEBA amounts are assumed to remain level over the projection period (i.e., contributions equal disbursements and a 0.00% actual return on assets).
4. Population projection assumes the experience of the current population aligns with the accounting valuation assumptions.
5. It is assumed that no plan changes occur throughout the projection period.
6. These accounting projections are based on the January 1, 2024 valuation results provided on May 31, 2024. Except where noted above, the descriptions 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.

Allocation of LKS Regulated Post Retirement Expense to PPLS
2025 Business Plan
LKS Post Retirement Expense

		DC 25-26 Exhibits		-	PPLS Allocation (KY-Reg)		=	DC 25-26 Exhibits (Net of PPLS)	
	p.2	2025	2026		2025	2026		2025	2026
Service Cost		1,315,719	1,286,238		383,940	375,337		931,779	910,901
Interest Cost		2,344,316	2,349,184		684,095	685,515		1,660,221	1,663,669
Expected Return on Assets		(4,764,432)	(4,342,081)		(1,390,309)	(1,267,063)		(3,374,123)	(3,075,018)
		(1,104,397)	(706,659)		(322,274)	(206,210)		(782,123)	(500,449)
Amortizations:									
Prior Service Cost		424,993	424,993		124,017	124,017		300,976	300,976
(Gain)/Loss		(795,802)	(779,558)		(232,223)	(227,483)		(563,579)	(552,075)
		(370,809)	(354,565)		(108,206)	(103,466)		(262,603)	(251,099)
Total Expense Per Disclosure		(1,475,206)	(1,061,224)		(430,480)	(309,676)		(1,044,726)	(751,548)
					p.7	p.6		p.7	p.6

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%

Allocated Post-Retirement Expense for PowerPlant/UI Cash Flow Adjustments
2026

Total Post-Retirement 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. LPI and WKE)	3,011,727	240,504	(751,548)		(683,995)	1,816,688	3,011,727	240,504	(751,548)	(309,676)		(683,995)	1,507,012
	p.2			p.5			p.2		p.5				
Step 1: Split Original Entity Plan Expense b/w O&M & Capital	p.8												
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	2,050,022	120,403	(519,351)		(683,995)	967,079	961,705	120,101	(232,197)			-	849,608
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%	0.00%		H 15.22%	J 15.67%			M 0.00%	0.00%	
$ Allocated from LKS	(237,107)	(279,471)	519,351	(2,774)	-	0	(114,407)	(117,790)	232,197		-	-	0
Allocate LG&E to KU (% includes O&M/Cap Split)		N 13.70%						K 0.29%					
$ Allocated to KU from LG&E	(412,639)	412,639					(8,629)	8,629					
Allocated Expense	1,400,276	253,572	-	(2,774)	(683,995)	967,079	838,669	10,940	-	(309,676)	-	-	539,933
Step 3: Add LPI & WKE (100% LKC Expense)													
LPI and WKE Union/NonUnion (O&M Only)				(320,841)									
Total Allocated Expense (Incl. LPI and WKE)	**1,400,276**	**253,572**	**-**	**(323,615)**	**(683,995)**	**646,238**	**838,669**	**10,940**	**-**	**(309,676)**	**-**	**-**	**539,933**
											Total Expense (incl. PPLS allocation)		**1,186,171**

Test Year								
Post Retirement Exp	253,572 p.1, 12	**KU by LKS**	(397,260) p.1	**KU by LG&E**	421,268 p.1	**Capital & Miscellaneous BS**	10,940 p.1, 12	

Allocated Post-Retirement Expense for PowerPlant/UI Cash Flow Adjustments
2025

Total Post-Retirement 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. LPI and WKE)	2,989,202	(158,802)	(1,044,726)		(683,995)	1,101,679	2,989,202	(158,802)	(1,044,726)	(430,480)		(683,995)	671,199
	p.2		p.5				p.2		p.5				
Step 1: Split Original Entity Plan Expense b/w O&M & Capital	p.8												
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	2,034,690	(79,501)	(721,949)		(683,995)	549,245	954,512	(79,301)	(322,777)			-	552,434
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%	0.00%		H 15.22%	J 15.67%			M 0.00%	0.00%	
$ Allocated from LKS	(329,602)	(388,492)	721,949	(3,856)	-	(0)	(159,037)	(163,740)	322,777		-	-	(0)
Allocate LG&E to KU (% includes O&M/Cap Split)		N 13.70%						K 0.29%					
$ Allocated to KU from LG&E	(409,553)	409,553					(8,564)	8,564					
Allocated Expense	1,295,535	(58,439)	-	(3,856)	(683,995)	549,245	786,911	(234,477)	-	(430,480)	-	-	121,954
Step 3: Add LPI & WKE (100% LKC Expense)													
LPI and WKE Union/NonUnion (O&M Only)				(339,905)									
Total Allocated Expense (Incl. LPI and WKE)	**1,295,535**	**(58,439)**	**-**	**(343,761)**	**(683,995)**	**209,340**	**786,911**	**(234,477)**	**-**	**(430,480)**	**-**	**-**	**121,954**
											Total Expense (incl. PPLS allocation)		**331,294**

