

**Louisville Gas & Electric**  
**Case No. 2025-00114**  
**Incentive Compensation Operating Expense Charged to LGE**

	2023	2024	LGE Base Period**	Test Period**
<b>LKE Short Term Incentive (STI)</b>				
<b>Amount by Each Goal/Target</b>				
Transition Service Agreement (TSA) Budget	380,734	584,833	-	-
Transition Service Agreement (TSA) GO LIVE	380,734	479,162	-	-
Equivalent Forced Outage Rate (EFOR)	674,127	573,346	545,992	464,753
Customer Reliability	2,075,717	1,328,396	1,910,972	1,626,636
Customer Satisfaction	1,107,789	1,096,663	1,364,980	1,161,883
Equivalent Availability Factor (EAF)	484,097	466,062	545,992	464,753
Gas Leak Response On	724,868	825,180	545,992	464,753
Gas Leak Response Off	656,921	648,105	545,992	464,753
Individual / Team Effectiveness	4,577,129	4,968,787	3,821,944	3,253,273
IT Reinvention SaFe Adoption	-	-	409,494	348,565
IT Reinvention-Managed Services Transition	-	-	409,494	348,565
Annual Strategic Objectives	-	-	818,988	697,130
<b>Total LKE Short Term Incentive Operating</b>	<b>11,062,118</b>	<b>10,970,534</b>	<b>10,919,840</b>	<b>9,295,066</b>
<b>PPLS Short Term Incentive (STI) *</b>				
<b>Amount by Each Goal/Target</b>				
Operational	-	-	993,256	1,082,099
Corporate Strategic Initiatives	-	-	297,977	324,630
Individual Achievement Assessment	-	-	695,279	757,469
<b>Total PPL Short Term Incentive Operating</b>	<b>-</b>	<b>-</b>	<b>1,986,512</b>	<b>2,164,197</b>
<b>Customer Services and Marketing Contact Center</b>	<b>46,208</b>	<b>78,203</b>	<b>48,121</b>	<b>77,675</b>
<b>Long Term Incentive</b>	<b>737,907</b>	<b>741,195</b>	<b>575,541</b>	<b>62,024</b>

\*PPLS allocated amounts related to short term incentive are not shown for 2023 and 2024 as these costs were previously recorded in combination with other benefits and can not be readily separated for these periods. A change was made at the beginning of the base period to track PPLS charged STI costs separately.

\*\*Long term incentive compensation amounts are not tied to any specific targets. Amounts shown represent non-executive awards for LG&E and do not include amounts related to the services companies. The non-executive awards related to the services companies were incorrectly budgeted and should have been allocated to the Utilities and are qualifying expenses. In addition, the actual period shown of 2023, 2024 and six months of the base period do not include allocated expenses from PPLS. The allocated expense for the forecasted base period is \$567,508 and the forecasted test period is \$1,764,552.