

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)
APPLICATION OF THE FUEL ADJUSTMENT) CASE NO. 2025-00341
CLAUSE OF LOUISVILLE GAS AND ELECTRIC)
COMPANY FROM NOVEMBER 1, 2022)
THROUGH OCTOBER 31, 2024)

**RESPONSE OF
LOUISVILLE GAS AND ELECTRIC COMPANY
TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION**

DATED DECEMBER 19, 2025

FILED: JANUARY 23, 2026

VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Delbert Billiter**, being duly sworn, deposes and says that he is Director – Coal Supply and By-Product Marketing for Louisville Gas and Electric Company and is an employee of LG&E and KU Services Company, that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge, and belief.



Delbert Billiter

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 21st day of January 2026.



Venita Michelle Defreeze
Notary Public

Notary Public ID No. KYNP 4577

My Commission Expires:

April 1, 2028

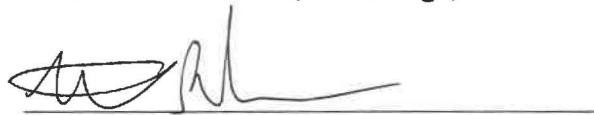
VENITA MICHELLE DEFREEZE
NOTARY PUBLIC
Commonwealth of Kentucky
Commission # KYNP4577
My Commission Expires 4/1/2028



VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Michael P. Drake**, being duly sworn, deposes and says that he is Director – Generation Engineering for Louisville Gas and Electric Company and is an employee of LG&E and KU Services Company, that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge, and belief.



Michael P. Drake

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 20th day of January 2026.



Notary Public

Notary Public ID. No. KYNP 4577

My Commission Expires:

April 1, 2028



VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Andrea M. Fackler**, being duly sworn, deposes and says that she is Manager - Revenue Requirement/Cost of Service for Louisville Gas and Electric Company, an employee of LG&E and KU Services Company, that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness, and the answers contained therein are true and correct to the best of her information, knowledge, and belief.

Andrea M. Fackler
Andrea M. Fackler

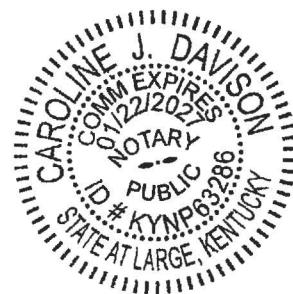
Subscribed and sworn to before me, a Notary Public in and before said County and State, this 21st day of January 2026.

Caroline J. Davison
Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027



VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **James R. Frank**, being duly sworn, deposes and says that he is Senior Manager – Generation Planning for Louisville Gas and Electric Company and is an employee of LG&E and KU Services Company, that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge, and belief.



James R. Frank

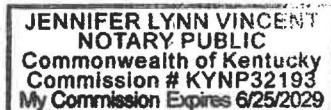
Subscribed and sworn to before me, a Notary Public in and before said County and State, this 12th day of JANUARY 2026.



JENNIFER LYNN VINCENT
Notary Public
Notary Public ID No. KYNP32193

My Commission Expires:

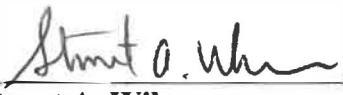
JUNE 25, 2029



VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Stuart A. Wilson**, being duly sworn, deposes and says that he is Director – Power Supply for Louisville Gas and Electric Company, is an employee of LG&E and KU Services Company, that he has personal knowledge of the matters set forth in the foregoing responses, and that the answers contained therein are true and correct to the best of his information, knowledge, and belief.



Stuart A. Wilson

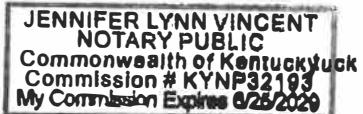
Subscribed and sworn to before me, a Notary Public in and before said County and State, this 20th day of JANUARY 2026.



Jennifer Lynn Vincent
Notary Public
Notary Public ID No. KYNP32193

My Commission Expires:

06/25/2029



LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 1

Responding Witness: Delbert Billiter

Q-1. For the period from May 1, 2024, to October 31, 2024 (the last six months of the period under review), provide the amount of coal purchased in tons and the percentage of purchases that were spot versus contract.

A-1. During the period from May 1, 2024 to October 31, 2024, the Company purchased 2,936,810 tons of coal.

Spot: 2% (64,501 tons)

Contract: 98% (2,872,309 tons)

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 2

Responding Witness: Delbert Billiter

Q-2. For the last six months of the period under review, list each coal purchase made under a long-term contract (one year or greater). For each purchase, list the following:

- a. Contract or purchase order number;
- b. The supplier's name;
- c. The location(s) of production facilities from which the coal is sourced;
- d. The method of delivery, (i.e., barge, truck, rail, or other);
- e. The actual quantity received during the review period; and
- f. Current price paid per ton.

A-2. See attached. For the period under review, Page 1 of the attachment shows only the actual quantity received by the Company under each contract, and Page 2 shows the actual combined quantity received by LG&E and KU under each contract.

LG&E Coal Purchases (unloaded) under long-term contract

May 1, 2024 through October 31, 2024

(a) Contract/PO	(b) Supplier	(c) Location of Production Facility	(d) Delivery Method	(e) Actual Quantity Received	(f) Current Price* (\$/ton)
J17004B	ACNR Coal Sales, Inc	IL, WV, W-KY	Barge, Rail	-	\$45.15-IL, \$44.15-WV, \$43.50-KY(R)
J21002	ACNR Coal Sales, Inc	W-KY	Barge, Rail	-	\$43.45
J23001	ACNR Coal Sales, Inc	WV	Barge	8,004	\$37.20
J24006	ACNR Coal Sales, Inc	WV	Barge	-	\$50.00
J21004	Alliance Coal LLC	W-KY, WV, IL	Barge	785,113	\$41.95-KY, \$44.50-WV, \$42.60-IL
J21010	Alliance Coal LLC	W-KY	Barge	274,903	\$41.95
J23004	Alliance Coal LLC	W-KY	Barge	94,786	\$51.60
J24003	Alliance Coal LLC	W-KY	Rail	889,881	\$55.55
J24007	Alliance Coal LLC	W-KY	Barge	69,233	\$46.50
J23005	Arch Coal Sales Company Inc.	WY	Barge	-	\$15.85
J24024	Fore LLC				\$35.00
J21011	Foresight Coal Sales LLC	IL	Barge	305,576	\$35.20
J20001C	Iron Coal Sales LLC	PA	Barge	-	\$46.60
J21022	Knight Hawk Coal, LLC	IL	Barge	155,754	\$37.31
J23002	Knight Hawk Coal, LLC	IL	Barge	156,872	\$45.25
J23020	McBride Marine Transportation LLC	Various	Barge	11,510	\$25.00
J21009	Peabody COALSALES LLC	IN	Barge, Rail, Truck	-	\$48.84
J23003	Peabody COALSALES LLC	IL	Barge	120,677	\$89.19
				2,872,309	