Base Year

KU by LKS	(552,231)	6 mos. Forecast =	(276,116)		**Capital & Miscellaneous BS**	(234,477)	6 mos. Forecast =	(117,238)	
		6 mos. Actual =	696	p.11			6 mos. Actual =	(17,481)	p.11
			(275,420)	p.1				**(134,720)**	p.1, 12
KU by LG&E	418,117	6 mos. Forecast =	209,059		**Post Retirement Exp**	(58,439)	6 mos. Forecast =	(29,220)	
		6 mos. Actual =	2,918	p.11			6 mos. Actual =	(77,464)	p.11
			211,977	p.1				**(106,684)**	p.1, 12

Allocation of Budgeted Straight Time Labor for 2025 and 2026

ET	(All)

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
	0.64

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.6, 7)	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%

LG&E and KU Energy LLC Retirement Programs PRW 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	Accumulated postretirement benefit obligation (APBO)	(48,525,654)	(44,478,468)	(46,899,979)
2	Fair value of plan assets, excluding receivable contributions	6,715,217	56,369,585	37,457,260
3	Net balance sheet asset/(liability)	(41,810,437)	11,891,117	(9,442,719)
B	**Current and Noncurrent Classification**			
1	Noncurrent asset	0	11,891,117	0
2	Current liability	0	0	0
3	Noncurrent liability	(41,810,437)	0	(9,442,719)
4	Net balance sheet asset/(liability)	(41,810,437)	11,891,117	(9,442,719)
C	**Accumulated Other Comprehensive (Income)/Loss**			
1	Net prior service cost/(credit)	3,850,835	2,983,778	2,773,227
2	Net loss/(gain)	(22,535,950)	9,520,622	(39,546,737)
3	Accumulated other comprehensive (income)/loss [Before adjustment for tax effects]	(18,685,115)	12,504,400	(36,773,510)
D	**Assumptions and Dates**			
1	Discount rate	5.56%	5.56%	5.56%
2	Current health care cost trend rate	6.25%	6.25%	6.25%
3	Ultimate health care cost trend rate	5.00%	5.00%	5.00%
4	Year of ultimate trend rate	2029	2029	2029
5	Census date	1-Jan-24	1-Jan-24	1-Jan-24
Changes in Plan Obligations and Assets				
A	**Change in Accumulated Postretirement Benefit Obligation (APBO)**			
1	APBO at beginning of prior fiscal year	50,580,354	46,761,963	47,722,825
2	Employer service cost	754,165	1,436,410	757,268
3	Interest cost	2,789,479	2,606,225	2,637,074
4	Actuarial loss/(gain)	(1,181,739)	(1,805,320)	488,567
5	Plan participants' contributions	1,481,562	1,362,312	1,115,247
6	Benefits paid from plan assets, net of retiree contributions	(5,630,888)	(5,792,912)	(5,941,318)
7	Benefits paid from Company assets, net of retiree contributions	(267,279)	(90,210)	(1,226)
8	Medicare Part D subsidy	0	0	121,542
9	Administrative expenses paid	0	0	0
10	Plan amendments	0	0	0
11	Acquisitions/(divestitures)	0	0	0
12	Curtailments	0	0	0
13	Settlements	0	0	0
14	Special/contractual termination benefits	0	0	0
15	Other adjustments	0	0	0
16	APBO at beginning of current fiscal year	48,525,654	44,478,468	46,899,979
B	**Change in Plan Assets**			
1	Fair value of plan assets at beginning of prior fiscal year	9,583,178	54,294,821	37,719,045
2	Actual return on plan assets	599,591	6,034,171	4,148,132
3	Employer contributions	949,053	561,403	417,380
4	Plan participants' contributions	1,481,562	1,362,312	1,115,247
5	Benefits paid, net of retiree contributions	(5,898,167)	(5,883,122)	(5,942,544)
6	Administrative expenses paid	0	0	0
7	Acquisitions/(divestitures)	0	0	0
8	Settlements	0	0	0
9	Other adjustments	0	0	0
10	Fair value of plan assets at beginning of current fiscal year	6,715,217	56,369,585	37,457,260
Summary of Net Balances				
A	**Summary of Prior Service Cost/(Credit) Bases**			
1	Net amount at beginning of current fiscal year	3,850,835	2,983,778	2,773,227
