

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2025-00114
COMPARISON OF BASE PERIOD AND MOST RECENT 12 MONTHS PRECEDING THE BASE PERIOD
INCOME STATEMENT

Title of Account	Total Company 08/31/2025 Base Period	Total Company 08/31/2024 YECM	Variance	Explanations on variances greater than \$1 million
Operating Revenues				
Electric Operating Revenues	\$ 1,285,080,578	\$ 1,270,865,470	\$ 14,215,108	Higher electric revenue primarily due to higher off-system sales revenue and higher fuel revenue due primarily to higher fuel prices, partially offset by lower ECR revenue.
Gas Operating Revenues	390,355,592	349,666,931	40,688,660	Higher gas revenue primarily due to higher gas supply cost recovery due to higher gas distribution volumes and higher gas supply prices.
Total Operating Revenues	\$ 1,675,436,169	\$ 1,620,532,401	\$ 54,903,768	
Operating Expenses				
Fuel for Electric Generation	\$ 326,087,107	\$ 298,469,156	\$ 27,617,952	Higher fuel expense due primarily to higher fuel prices.
Power Purchased	59,800,762	65,222,408	(5,421,647)	Decrease primarily due to lower power purchased from KU.
Gas Supply Expenses	110,930,421	86,640,032	24,290,389	Higher gas supply expenses due primarily to higher gas distribution volumes and higher gas supply prices.
Other Operation Expenses	233,294,557	239,910,403	(6,615,846)	Lower other operations expense primarily due to lower meter reading expenses, lower customer billing expenses, lower outside services (reclassification of computer services due to FERC 898) and higher beneficial reuse proceeds, partially offset by higher transmission depanacking expenses, higher bad debt expense and higher DSM program expenses.
Maintenance	105,724,615	101,124,403	4,600,212	Higher other maintenance primarily due to higher overhead distribution line maintenance and computer software maintenance (reclassification of computer services due to FERC 898).
Depreciation & Amortization Expense	299,760,323	301,596,522	(1,836,200)	Decrease is due to the retirement of Mill Creek Unit 1 during the base period, partially offset by an increase in other plant-in-service.
Regulatory Debits	14,126,277	4,926,737	9,199,540	Increase is due primarily to AMI O&M savings and amortization of the Retired Asset Recovery Rider that starts during the base period.
Regulatory Credits	(1,033,252)	(450,752)	(582,500)	
Income Taxes	75,062,940	73,181,110	1,881,831	Higher income taxes primarily due to the timing of ASC 740 effective tax rate adjustments in the 12-month period ended August 31, 2024.
Property and Other Taxes	59,670,216	59,496,253	173,963	
Investment Tax Credit (net amortization)	(794,749)	(901,219)	106,471	
Loss (Gain) from Disposition of Allowances	(164,445)	(35)	(164,410)	
Total Operating Expenses	\$ 1,282,464,773	\$ 1,229,215,019	\$ 53,249,754	
Net Operating Income	392,971,397	391,317,382	1,654,014	
AFUDC - Equity	10,641,879	4,845,846	5,796,033	Increase due to additional AMI and New Generation CWIP eligible for AFUDC treatment.
Other Income Less Deductions	1,483,911	1,450,532	33,379	
Income before Interest Charges	405,097,187	397,613,761	7,483,426	
Interest Charges	108,445,390	103,068,373	5,377,017	Increase primarily due to higher debt balances.
Net Income	\$ 296,651,797	\$ 294,545,388	\$ 2,106,410	