*Prices vary by source/transportation type. Prices as of 10/31/24

Attachment to Response to Question No. 2

BILLITER

Page 1 of 2

Combined LG&E and KU Coal Purchases (unloaded) under long-term contract

May 1, 2024 through October 31, 2024

(a) Contract/PO	(b) Supplier	(c) Location of Production Facility	(d) Delivery Method	(e) Actual Quantity Received	(f) Current Price* (\$/ton)
J17004B	ACNR Coal Sales, Inc	IL, WV, W-KY	Barge, Rail	3,604	\$45.15-IL, \$44.15-WV, \$43.50-KY(R)
J21002	ACNR Coal Sales, Inc	W-KY	Barge, Rail	74,941	\$43.45
J23001	ACNR Coal Sales, Inc	WV	Barge	251,489	\$37.20
J24006	ACNR Coal Sales, Inc	WV	Barge	189,933	\$50.00
J21004	Alliance Coal LLC	W-KY, WV, IL	Barge	986,570	\$41.95-KY, \$44.50-WV, \$42.60-IL
J21010	Alliance Coal LLC	W-KY	Barge	521,028	\$41.95
J23004	Alliance Coal LLC	W-KY	Barge	259,066	\$51.60
J24003	Alliance Coal LLC	W-KY	Rail	889,881	\$55.55
J24007	Alliance Coal LLC	W-KY	Barge	84,528	\$46.50
J23005	Arch Coal Sales Company Inc.	WY	Barge	300,657	\$15.85
J24024	Fore LLC			3,307	\$35.00
J21011	Foresight Coal Sales LLC	IL	Barge	656,726	\$35.20
J20001C	Iron Coal Sales LLC	PA	Barge	389,107	\$46.60
J21022	Knight Hawk Coal, LLC	IL	Barge	399,807	\$37.31
J23002	Knight Hawk Coal, LLC	IL	Barge	288,685	\$45.25
J23020	McBride Marine Transportation LLC	Various	Barge	11,510	\$25.00
J21009	Peabody COALSALES LLC	IN	Barge, Rail, Truck	379,634	\$48.84
J23003	Peabody COALSALES LLC	IL	Barge	234,229	\$89.19
					5,924,701

*Prices vary by source/transportation type. Prices as of 10/31/24

Attachment to Response to Question No. 2

BILLITER

Page 2 of 2

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 3

Responding Witness: Delbert Billiter

Q-3.

- a. As of the last day of the review period, state the coal inventory level in tons and in number of days' supply. Provide this information by generating station and in the aggregate.
- b. Describe the criteria used to determine the number of days' supply.
- c. State the target coal inventory level for each generating station and for the total system.
- d. If actual coal inventory exceeds the target inventory by ten days' supply, state the reasons for the excessive inventory.
 - (1) State whether any significant changes in the current coal inventory target are expected within the next 12 months.
 - (2) If so, state the expected change and the reasons for this change.

A-3.

- a. As of October 31, 2024:

Mill Creek	509,669 Tons; 35 Days	Target 20-40 Days
Trimble County ¹	251,867 Tons; 53 Days	Target 21-43 Days
Total	761,536 Tons; 48 Days	Target 20-40 Days

- b. The method of calculating days in inventory is based on each plant's coal burn capability (coal tons in inventory divided by 90% of each generating unit's heat input description from its air permit to operate).

¹ Trimble County coal inventory tons is LG&E's allocated ownership of both high sulfur coal, which is used in Unit 1 and Unit 2, and PRB coal, which is used only in Unit 2. The days in inventory and target range are calculated on a combined basis regardless of ownership.

Response to Question No. 3

Page 2 of 2

Billiter

Upper and lower days of inventory targets were established for each plant taking into consideration the plant's operating parameters. Each plant's "least cost" inventory range is established annually during the planning process taking into account the risk of coal delivery disruptions, potential coal burn volatility, procurement reaction time for short term coal supply, cost of unserved energy, and current coal and electricity prices.

- c. See the response to part a.
- d. Inventory at Trimble County was 10 days higher than the 2024 upper target of 43 days. This was a result of Trimble County Unit 2 being on planned outage the last seven weeks of the review period. Inventory is currently within the targeted range.
 - (1)-(2) As mentioned in previous filings, the Company evaluates inventory targets annually and anticipated inventory targets would increase due to additional risk to the coal supply chain. During the 2024 annual review, new inventory targets were established for 2025. The new target range for each station is listed below.

Mill Creek	Target 21-52 Days
Trimble County ²	Target 24-58 Days

² Trimble County coal inventory tons is LG&E's allocated ownership of both high sulfur coal, which is used in Unit 1 and Unit 2, and PRB coal, which is used only in Unit 2. The days in inventory and target range are calculated on a combined basis regardless of ownership.

Response to Question No. 4

Page 1 of 2

Billiter

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 4

Responding Witness: Delbert Billiter

Q-4. List each written coal-supply solicitation issued during the last six months of the period under review.

- a. For each solicitation, provide the date of the solicitation, the type of solicitation (contract or spot), the quantities solicited, a general description of the quality of coal solicited, the period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
- b. For each solicitation, state the number of vendors to whom the solicitation was sent, the number of vendors who responded, and the selected vendor(s). Provide the bid tabulation sheet or corresponding document that ranks the proposals. (This document shall identify all vendors who made offers.) State the reasons for each selection. For each lowest-cost bid not selected, explain why the bid was not selected.

A-4.

- a. SOLICITATION 1 - LGE KU 24-01

Date: May 3, 2024

Contract/Spot: Term

Quantities: No minimum or maximum specified

Quality: Suitable for KU's Ghent Station, LG&E's Mill Creek Station, and KU's and LG&E's Trimble County Station; PRB coal for LG&E's Trimble County Station

Period: 2025 through 2029 – Term

Generating Units: All units at Ghent, Trimble County and Mill Creek Stations

- b. Number of vendors sent a solicitation: 65

Number of vendors responded: 12 companies / 14 offers

Selected vendor(s): The vendors selected were based upon the lowest evaluated delivered cost, operational and environmental requirements of the coal units, and other factors impacting coal supply reliability as noted on the attached bid evaluation sheets.

Response to Question No. 4

Page 2 of 2

Billiter

High Sulfur Coal - Term

ACNR Coal Sales, Inc. – J26001 – lowest 2026 through 2029 Barge offer

a. SOLICITATION 2 - LGE KU 24-03

Date: August 22, 2024

Contract/Spot: Spot and Term

Quantities: No minimum or maximum specified

Quality: Suitable for KU's Ghent Station, LG&E's Mill Creek Station, and KU's and LG&E's Trimble County Station

Period: Q4/2024 – Spot

2025 through 2030 – Term

Generating Units: All units at Ghent, Trimble County and Mill Creek Stations

b. Number of vendors sent a solicitation: 65

Number of vendors responded: 11 companies / 13 offers

Selected vendor(s): The vendors selected were based upon the lowest evaluated delivered cost, operational and environmental requirements of the coal units, and other factors impacting coal supply reliability as noted on the attached bid evaluation sheets.

High Sulfur Coal - Spot

Alliance Coal, LLC – J24023 – 2nd lowest Q4 2024 offer

High Sulfur Coal - Term

Fore, LLC – J24024 – lowest Q4 2024 and 2025 offer

Alliance Coal, LLC – J25001 – 3rd lowest 2025 through 2028, 2nd lowest 2029, and lowest 2030 offer

The bid analysis information is confidential and proprietary and is being provided under seal pursuant to a petition for confidential protection.

The entire attachment is
Confidential and
provided separately
under seal.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 5

Responding Witness: Delbert Billiter

Q-5. List each oral coal-supply solicitation issued during the last six months of the period under review.