2	Amortization amount in current fiscal year	(538,003)	(424,993)	(424,373)
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	(22,535,950)	9,520,622	(39,546,737)
2	Amortization amount in current fiscal year	948,650	869,530	916,869
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 PRW Plan Name Benefit Cost for Fiscal Year Beginning 1-Jan-24 under US GAAP		Regulatory LG&E USD	Regulatory ServCo USD	Regulatory KU USD	[redacted]
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	9,583,178	54,294,821	37,719,045	
2	Actual return on plan assets	599,591	6,034,171	4,148,132	
3	Employer contributions	949,053	561,403	417,380	
4	Plan participants' contributions	1,481,562	1,362,312	1,115,247	
5	Benefits paid, net of retiree contributions	(5,898,167)	(5,883,122)	(5,942,544)	
6	Administrative expenses paid	0	0	0	
7	Acquisitions/(divestitures)	0	0	0	
8	Settlements	0	0	0	
9	Other adjustments	0	0	0	
10	Fair value of plan assets at 31-Dec-23	6,715,217	56,369,585	37,457,260	
B	**Reconciliation of Market-Related Value of Plan Assets**				
1	Market-related value of plan assets at 1-Jan-23	9,583,178	54,294,821	37,719,045	
2	Actual return on plan assets	599,591	6,034,171	4,148,132	
3	Employer contributions	949,053	561,403	417,380	
4	Plan participants' contributions	1,481,562	1,362,312	1,115,247	
5	Benefits paid, net of retiree contributions	(5,898,167)	(5,883,122)	(5,942,544)	
6	Administrative expenses paid	0	0	0	
7	Acquisitions/(divestitures)	0	0	0	
8	Settlements	0	0	0	
9	Other adjustments	0	0	0	
10	Market-related value of plan assets at 31-Dec-23	6,715,217	56,369,585	37,457,260	
C	**Rate of Return on Invested Assets**				
1	Weighted invested assets	7,849,402	52,315,118	35,514,087	
2	Rate of return	7.639%	11.534%	11.680%	
D	**Investment Loss/(Gain)**				
1	Actual return	599,591	6,034,171	4,148,132	
2	Expected return	396,346	4,354,235	2,850,054	
3	Loss/(gain)	(203,245)	(1,679,936)	(1,298,078)	
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	769,524	1,318,043	627,318	
2	Interest cost	2,572,359	2,380,924	2,476,553	
3	Expected return on plan assets	(184,814)	(4,544,955)	(2,819,344)	
4	Subtotal	3,157,069	(845,988)	284,527	
5	Net prior service cost/(credit) amortization	538,003	424,993	424,373	
6	Net loss/(gain) amortization	(948,650)	(869,530)	(916,869)	
7	Subtotal	(410,647)	(444,537)	(492,496)	
8	Net periodic postretirement benefit cost/(income)	2,746,422	(1,290,525)	(207,969)	
9	Curtailment (gain)/loss	0	0	0	
10	Settlement (gain)/loss	0	0	0	
11	Special/contractual termination benefits	0	0	0	
12	Other adjustments	0	0	0	
13	Total benefit cost	2,746,422	(1,290,525)	(207,969)	
				p.1	
B	**Assumptions**				
1	Discount rate	5.56%	5.56%	5.56%	
2	Expected long-term rate of return on plan assets	8.25%	8.25%	8.25%	
3	Current health care cost trend rate	6.25%	6.25%	6.25%	
4	Ultimate health care cost trend rate	5.00%	5.00%	5.00%	
5	Year of ultimate trend rate	2029	2029	2029	
6	Census date	1-Jan-24	1-Jan-24	1-Jan-24	
C	**Fair Value of Assets at Beginning of Year**	6,715,217	56,369,585	37,457,260	
D	**Expected Cash Flows Net of Medicare Part D Subsidy**				
1	Employer contributions	0	0	0	
2	Plan participants' contributions	0	0	0	
3	Benefits paid from Company assets	1,234,462	753,745	438,953	
4	Benefits paid from plan assets	3,285,964	2,558,442	4,276,364	
E	**Amortization Period**				
1	For gain/loss amortization, if applicable	15.27807	15.27807	15.27807	
2	For new prior service cost bases, if any	14.27598	14.27598	14.27598	