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INCOME STATEMENT

Title of Account	Electric Only 8/31/2025 Base Period	Electric Only 08/31/2024 YECM	Variance	
Operating Revenues				
Electric Operating Revenues	\$ 1,285,080,578	\$ 1,270,865,470	\$ 14,215,108	Higher electric revenue primarily due to higher off-system sales revenue and higher fuel revenue due primarily to higher fuel prices, partially offset by lower ECR revenue.
Total Operating Revenues	\$ 1,285,080,578	\$ 1,270,865,470	\$ 14,215,108	
Operating Expenses				
Fuel for Electric Generation	\$ 326,087,107	\$ 298,469,156	\$ 27,617,952	Higher fuel expense due primarily to higher fuel prices.
Power Purchased	59,800,762	65,222,408	(5,421,647)	Decrease primarily due to lower power purchased from KU.
Other Operation Expenses	163,709,665	172,426,578	(8,716,913)	Lower other operations expense primarily due to lower meter reading expenses, lower customer billing expenses, lower outside services (reclassification of computer services due to FERC 898) and higher beneficial reuse proceeds, partially offset by higher transmission depanacking expenses, higher bad debt expense and higher DSM program expenses.
Maintenance	81,708,069	78,369,503	3,338,566	Higher other maintenance primarily due to higher overhead distribution line maintenance and computer software maintenance (reclassification of computer services due to FERC 898).
Depreciation & Amortization Expense	249,025,606	251,760,512	(2,734,906)	Decrease is due to the retirement of Mill Creek Unit 1 during the base period, partially offset by an increase in other plant-in-service.
Regulatory Debits	11,538,078	4,769,833	6,768,245	Increase is due primarily to AMI O&M savings and amortization of the Retired Asset Recovery Rider that starts during the base period.
Regulatory Credits	(817,718)	(282,487)	(535,232)	
Income Taxes	53,927,313	54,286,699	(359,386)	
Property and Other Taxes	43,977,284	44,247,657	(270,374)	
Investment Tax Credit (net amortization)	(794,749)	(901,174)	106,426	
Loss (Gain) from Disposition of Allowances	(164,445)	(35)	(164,410)	
Total Operating Expenses	\$ 987,996,971	\$ 968,368,650	\$ 19,628,320	
Net Operating Income	\$ 297,083,607	\$ 302,496,819	\$ (5,413,212)	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2025-00114
COMPARISON OF BASE PERIOD AND MOST RECENT 12 MONTHS PRECEDING THE BASE PERIOD
INCOME STATEMENT

Title of Account	Gas Only 8/31/2025 Base Period	Gas Only 08/31/2024 YECM	Variance	
Operating Revenues				
Gas Operating Revenues	\$ 390,355,592	\$ 349,666,931	\$ 40,688,660	Higher gas revenue primarily due to higher gas supply cost recovery due to higher gas distribution volumes and higher gas supply prices.
Total Operating Revenues	\$ 390,355,592	\$ 349,666,931	\$ 40,688,660	
Operating Expenses				
Gas Supply Expenses	\$ 110,930,421	\$ 86,640,032	\$ 24,290,389	Higher gas supply expenses due primarily to higher gas distribution volumes and higher gas supply prices.
Other Operation Expenses	69,584,892	67,483,825	2,101,067	Higher other operations expense primarily due to higher DSM program expenses and higher bad debt expense, partially offset by lower meter reading expenses, lower customer billing expenses, and lower outside services (reclassification of computer services due to FERC 898).
Maintenance	24,016,546	22,754,900	1,261,645	Higher other maintenance primarily due to higher computer software maintenance (reclassification of computer services due to FERC 898), partially offset by lower gas distribution and transmission maintenance.
Depreciation & Amortization Expense	50,734,717	49,836,011	898,707	
Regulatory Debits	2,588,199	156,904	2,431,295	Increase is due to AMI O&M savings.
Regulatory Credits	(215,533)	(168,265)	(47,268)	
Income Taxes	21,135,627	18,894,411	2,241,216	Increase is primarily due to higher pre-tax income.
Property and Other Taxes	15,692,933	15,248,596	444,337	
Investment Tax Credit (net amortization)	-	(45)	45	
Total Operating Expenses	\$ 294,467,802	\$ 260,846,368	\$ 33,621,434	
Net Operating Income	\$ 95,887,789	\$ 88,820,563	\$ 7,067,226	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2025-00114
COMPARISON OF BASE PERIOD AND MOST RECENT 12 MONTHS PRECEDING THE BASE PERIOD
RATE BASE - TOTAL COMPANY