- a. For each solicitation, state why the solicitation was not written, the date(s) of the solicitation, the quantities solicited, a general description of the quality of coal solicited, the period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
- b. For each solicitation, identify all vendors solicited and the vendor(s) selected. Provide the bid tabulation sheet or other document that ranks the proposals. (This document shall identify all vendors who made offers.) State the reasons for each selection. For each lowest-cost bid not selected, explain why the bid was not selected.

A-5. There were no oral coal supply solicitations during the period under review.

Response to Question No. 6

Page 1 of 2

Wilson

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 6

Responding Witness: Stuart A. Wilson

Q-6. For the last six months of the period under review, list each vendor from whom natural gas was purchased for generation and the quantities and the nature of each purchase (i.e., spot or contract). Provide the percentage of purchases that were spot versus contract.

A-6. See the table below. Spot purchases account for 67% of total purchases.

CounterParty	Deal Type³	Total Volume (MMBtu)
BP Energy Company	Spot	87,940
CIMA ENERGY, LP	Spot	7,000
Castleton Commodities Merchant Trading L.P.	Spot	66,400
Chesapeake Energy Marketing, L.L.C.	Spot	9,999
Colonial Energy, Inc.	Spot	160,213
Columbia Gas of Kentucky, Inc.	GSO Customer	292
ConocoPhillips Company	Spot	60,133
Constellation Energy Generation, LLC	Spot	93,142
DTE Energy Trading, Inc.	Spot	685,000
Eco-Energy Natural Gas, LLC	Spot	72,798
Hartree Partners, LP	Spot	10,000
J. Aron & Company LLC	Spot	200
Koch Energy Services, LLC	Spot	180,500
LG&E Gas Supply	Special	161,739
MIECO LLC	Spot	46,200
Macquarie Energy LLC	Spot	19,931
NRG Business Marketing LLC	Spot	3,300
NextEra Energy Marketing, LLC	Forward	3,675,275
NextEra Energy Marketing, LLC	Spot	807,183
Ovintiv Marketing Inc.	Spot	8,700
Radiate Energy LLC	Spot	21,800

³ “Spot” refers to gas purchased for the next gas day. Spot purchases completed on Friday include gas purchases for Saturday, Sunday, and Monday; holiday weekends such as Labor Day can include gas purchases for four days. “Forward” refers to gas purchased for delivery periods typically starting after the current month. “GSO Customer” indicates that KU is a General Sales Other (GSO) customer of Columbia Gas of Kentucky for the Haefling Plant with no volume purchase commitments. “Special” indicates that the gas supplier is the LG&E local gas distribution company; no volume purchase commitments.

Response to Question No. 6**Page 2 of 2****Wilson**

Counterparty	Deal Type³	Total Volume (MMBtu)
Sequent Energy Management LLC	Spot	235,680
Shell Energy North America (US), L.P.	Spot	310,082
Southwest Energy, L.P.	Spot	2,580,555
Spire Marketing Inc.	Forward	1,821,872
Spire Marketing Inc.	Spot	83,200
Spotlight Energy, LLC	Spot	195,210
Symmetry Energy Solutions, LLC	Spot	48,600
Tenaska Marketing Ventures	Spot	11,238,400
TotalEnergies Gas & Power North America, Inc.	Spot	10,000
Twin Eagle Resource Management, LLC	Spot	10,000
Uniper Global Commodities North America LLC	Spot	83,100
Uniper Global Commodities North America LLC	Forward	1,832,726
Vitol Inc.	Spot	979,700
Vitol Inc.	Forward	1,837,351
Wells Fargo Commodities, LLC	Spot	1,800
Grand Total		27,446,021

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 7

Responding Witness: Stuart A. Wilson

Q-7. For the last six months of the period under review, state whether there were any instances in which a natural gas generating unit could not be operated when it otherwise would have run due to pipeline constraints or natural gas being unavailable.

A-7. For the last six months of the period under review, there were no instances of generating unit restrictions due to pipeline constraints or natural gas unavailability.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 8

Responding Witness: Delbert Billiter / Stuart A. Wilson

Q-8. For the last six months of the period under review, state whether there have been any changes to hedging activities for coal or natural gas purchases used for generation since the previous Fuel Adjustment Clause (FAC) review proceeding. If so, describe the changes in detail.

A-8. The Company does not engage in financial hedging activities for its coal or natural gas purchases.

For the last six months of the period under review, there were no changes to the physical hedging practices or guidelines.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 9

Responding Witness: Delbert Billiter / Stuart A. Wilson

Q-9.

- a. State whether LG&E has audited any of its fuel or transportation contracts during the last six months of the period under review.
- b. If so, for each audited contract:
 - (1) Identify the contract;
 - (2) Identify the auditor; and
 - (3) State the results of the audit and describe the actions that LG&E took as a result of the audit.

A-9.

- a. No. The Company has not conducted any financial audits of fuel or transportation contracts.

The Company's Sr. Manager, Coal Supply Services or Mining Engineer conducts scheduled on-site reviews and inspections of the mining operations, scales, and sampling systems of each vendor at a minimum of twice per year and likewise may conduct unscheduled visits. Additionally, Company employees may visit a vendor as needed to address problems and issues at any time.

- b. Not applicable.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 10

Responding Witness: Delbert Billiter / Stuart A. Wilson

Q-10.

- a. State whether LG&E is currently involved in any litigation with its current or former fuel suppliers or transportation vendors.
- b. If yes, for each litigation:
 - (1) Identify the supplier or vendor;
 - (2) Identify the contract involved;
 - (3) State the potential liability or recovery to LG&E;
 - (4) List the issues presented; and
 - (5) Provide a copy of the complaint or other legal pleading that initiated the litigation and any answers or counterclaims. If a copy has previously been filed with the Commission, provide the date on which it was filed and the case in which it was filed.
- c. State the current status of all litigation with suppliers or vendors.

A-10. The Company is not involved in litigation with any supplier.

Response to Question No. 11

Page 1 of 2

Billiter/Wilson

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 11

Responding Witness: Delbert Billiter / Stuart A. Wilson

Q-11.

- a. For the last six months of the period under review, state whether there have been any changes to LG&E's written policies and procedures regarding its fuel procurement.
- b. If yes:
 - (1) Describe the changes;
 - (2) Provide the written policies and procedures as changed;
 - (3) State the date(s) the changes were made; and
 - (4) Explain why the changes were made.
- c. If no, provide the date LG&E's current fuel procurement policies and procedures were last changed, when they were last provided to the Commission, and identify the proceeding in which they were provided.

A-11.

- a. Yes.
- b.
 - (1) See Attachment 1 for a redline version of the document that shows all changes compared to the Coal Supply and By-Products Marketing Procurement Procedures updated February 24, 2023 and filed with the Commission on August 2, 2024 in Case No. 2024-00139 in response to Question No. 1-11. See Attachment 3 for a redline version of the document that shows all changes to the Power Supply Commodity Policy – Natural Gas Fuel for Generation updated on April 1, 2024.
 - (2) See Attachments 2 and 4.