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 To	O&M		O&M Total	Grand Total
Row Labels	0721	0731		0721	0731		
KENTUCKY UTILITIES COMPANY	146,842	(165,558)	(18,715)	167,135	(246,985)	(79,850)	(98,565)
0020	761	(1,453)	(691)	7	(11)	(4)	(696) p.7
0100	758	(1,295)	(537)	2,831	(5,213)	(2,382)	(2,918) p.7
0110	145,318	(162,799)	p.7 (17,481)	164,298	(241,762)	p.7 (77,464)	(94,945)
0304	5	(11)	(6)				(6)
LG&E and KU CAPITAL LLC					(156,526)	(156,526)	(156,526)
0004					(156,526)	(156,526)	(156,526)
LG&E and KU Services Company	26,910	(113,129)	(86,218)	418,377	(885,895)	(467,518)	(553,736)
0004				814	(211)	603	603
0020	(26)	(240)	(266)	278,010	(568,010)	(290,000)	(290,266)
0100	11,922	(47,138)	(35,216)	62,501	(145,138)	(82,638)	(117,854)
0110	14,964	(65,580)	(50,616)	77,052	(172,534)	(95,483)	(146,099)
0304	50	(171)	(120)				(120)
LOUISVILLE GAS & ELECTRIC COMPAI	126,674	312,659	439,333	269,661	701,800	971,460	1,410,794
0020	864	1,912	2,776	193	205	398	3,173
0100	121,115	299,944	421,058	223,914	602,971	826,886	1,247,944
0110	4,695	10,804	15,499	45,554	98,623	144,177	159,677
Grand Total	300,427	33,973	334,400	855,173	(587,606)	267,567	601,967

	KU
O&M	(79,850)
B/S	(18,715)
G/L 15yr	(98,565)
Add Back:	
Non-Pension Entries	(2,786) p.12

Total NPPC including all company allocations	OPEB Base Year KU		OPEB Test Year KU	
Per filing	(253,000)	p.13	(7,670)	p.14
Per initial allocation	(241,403)	= sum of 1	264,512	= sum of 2
Miscellaneous Allocations Intercompany Adjustment	(11,597)		(272,182)	
O&M Only				
Per filing	(103,534)	p.1, 13	(36,987)	p.1, 14
Per initial allocation	(106,684)	p.7 1	253,572	p.6 2
Non-pension Items	2,786	p.11		
Miscellaneous Allocations Intercompany Adjustment	364	p.1	(290,559)	p.1
Capital Only				
Per filing	(149,466)	p.13	29,317	p.14
Per initial allocation	(134,720)	p.7 1	10,940	p.6 2
Miscellaneous Allocations Intercompany Adjustment	(14,746)		18,377	

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)**
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)** p.12
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 Benefit Costs

KU Test Year - LKE Only	Operating	Mechanism	Below the Line	Other I/S	Capitalized	Other B/S	Total	
Employee Benefits								
Medical	12,429,037.15	113,089.64	46,086.54	-	5,222,829.46	2,389,814.77	20,200,857.55	
Dental	438,584.03	3,989.54	1,625.82	-	184,424.80	84,489.16	713,113.36	
Workers Compensation	420,345.58	316.86	129.13	-	261,916.09	60,535.18	743,242.84	
Long Term Disability	276,885.28	2,426.85	988.99	-	116,146.42	52,386.39	448,833.93	
Life Insurance	293,514.27	2,628.48	1,071.17	-	123,598.23	56,121.88	476,934.03	
Team Incentive Award	9,399,164.63	134,984.98	36,821.69	-	3,640,243.48	1,668,218.43	14,879,433.21	
Pension	1,214,488.14	60,361.52	36,323.02	-	(1,046,348.43)	427,378.96	692,203.21	
Post Retirement	(23,201.38)	(5,969.90)	(7,815.71)	-	74,622.24	(45,305.22)	(7,669.97)	p.12
Post Employment	-	-	-	-	-	-	-	
Company Contribution to the Savings Plan	7,065,175.36	61,117.66	24,906.80	-	2,983,246.50	1,329,156.11	11,463,602.44	
Tuition Reimbursement	199,755.06	-	-	-	-	-	199,755.06	
Other Benefits	603,780.25	6,099.52	2,485.69	-	271,367.92	133,334.13	1,017,067.52	
Total Employee Benefits - LKE	32,317,528.37	379,045.15	142,623.15	-	11,832,046.70	6,156,129.80	50,827,373.18	