Title of Account	Total Company Rate Base Base Period	Total Company Rate Base 08/31/2024	Variance
1. Utility Plant at Original Cost (a)	\$ 9,863,483,789	\$ 9,391,007,873	\$ 472,475,916
2. Deduct:			
3. Reserve for Depreciation (a)	3,219,459,038	3,137,305,524	82,153,514
4. Net Utility Plant	6,644,024,751	6,253,702,349	390,322,402
5. Deduct:			
6. Customer Advances for Construction	8,317,556	5,878,437	2,439,119
7. Accumulated Deferred Income Taxes (a)	1,242,155,085	1,237,050,133	5,104,952
8. Total Deductions	1,250,472,641	1,242,928,570	7,544,071
9. Net Plant Deductions	5,393,552,110	5,010,773,779	382,778,331
10. Add:			
11. Material and Supplies	113,700,530	103,584,573	10,115,957
12. Gas Stored Underground	29,451,007	27,524,586	1,926,421
13. Prepayments (b)	10,597,769	13,152,520	(2,554,752)
14. Cash Working Capital	195,963,861	195,963,861	-
15. Unamortized Closure Costs	73,529,965	63,484,664	10,045,301
16. Total Additions	423,243,132	403,710,204	19,532,928
17. Total Net Original Cost Rate Base	<u>\$ 5,816,795,242</u>	<u>\$ 5,414,483,983</u>	<u>\$ 402,311,259</u>

(a) Common utility plant and the reserve for depreciation are allocated 69% to the Electric Department and 31% to the Gas Department for 2024 and 68% and 32% for 2025.

(b) Excludes PSC Fees & Indiana Property Tax.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2025-00114
COMPARISON OF BASE PERIOD AND MOST RECENT 12 MONTHS PRECEDING THE BASE PERIOD
RATE BASE - ELECTRIC

Title of Account	Total Electric Rate Base Base Period	Total Electric Rate Base 8/31/2024	Variance	Explanations on variances greater than \$1 million
1. Utility Plant at Original Cost (a)	\$ 7,701,769,670	\$ 7,421,563,332	\$ 280,206,338	Additional capital spend from August 2024 through August 2025.
2. Deduct:				
3. Reserve for Depreciation (a)	2,673,628,125	2,626,948,039	46,680,086	Additional capital spend from August 2024 through August 2025.
4. Net Utility Plant	5,028,141,545	4,794,615,293	233,526,252	
5. Deduct:				
6. Customer Advances for Construction	4,629,354	2,230,212	2,399,142	Increase primarily due to third party pole attachments.
7. Accumulated Deferred Income Taxes (a)	971,055,582	979,172,389	(8,116,807)	Decrease is primarily due to amortization of excess deferred income taxes.
8. Total Deductions	975,684,936	981,402,601	(5,717,665)	
9. Net Plant Deductions	4,052,456,609	3,813,212,692	239,243,917	
10. Add:				
11. Material and Supplies	111,315,961	101,245,329	10,070,632	Decrease primarily due to an increase in both fuel inventories and other materials and supplies.
12. Gas Stored Underground	-	-	-	
13. Prepayments (b)	8,733,103	10,263,099	(1,529,996)	Decrease primarily due to lower IT Hardware/Software prepayments and payment timing variances partially offset by higher insurance premiums.
14. Cash Working Capital	143,223,929	143,223,929	-	
15. Unamortized Closure Costs	73,529,965	63,484,664	10,045,301	Increase due to additional ARO CCR capital spend from September 2023 through August 2024.
16. Total Additions	336,802,959	318,217,021	18,585,938	
17. Total Net Original Cost Rate Base	<u>\$ 4,389,259,567</u>	<u>\$ 4,131,429,713</u>	<u>\$ 257,829,854</u>	

(a) Common utility plant and the reserve for depreciation are allocated 69% to the Electric Department and 31% to the Gas Department for 2024 and 68% and 32% for 2025.

(b) Excludes PSC Fees & Indiana Property Tax.

LOUISVILLE GAS AND ELECTRIC COMPANY
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COMPARISON OF BASE PERIOD AND MOST RECENT 12 MONTHS PRECEDING THE BASE PERIOD
RATE BASE - GAS

Title of Account	Total Gas Rate Base Base Period	Total Gas Rate Base 08/31/2024	Variance	Explanations on variances greater than \$1 million
1. Utility Plant at Original Cost (a)	\$ 2,161,714,118	\$ 1,969,444,541	\$ 192,269,577	Additional capital spend from August 2024 through August 2025.
2. Deduct:				
3. Reserve for Depreciation (a)	545,830,912	510,357,485	35,473,427	Additional capital spend from August 2024 through August 2025.
4. Net Utility Plant	1,615,883,206	1,459,087,056	156,796,150	
5. Deduct:				
6. Customer Advances for Construction	3,688,202	3,648,225	39,977	
7. Accumulated Deferred Income Taxes (a)	271,099,502	257,877,744	13,221,758	Increase is primarily due to tax deductions from accelerated tax over book depreciation.
8. Total Deductions	274,787,704	261,525,969	13,261,735	
9. Net Plant Deductions	1,341,095,502	1,197,561,087	143,534,415	
10. Add:				
11. Material and Supplies	2,384,569	2,339,244	45,325	Primarily due to an increase in the average price of stored gas volumes.
12. Gas Stored Underground	29,451,007	27,524,586	1,926,421	
13. Prepayments (b)	1,864,666	2,889,422	(1,024,756)	Decrease primarily due to lower IT Hardware/Software prepayments and payment timing variances partially offset by higher insurance premiums.
14. Cash Working Capital	52,739,932	52,739,932	-	
15. Unamortized Closure Costs	-	-	-	
16. Total Additions	86,440,173	85,493,183	946,990	
17. Total Net Original Cost Rate Base	\$ 1,427,535,675	\$ 1,283,054,270	\$ 144,481,404	