Response to Question No. 11

Page 2 of 2

Billiter/Wilson

- (3) The Coal Supply and By-Products Marketing Procedures were updated on May 1, 2024. The Power Supply Commodity Policy – Natural Gas Fuel for Generation was updated on April 1, 2024.
- (4) The Coal Supply and By-Products Marketing Procedures were updated to address changes in management titles and allow for digital file storage. Section 9 of the Power Supply Commodity Policy – Natural Gas Fuel for Generation was updated to clarify that that Section 9 is not applicable to routine holiday (weekend) transactions. Rather, routine holiday (weekend) transactions are addressed in Section 6.1.

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

A. Definitions:

1. "Agreement" means a legally binding document, in which one party agrees to sell and the other agrees to buy Fuel, fully executed by both Buyer and Seller.
2. "Authority Limit Matrix" – means the then-effective Authority Limit Matrix (ALM), a Company policy to be used in combination with these more detailed procedures, indicating the minimum authority required for specific procurement transactions. Its purpose is to provide an easily accessible source of information with respect to the approval process of the Company (as defined below).
3. "Award Recommendation" means the Company's internal management review and approval process of a recommended Fuel purchase.
4. "Bulk Commodities/Services" means Bulk Commodities (including, but not limited to limestone, ammonia, hydrated lime, and activated carbon) to be used by the Stations and Services (including, but not limited to laboratory services, weighing and sampling services, stockpile surveys, governmental imposition claims assessment and coal pricing information services).
5. "Senior Vice President – Engineering and ConstructionChief Operating Officer" means the Company's principal officer to whom the Vice President – Energy Supply and Analysis
reports responsible for business operations.
6. "Company" means LG&E and KU Energy LLC (LKE), including, its operating and service subsidiaries Louisville Gas and Electric Company (LG&E), Kentucky Utilities Company (KU) or LG&E and KU Services Company.
7. "Contract" is an Agreement for Fuel with a term typically one year or greater.
8. "Director" means the Company's Director of Coal Supply and By-Products Marketing.
9. "Department" means the Company's Coal Supply and By-Products Marketing Department.
10. "Direct E-mail" means an e-mail submitted to the individual work e-mail account of a member of the Coal Supply and By-Products Marketing Department.
11. "Distressed Coal" means a limited amount of coal which may be purchased at a price below the current market price of similar quality coal.
12. "Emergency" means extraordinary conditions affecting Fuel production, transportation, or usage; including, but not limited to strikes, lockouts or other labor problems, embargoes, mining impediments, floods, river closures, extreme market conditions and other problems affecting the production or transportation of Fuel, existing and/or forecasted extreme weather conditions, or any other conditions or circumstances that can be reasonably foreseen as impairing the continued supply of Fuel to the Company.

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

13. "Environmental Standards" mean the legal requirements for compliance with emission levels or other environmental protection requirements applicable to one or more of the Units.
14. "Formal Solicitation" means the process of soliciting sealed or Secured E-mail bids for the supply of Fuel.
15. "Fuel" means coal, fuel oil, Transportation Services and Bulk Commodities/Services (the latter two as contemplated by Sections J and K) purchased in each case by the Coal Supply and By-Products Marketing Department for use by the Company at one of its Stations.
16. "Informal Bid" means the process of considering unsolicited or solicited oral, Direct E-mail, or written bids for Fuel purchases.
17. "Joint Agreement" is any agreement that is written to supply Fuel to both LG&E and KU owned Units as contemplated in Section D.8. below.
18. "Legal Department" means the Company's legal support function (generally provided through the Office of General Counsel of PPL Services Corporation, an affiliate of the Company.)
19. "Long-Term Purchase" means any purchase of Fuel by the Company where the terms and conditions are incorporated into a Contract with a term of one year or greater.
20. "Purchase Order" is an Agreement for the supply of Fuel with a term typically less than one year.
21. "Sarbanes-Oxley" means the Sarbanes-Oxley Act of 2002 (also known as the Public Company Accounting Reform and Investor Protection Act).
22. "Secured E-mail" means an e-mail submitted to a designated, controlled, secured password protected account.
23. "Spot Purchase" means any purchase of Fuel by the Company where the terms and conditions are incorporated into a Purchase Order or Contract with a term typically of less than one year.
24. "Station" means one of the Company's generating stations.
25. "Supplier" means the seller who is a party to an Agreement and is obligated to comply with the Agreement's terms.
26. "Transportation Services" means the mode(s) of moving Fuel from the point of purchase to the receiving Station, including all related costs and activities (owned/leased equipment, maintenance and repair, barge fleeting and cleaning services, blending, transloading, etc.).

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

27. "Unit" means a generating unit at a Station.

28. "Vice President – Energy Supply and Analysis" means the Company's principal officer responsible for the Power Supply, Energy Planning, Analysis and Forecast, and Coal Supply and By-Products Marketing departments and to whom the Director of Coal Supply and By-Products Marketing reports and who in turn reports to the Chief Operating Officer~~Senior Vice President – Engineering and Construction~~.

B. Fuel Procurement Procedures:

The Company's Coal Supply and By-Products Marketing Procurement Procedures define the process to obtain an adequate and reliable supply of Fuel of sufficient quality that yields the lowest possible cost of electrical energy delivered to the Unit bus bar, consistent with the Company's obligation to provide adequate and reliable service to its customers, to meet operational and Environmental Standards, and to meet any other applicable legal requirements. The Company will use its best efforts to secure its Fuel supply at competitive prices through the use of the Formal Solicitation, Informal Bid, and negotiation process as described in this document. The awarding of Contracts and Purchase Orders will comply with internal business controls including the Authority Limit Matrix, Sarbanes Oxley compliance and Internal Audit Services' recommendations. The Company has detailed internal control procedures covering Contract Management, Receipt of Goods and Payments (including weighing, sampling, and invoice payment), and Coal Inventory (includes Stockpile Surveys).

Implementation and oversight of the fuel procurement process is of highest priority to the Company. The Director of Coal Supply and By-Products Marketing will review the Company's Coal Supply and By-Products Marketing Procurement Procedures annually and update them as appropriate. The Department shall be organized and staffed, and procurement procedures and administration shall be conducted, in an efficient and practical manner consistent with the Company's policies. Fuel shall be purchased at competitive prices considering all material factors, including, but not limited to, quantity needed to maintain an adequate inventory, quality required to meet Unit operating characteristics and Environmental Standards, resulting bus bar energy costs, reliability of the Supplier, diversity of Suppliers, supply regions, and transportation modes, and meeting Emergency or other unusual circumstances affecting market conditions.

C. Organization:

1. Department Structure. The Department shall be organized and staffed to effectively administer the Company's Fuel procurement function.
2. Organizational Responsibility. The Director is responsible for the operations of the Department and reports to the Vice President – Energy Supply and Analysis who is responsible for the Power Supply and Fuel Procurement functions. The Vice President - Energy Supply and Analysis reports to the Senior Vice President – Engineering and Construction~~Chief Operating Officer~~ who has the final responsibility for Fuel procurement.

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

Other departments may be utilized by the Department to the extent the Director, Vice President – Energy Supply and Analysis, and/or Senior Vice President – Engineering and Construction~~Chief Operating Officer~~ consider advisable in the execution of the functions of the Department.

3. Approval Authority (Award Recommendation). An Award Recommendation will be prepared for all Agreements for the purchase of Fuel. At a minimum, the Award Recommendation will be signed or approved by the Department's Coal Services Administrator, Manager Coal Supply Services, Director, General Manager(s) of the Station(s) that is (are) to receive the Fuel, and the Vice President – Power Production. Additional signatures or approvals may be required in accordance with the Authority Limit Matrix:

Position	Maximum Term	Maximum Tenor	Maximum Notional \$ Amount
Manager Coal Supply Services	1 year	2 years	\$20,000,000
Director, Coal Supply and By-Products Marketing	1 year	2 years	\$20,000,000
Vice President, Energy Supply and Analysis	3 years	4 years	\$30,000,000
<u>Senior Vice President – Engineering and Construction</u> Chief Operating Officer	5 years	6 years	\$40,000,000
President <u>and Chief Business Development Officer</u>			\$180,000,000
LKE, LG&E and KU Boards (as applicable)			Over \$180,000,000

(ALM version as of January 2023)

4. Reports. The Director will instruct the Department to prepare, maintain and distribute various reports to management and others as deemed necessary for business operations and regulatory requirements.

5. Records. The Department shall maintain the following records:

a. Open Files. The Department shall maintain within the Department's office area or in secure digital locations, the following files for at least one year or longer as the Agreement term or other conditions warrant:

- (1) For each current Fuel Supplier, the files will contain:
 - (a) Contract documents, amendments, Purchase Orders, and escalation documentation;
 - (b) General correspondence;

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COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

- (c) Invoices and invoice verification data;
- (d) Delivery records and quality analyses data;
- (e) Field inspection reports and other data.

(2) A record of transportation units (railroad cars, barges, etc.) owned or leased by the Company.

(3) A list containing current Suppliers and known potential Suppliers of Fuel.

b. Closed Files. The Department shall maintain its closed files in accordance with the Company's record management and retention policy.

6. General Administrative Duties.

The Department shall subscribe to trade and industry publications and reports of governmental agencies concerning Fuel, Transportation Services, Bulk Commodities/Services, market information and prices. The Department shall use its best efforts to keep current on Fuel market conditions, prices and availability, and other developments relating to Fuel procurement.

D. Fuel Supply Procedures:

1. Projections. In conjunction with other departments of the Company, the Department shall prepare an annual projection of Fuel usage and delivered cost for each Station for the number of years required in the Company's planning process.
2. Long-Term/Spot Mix. Subject to the approvals as set forth herein, the Department shall recommend whether a Long-Term or Spot Purchase is advisable, considering the following factors: (a) the availability of adequate Fuel from qualified Suppliers, (b) the need to have an adequate inventory committed for an existing Unit, changes to an existing Unit, or a planned new Unit, (c) consistent with fuel procurement strategies, (d) the desire to maintain flexibility to market conditions and other factors affecting price and availability, (e) existing and anticipated Environmental Standards, and (f) such other factors as may reasonably affect the implementation of the Company's Coal Supply and By-Products Marketing Procurement Procedures.
3. Current Requirements. The Department shall continually review and analyze the data available to the Department in order to purchase Fuel in a timely manner to meet the requirements of the Company.
4. Supplier Qualifications. The Company shall select potential suppliers based on the current supplier list, performance on past and current Fuel Agreements, financial information, market intelligence from industry research, and general knowledge of the industry. No potential qualified supplier shall be preferred or discriminated against because of race, religion, color, sex, age or marital status of the supplier or any of its representatives.

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

The supplier list is periodically reviewed by the Department to eliminate any suppliers that are known to have gone out of business and to also add any new or existing suppliers that were previously not on the supplier list. The Department reviews the membership lists of several coal associations (for example the Kentucky Coal Association, the Lexington Coal Exchange, the Coal Institute, the American Coal Council, the National Mining Association, etc.) for new suppliers to add to the supplier list and also adds new suppliers based upon field inspection visits. If a supplier is identified that is not on the current supplier list, the Department will add the supplier to the list for the next RFQ. Suppliers can be added to the supplier list either by request of the supplier or by the Department.

A notice of a Request for Quotation (RFQ) is published in several Coal Industry Newsletters. The RFQ is initially sent to the suppliers on the current supplier list and posted on the Company website. If a supplier that has not received the RFQ calls and asks to be put on the Department's supplier list, they are automatically added to that list and a copy of the RFQ is sent to that supplier. During the evaluation of the bids, if a new supplier has submitted a bid that is competitive, a new supplier evaluation will be performed to determine the capability of the supplier.

The supplier evaluation is done to determine if a supplier has the ability to deliver the quantity and quality of coal bid at the offered price. An actual site visit may be conducted. The information requested is based upon:

- The volume and term offered by the supplier in response to the RFQ
- Past experience the Company has with the supplier
- The size and financial stability of the supplier
- Past experience the Company has with the type of coal being offered
- Previous knowledge the Company has concerning the source operation (possibly under a different source name)

The data requested may include coal reserve data such as property maps and drill logs, mining plans, listing of all production equipment, coal preparation facilities such as coal preparation plants, weighing, sampling and analysis capabilities on site, mine staffing and organization, past production records, and status of permits. In addition, financial data will be requested, and a supplier credit assessment will be performed in accordance with company policy. If all operational information, financial data, and other results from the site visit evaluation are acceptable, the supplier is approved.

5. Solicitations.

- a. **Formal Solicitations.** The Company shall purchase its Fuel through sealed-bid solicitations or Secured E-mail. However, the Company reserves the right to request or accept Informal Bids for Fuel purchases as described in Section 5.b., when in its judgment, market conditions or Unit conditions provide an opportunity to obtain Fuel more advantageously or more quickly than through the formal

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

sealed-bid procedures. When the Company foregoes the Formal Solicitation process in favor of the Informal Bid procedure (Section 5.b. below), documentation shall be included in the resulting Contract or Purchase Order file describing the conditions.

A Request for Quotation ("RFQ") number will be assigned to each quotation package. The quotation must be returned to the company address as indicated on or before the due date and time, noting on the mailing label the RFQ number. The RFQ number will identify the quotation and ensure the quotation is opened according to the Coal Supply and By-Products Marketing Procurement Procedures.

The RFQ package shall contain the following minimum requirements:

- Instructions to Suppliers on the submission of an RFQ, including time and date the bids are due, correct labeling of bid envelope, signatures required, etc.
- Scope of supply Agreement
- Listing of typical information required from Supplier

Quantity and quality of coal being offered

Bid Price

Length of purchase

Transportation capabilities

Mining capabilities

Severance Tax data

- Company terms and conditions

RFQ's shall be opened on or after the established due date and time within the presence of one or more witnesses from another department. A numbered log shall be kept for logging in the receipt of each sealed envelope or each reply to the Secured E-mail. This numbered log shall be signed by the witnesses noting the bids were all sealed prior to opening and were received prior to the due date and time. Those bids received after the designated time will be returned unopened to the bidder, unless the Director waives this provision.

Upon opening the sealed envelopes, each bid shall be given the log number assigned to it and initialed by the witnesses attending the bid opening.

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

All candidates shall be given the same opportunity and time frame to respond to the RFQ. Information clarifications shall be shared with all candidates. A copy of the RFQ and the original of the suppliers' bid documents with evidence of the witness signatures shall be maintained within the Department.