(a) Common utility plant and the reserve for depreciation are allocated 69% to the Electric Department and 31% to the Gas Department for 2024 and 68% and 32% for 2025.

(b) Excludes PSC Fees & Indiana Property Tax.

LOUISVILLE GAS AND ELECTRIC COMPANY
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COMPARISON OF BASE PERIOD AND MOST RECENT 12 MONTHS PRECEDING THE BASE PERIOD
CAPITAL STRUCTURE

LINE NO.	CLASS OF CAPITAL	BASE PERIOD AMOUNT	BASE PERIOD RATIO	AUGUST 2024 AMOUNT	AUGUST 2024 RATIO	VARIANCE AMOUNT
		\$	%	\$	%	\$
1	<u>TOTAL COMPANY:</u> SHORT-TERM DEBT	\$0	0.00%	\$1,439	0.00%	(\$1,439)
2	LONG-TERM DEBT ⁽¹⁾	3,254,735,412	51.39%	2,460,694,018	45.99%	794,041,393 (a)
3	COMMON EQUITY	<u>3,078,674,455</u>	<u>48.61%</u>	<u>2,890,029,360</u>	<u>54.01%</u>	<u>188,645,095 (b)</u>
4	TOTAL CAPITAL	<u>\$6,333,409,867</u>	<u>100.00%</u>	<u>\$5,350,724,817</u>	<u>100.00%</u>	<u>\$982,685,049</u>

LINE NO.	CLASS OF CAPITAL	BASE PERIOD AMOUNT	BASE PERIOD RATIO	AUGUST 2024 AMOUNT	AUGUST 2024 RATIO	VARIANCE AMOUNT
		\$	%	\$	%	\$
1	<u>ELECTRIC:</u> SHORT-TERM DEBT	\$0	0.00%	\$1,098	0.00%	(\$1,098)
2	LONG-TERM DEBT ⁽¹⁾	2,456,023,342	51.39%	1,877,590,628	45.99%	578,432,714
3	COMMON EQUITY	<u>2,323,167,744</u>	<u>48.61%</u>	<u>2,205,187,642</u>	<u>54.01%</u>	<u>117,980,102</u>
4	TOTAL CAPITAL	<u>\$4,779,191,085</u>	<u>100.00%</u>	<u>\$4,082,779,368</u>	<u>100.00%</u>	<u>\$696,411,717</u>

LINE NO.	CLASS OF CAPITAL	BASE PERIOD AMOUNT	BASE PERIOD RATIO	AUGUST 2024 AMOUNT	AUGUST 2024 RATIO	VARIANCE AMOUNT
		\$	%	\$	%	\$
1	<u>GAS:</u> SHORT-TERM DEBT	\$0	0.00%	\$341	0.00%	(\$341)
2	LONG-TERM DEBT ⁽¹⁾	798,712,070	51.39%	583,103,390	45.99%	215,608,680
3	COMMON EQUITY	<u>755,506,711</u>	<u>48.61%</u>	<u>684,841,718</u>	<u>54.01%</u>	<u>70,664,994</u>
4	TOTAL CAPITAL	<u>\$1,554,218,781</u>	<u>100.00%</u>	<u>\$1,267,945,449</u>	<u>100.00%</u>	<u>\$286,273,332</u>

(1) Includes the debt discount and premium, unamortized debt expense, and unamortized loss on reacquired debt

Explanations of variances greater than \$1 million:

- (a) Increase due to forecasted First Mortgage Bond issuance in Q3 2025.
(b) Reflects net income net of dividends paid and capital contribution.