The Department's Coal Services Administrator is responsible for entering the bid data into the bid evaluation spreadsheet. The spreadsheet contains data fields such as:

Supplier's name (from bid)

Mine name and location (from bid)

Fuel loading point, river milepost or rail loadout (from bid)

Annual price in dollars per ton and cents/MMBtu (from bid)

Transportation cost (assigned by the Coal Services Administrator)

Severance Tax paid on the coal offered (from bid)

Calculated total delivered cost (calculated by the Coal Services Administrator)

Calculated evaluated cost (calculated total delivered cost less any severance tax paid on the coal)

Fuel technical specifications (from bid), such as:

BTU per pound

Sulfur content

Moisture content

Ash content

Chlorine content

Size

Arsenic content

Hardgrove Index

Other technical specifications as appropriate

The bids are secured in the Department area.

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

The Department's Manager Coal Supply Services will independently verify that all bid data is correctly entered into the bid evaluation spreadsheet.

b. Informal Bids. When, in the Company's judgment, Fuel can be obtained more advantageously or quickly for one or more Stations through the Informal Bid procedures, the Department may solicit offers or accept unsolicited offers from Suppliers by telephone, Direct E-mail, facsimile or otherwise. Although these bids are typically used for Spot Purchases, circumstances may arise that would justify the recommendation of a Long-Term Purchase from an Informal Bid process. The Award Recommendation for all such Informal Bid purchases shall include the Department's Fuel Sole Source Award Recommendation form with appropriate signatures.

6. Long-Term Purchases. The Department shall review and analyze each Fuel offer. The evaluation will include, but not necessarily be limited to, the items required by the Company to satisfy operational, Environmental Standards and economic criteria. Based upon the bid evaluation spreadsheet, the Department will evaluate and rank all quotations received by total delivered cost and lowest evaluated cost. Other factors may be considered, including but not limited to, ranking reports generated by a software model that evaluates the impact of different coal qualities on Unit bus bar costs, supplier credit assessment, supplier past performance, diversity of region of supply, diversity of transportation mode, and diversity of suppliers. From this ranking, a short list of bidders may be selected from which the Department intends to conduct further discussions and/or negotiations. The short list may include unsolicited offers. The size of the short list will be determined solely at the Department's discretion. The Department may engage in preliminary negotiations with Suppliers on the short list to determine which offers warrant further consideration. The objective of the negotiations shall be to reach Agreements with Suppliers that provide the Company with favorable terms and conditions, the lowest possible cost of electrical energy delivered to the Unit bus bar and reliable supply consistent with other qualifiers related to supplier reliability, existing and future Environmental Standards, transportation options, etc. A team may be formed to conduct negotiations with bidders on the short list. Generally, this team will consist of two or more representatives from the Department. The terms and conditions outlined in the quotation submitted to the Department by the bidder shall be the basis for beginning negotiations with each potential Supplier. A representative from the Legal Department shall review documents regarding terms and conditions and a representative from the Department (or from the Company's accounting function) shall review documents regarding accounting aspects.

The Department may in some instances perform investigations of the bidders to determine their ability to supply Fuel under the terms and conditions outlined in their proposals. These investigations may include site visits, mine operation audits, audits of financial information, test shipments, or other similar actions intended to determine the bidder's qualification as a Supplier. The Department shall verify the adequacy of the proposed source of supply for coal quantity and quality.

The recommended Supplier(s) shall be selected by the negotiating team based upon the evaluation criteria and the results of the negotiations. The Department's Coal Services Administrator will prepare the Award Recommendation for approval as detailed in Section C.3. This recommendation will document the selection criteria and pertinent factors, and

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

in circumstances where more than one company is selected, the recommendation shall describe the tonnage requirements and other responsibilities of each of the other recommended Suppliers.

7. **Spot Purchases.** Spot purchases, and resulting Purchase Orders or Contracts, may be made by the Company subject to the limit of authority stated in section C.3. In instances where there exists an opportunity to purchase Distressed Coal or other coal from an Informal Bid, the Manager Coal Supply Services may recommend the purchase of such coal to the Director without soliciting proposals through the Formal Solicitation process. The Award Recommendation for all such Fuel purchases shall include the Department's Fuel Sole Source Award Recommendation form with appropriate signatures.
8. **Joint Agreements.** Joint Agreements shall be made at the discretion of the Department in order to capture economic benefit from the combined purchasing power of LG&E and KU. Such discretion will be based upon the Company's operating requirements, Environmental Standards, inventory levels, and the ability of the Stations to burn similar fuels.
9. **Documentation.** Contracts and Purchase Orders shall be signed by the Supplier and the Company.

The following documents must be maintained:

- The final list of bidders
- A copy of the bid package
- The bidders' responses with witnesses' signatures
- The bid evaluation summary

E. Agreement Administration:

1. **Compliance.** The Department shall review and analyze daily business and operational reports to properly administer all Agreements. Coal weighing and sampling is conducted at each individual Station. Coal weights are measured in accordance with industry-accepted methods. Coal sampling and analysis is performed in accordance with Generation Services' System Laboratory procedures. These procedures have been developed in accordance with ASTM standards and cover coal sampling, coal sample preparation, coal sample identification, handling and shipping, and coal analysis on a parameter-by-parameter basis. Coal quantity and quality are reported to the Department through the Fuels Management System.
2. **Amendments.** A Contract/Purchase Order shall not be materially amended except after analysis by the Department, recommendation of the Director, review by the Legal Department, review by the Department (or otherwise) regarding accounting aspects, and in accordance with the Authority Limit Matrix in C.3.
3. **Agreement Administration.** The Department shall maintain the necessary data to administer the Agreements. Every Supplier's request for a change outside the existing

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

terms, conditions, or prices must be written and supported by adequate data in conformity with the Agreement. Each request shall be analyzed by the Department against the Agreement provisions and reported with recommendations to the Director.

4. **Supplier's Relief.** Any Supplier's request or claim for relief from compliance with any provision of the Agreement's terms such as Force Majeure conditions, quality specifications, approval of alternate sources, etc., must be in writing with an adequate description of conditions warranting nonperformance. Each request or claim shall be reviewed by the Director and the Legal Department.
5. **Inspections.** The Director shall cause inspections of mining and other facilities of a Supplier as part of Agreement Administration.

F. Agreement Enforcement:

1. **General Enforcement Policy.** Supplier obligations under Agreements shall be enforced by the Company to ensure Supplier compliance with the Company's overall procurement policy and to provide for the continuing supply of Fuel.
2. **Department Responsibility.** Whenever it is determined that a shipment does not meet the Agreement terms or a Fuel Supplier is not complying with the Agreement terms, the Department shall inform the Supplier and direct that subsequent shipments be in compliance.

G. Legal Assistance:

The Department shall have access to, and may receive legal advice from, the Legal Department on all matters relating to Fuel procurement, including Contract, Purchase Order and Agreement documentation, administration and enforcement.

H. Fuel Inventory Levels:

The Company has an obligation to ensure the availability of continuous reliable service to its customers. Decisions affecting Fuel inventory shall be responsive to this obligation.

The Company strives to maintain an adequate inventory to ensure service reliability while allowing for enough flexibility so inventory levels can be responsive to known and anticipated changes in conditions and minimize the risks of unforeseen conditions. Inventory ranges are established based upon forecasted Unit utilization, deliverability risks related to availability of truck, rail and barge capacity and associated transportation infrastructure, fuel quality requirements of the Units, the position of the Unit in the dispatch order, risk of market supply-demand imbalance, and the ability to conduct timely transactions. The general level of inventory is adjusted to meet anticipated conditions (i.e.

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

summer/winter peak load, river lock outages, Unit outages, unloading system outages, etc.).

Coal inventories are monitored on a daily basis and reported monthly in the Department's Monthly Fuels Management Report which is widely distributed within the Company (including members of senior management). An annual physical inventory survey is taken and the results of the physical inventory survey are booked by the end of the year in the Fuels Management System.

I. Emergency Procurement:

Any one or more of the procedures described herein may be waived by the Vice President - Energy Supply and Analysis, whenever, Fuel must be purchased due to extraordinary conditions such as strikes, lockouts or other labor problems affecting Fuel production or transportation, embargoes, mining or other problems affecting production or transportation, existing and/or forecast extreme weather conditions, or any other conditions or circumstances that can be reasonably foreseen as impairing the continued supply of Fuel to the Company. When such a purchase is made, documentation of circumstances will be included in the Contract or Purchase Order file.

J. Transportation Services:

Transportation Services bids shall be requested, and Agreements negotiated whenever appropriate. A tariff may be used in lieu of an Agreement if conditions warrant. Consideration shall generally be given to the following factors when considering the need or desirability to make a Transportation Services Agreement:

- Station requirements;
- the locations of potential Fuel Suppliers;
- the most desirable transportation modes available;
- coal unloading and handling system constraints;
- existing transportation routes and transfer points between Suppliers and Stations;
- desirability of maintaining flexibility with different modes of transportation;
- economics;
- other factors which may affect the delivery of Fuel to the Stations.

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

The process of selecting and contracting for Transportation Services will vary with the mode of transportation being sought. For barge and truck deliveries, the Department will generally use the Company's accepted competitive bidding procedures. In instances where only one rail carrier serves a Station, direct negotiations with the rail carrier serving a particular coal source may be initiated.

The selections of a transportation Supplier will generally be based upon, but not necessarily limited to, cost, reliability, coal unloading and handling system constraints, and other factors. Transportation Service Agreements must be in writing and signed by all parties, unless provided under an approved tariff. The approval procedures set forth in Section C.3 shall be used for the approval of all Transportation Agreements.

K. Bulk Commodities/Services/Other Fuels:

Bulk Commodities/Services shall be requested, and Agreements negotiated by the Department, whenever appropriate. Associated transportation services related to Section J. such as railcar leases, railcar maintenance and repair, barge maintenance and repair, barge fleeting services, coal blending, and coal transloading services shall also be requested and Agreements negotiated by the Department, whenever appropriate. All of these Bulk Commodities/Services Agreements will abide by the Approval Authority Limits as set forth in Section C.3. above.

Natural Gas. The Power Supply Department is responsible for the purchase of natural gas and associated pipeline transportation for the Stations.

Fuel Oil. Fuel oil is procured on an "as-needed" basis due to the infrequency of use and the nature of the oil market. When the need for fuel oil arises, the Department will solicit suppliers for offers. Purchases are made on the basis of lowest delivered cost and the ability to fill the order. [✓]

All documentation will be maintained pursuant to Section D.9 above.

L. Affiliate Transactions:

Transactions and relationships between the Company and its unregulated affiliates are governed by three governmental agencies: the Kentucky Public Service Commission, the Federal Energy Regulatory Commission, and as regards Kentucky Utilities Company, the Virginia State Corporation Commission.

The Company may purchase Fuel from an affiliate only at a price permissible under applicable affiliated restriction rules of the above regulators, if such a transfer is reasonably required by the Company to meet an Emergency and the Company believes in good faith that, under the circumstances, the transaction will be to the advantage of the

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

Company. At the time of the affiliate transaction, the Company will document through the award recommendation process, the pricing basis and the justification for the affiliate transaction. The Company shall report any such purchase in its next recurrent report due to the Commission (Form A or Form B filing, or their successor(s)). All such affiliate transactions must as a minimum, meet the requirements of the Affiliate Transaction Overview, dated May 26, 2003, including the requirements of Kentucky Revised Statutes Chapter 278, Kentucky Public Service Commission Sections 2201 through 2219; the Federal Energy Regulatory Commission, 18 CFR 35.44; and Virginia State Corporation Commission, Code of Virginia Title 56 – Chapter 4 and any other applicable affiliate transaction rules.

M. Ethics and Conduct:

The Company recognizes the importance of following the Company's Standards of Integrity to guide the conduct of the Department in the performance of its duties and responsibilities:

The Department shall endeavor to serve the best interests of the Company and its customers in the performance of the Department's duties and responsibilities.

Department staff shall adhere to the ethical standards and policies of the Company.

Each employee involved with the procurement of Fuel will be required to promptly disclose, in writing, any actual or potential conflicts of interest to their supervisor and the LG&E/KU Compliance Department.

N. Penalties For Noncompliance:

All Department employees are required to familiarize themselves with the Coal Supply and By-Products Marketing Procurement Procedures and acknowledge through a process established by management, that they have received, read, understand, accept, and will act in accordance with this document. Failure to comply with any term of the procedures may result in disciplinary action, up to and including discharge.

Key Contact: Manager - Fuels Accounting and Administration

References: Authority Limit Matrix, Records Management and Retention Policy, Standards of Integrity, Reliability Standards, and Affiliate Restriction Regulations

Administrative Responsibility: Director, Coal Supply and By-Products Marketing

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

Originally issued at Louisville, Kentucky, the 10th day of February, 2003.

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Louisville Gas and Electric Company

Kentucky Utilities Company

By _____

Lonnie Bellar

Senior Vice President – Engineering and
Construction Chief Operating Officer

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By _____

David Sinclair

Vice President – Energy Supply and Analysis

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

A. Definitions:

1. "Agreement" means a legally binding document, in which one party agrees to sell and the other agrees to buy Fuel, fully executed by both Buyer and Seller.
2. "Authority Limit Matrix" – means the then-effective Authority Limit Matrix (ALM), a Company policy to be used in combination with these more detailed procedures, indicating the minimum authority required for specific procurement transactions. Its purpose is to provide an easily accessible source of information with respect to the approval process of the Company (as defined below).
3. "Award Recommendation" means the Company's internal management review and approval process of a recommended Fuel purchase.
4. "Bulk Commodities/Services" means Bulk Commodities (including, but not limited to limestone, ammonia, hydrated lime, and activated carbon) to be used by the Stations and Services (including, but not limited to laboratory services, weighing and sampling services, stockpile surveys, governmental imposition claims assessment and coal pricing information services).
5. "Senior Vice President – Engineering and Construction" means the officer to whom the Vice President – Energy Supply and Analysis reports.
6. "Company" means LG&E and KU Energy LLC (LKE), including, its operating and service subsidiaries Louisville Gas and Electric Company (LG&E), Kentucky Utilities Company (KU) or LG&E and KU Services Company.
7. "Contract" is an Agreement for Fuel with a term typically one year or greater.
8. "Director" means the Company's Director of Coal Supply and By-Products Marketing.
9. "Department" means the Company's Coal Supply and By-Products Marketing Department.
10. "Direct E-mail" means an e-mail submitted to the individual work e-mail account of a member of the Coal Supply and By-Products Marketing Department.
11. "Distressed Coal" means a limited amount of coal which may be purchased at a price below the current market price of similar quality coal.
12. "Emergency" means extraordinary conditions affecting Fuel production, transportation, or usage; including, but not limited to strikes, lockouts or other labor problems, embargoes, mining impediments, floods, river closures, extreme market conditions and other problems affecting the production or transportation of Fuel, existing and/or forecasted extreme weather conditions, or any other conditions or circumstances that can be reasonably foreseen as impairing the continued supply of Fuel to the Company.

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES

Louisville Gas and Electric Company

Kentucky Utilities Company

13. "Environmental Standards" mean the legal requirements for compliance with emission levels or other environmental protection requirements applicable to one or more of the Units.
14. "Formal Solicitation" means the process of soliciting sealed or Secured E-mail bids for the supply of Fuel.
15. "Fuel" means coal, fuel oil, Transportation Services and Bulk Commodities/Services (the latter two as contemplated by Sections J and K) purchased in each case by the Coal Supply and By-Products Marketing Department for use by the Company at one of its Stations.
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21. "Sarbanes-Oxley" means the Sarbanes-Oxley Act of 2002 (also known as the Public Company Accounting Reform and Investor Protection Act).
22. "Secured E-mail" means an e-mail submitted to a designated, controlled, secured password protected account.
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COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

27. "Unit" means a generating unit at a Station.
28. "Vice President – Energy Supply and Analysis" means the Company's principal officer responsible for the Power Supply, Energy Planning, Analysis and Forecast, and Coal Supply and By-Products Marketing departments and to whom the Director of Coal Supply and By-Products Marketing reports and who in turn reports to the Senior Vice President – Engineering and Construction.

B. Fuel Procurement Procedures:

The Company's Coal Supply and By-Products Marketing Procurement Procedures define the process to obtain an adequate and reliable supply of Fuel of sufficient quality that yields the lowest possible cost of electrical energy delivered to the Unit bus bar, consistent with the Company's obligation to provide adequate and reliable service to its customers, to meet operational and Environmental Standards, and to meet any other applicable legal requirements. The Company will use its best efforts to secure its Fuel supply at competitive prices through the use of the Formal Solicitation, Informal Bid, and negotiation process as described in this document. The awarding of Contracts and Purchase Orders will comply with internal business controls including the Authority Limit Matrix, Sarbanes Oxley compliance and Internal Audit Services' recommendations. The Company has detailed internal control procedures covering Contract Management, Receipt of Goods and Payments (including weighing, sampling, and invoice payment), and Coal Inventory (includes Stockpile Surveys).

Implementation and oversight of the fuel procurement process is of highest priority to the Company. The Director of Coal Supply and By-Products Marketing will review the Company's Coal Supply and By-Products Marketing Procurement Procedures annually and update them as appropriate. The Department shall be organized and staffed, and procurement procedures and administration shall be conducted, in an efficient and practical manner consistent with the Company's policies. Fuel shall be purchased at competitive prices considering all material factors, including, but not limited to, quantity needed to maintain an adequate inventory, quality required to meet Unit operating characteristics and Environmental Standards, resulting bus bar energy costs, reliability of the Supplier, diversity of Suppliers, supply regions, and transportation modes, and meeting Emergency or other unusual circumstances affecting market conditions.

C. Organization:

1. Department Structure. The Department shall be organized and staffed to effectively administer the Company's Fuel procurement function.
2. Organizational Responsibility. The Director is responsible for the operations of the Department and reports to the Vice President – Energy Supply and Analysis who is responsible for the Power Supply and Fuel Procurement functions. The Vice President - Energy Supply and Analysis reports to the Senior Vice President – Engineering and Construction who has the final responsibility for Fuel procurement. Other departments

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

may be utilized by the Department to the extent the Director, Vice President – Energy Supply and Analysis, and/or Senior Vice President – Engineering and Construction consider advisable in the execution of the functions of the Department.

3. Approval Authority (Award Recommendation). An Award Recommendation will be prepared for all Agreements for the purchase of Fuel. At a minimum, the Award Recommendation will be signed or approved by the Department's Coal Services Administrator, Manager Coal Supply Services, Director, General Manager(s) of the Station(s) that is (are) to receive the Fuel, and the Vice President – Power Production. Additional signatures or approvals may be required in accordance with the Authority Limit Matrix:

Position	Maximum Term	Maximum Tenor	Maximum Notional \$ Amount
Manager Coal Supply Services	1 year	2 years	\$20,000,000
Director, Coal Supply and By-Products Marketing	1 year	2 years	\$20,000,000
Vice President – Energy Supply and Analysis	3 years	4 years	\$30,000,000
Senior Vice President – Engineering and Construction	5 years	6 years	\$40,000,000
President and Chief Business Development Officer			\$180,000,000
LKE, LG&E and KU Boards (as applicable)			Over \$180,000,000

(ALM version as of January 2023)

4. Reports. The Director will instruct the Department to prepare, maintain and distribute various reports to management and others as deemed necessary for business operations and regulatory requirements.

5. Records. The Department shall maintain the following records:

a. Open Files. The Department shall maintain within the Department's office area or in secure digital locations, the following files for at least one year or longer as the Agreement term or other conditions warrant:

(1) For each current Fuel Supplier, the files will contain:

(a) Contract documents, amendments, Purchase Orders, and escalation documentation;

(b) General correspondence;

(c) Invoices and invoice verification data;

(d) Delivery records and quality analyses data;

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

(e) Field inspection reports and other data.

(2) A record of transportation units (railroad cars, barges, etc.) owned or leased by the Company.

(3) A list containing current Suppliers and known potential Suppliers of Fuel.

b. Closed Files. The Department shall maintain its closed files in accordance with the Company's record management and retention policy.

6. General Administrative Duties.

The Department shall subscribe to trade and industry publications and reports of governmental agencies concerning Fuel, Transportation Services, Bulk Commodities/Services, market information and prices. The Department shall use its best efforts to keep current on Fuel market conditions, prices and availability, and other developments relating to Fuel procurement.

D. Fuel Supply Procedures:

1. Projections. In conjunction with other departments of the Company, the Department shall prepare an annual projection of Fuel usage and delivered cost for each Station for the number of years required in the Company's planning process.
2. Long-Term/Spot Mix. Subject to the approvals as set forth herein, the Department shall recommend whether a Long-Term or Spot Purchase is advisable, considering the following factors: (a) the availability of adequate Fuel from qualified Suppliers, (b) the need to have an adequate inventory committed for an existing Unit, changes to an existing Unit, or a planned new Unit, (c) consistent with fuel procurement strategies, (d) the desire to maintain flexibility to market conditions and other factors affecting price and availability, (e) existing and anticipated Environmental Standards, and (f) such other factors as may reasonably affect the implementation of the Company's Coal Supply and By-Products Marketing Procurement Procedures.
3. Current Requirements. The Department shall continually review and analyze the data available to the Department in order to purchase Fuel in a timely manner to meet the requirements of the Company.
4. Supplier Qualifications. The Company shall select potential suppliers based on the current supplier list, performance on past and current Fuel Agreements, financial information, market intelligence from industry research, and general knowledge of the industry. No potential qualified supplier shall be preferred or discriminated against because of race, religion, color, sex, age or marital status of the supplier or any of its representatives.

The supplier list is periodically reviewed by the Department to eliminate any suppliers that are known to have gone out of business and to also add any new or existing suppliers that were previously not on the supplier list. The Department reviews the membership lists of

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES

Louisville Gas and Electric Company

Kentucky Utilities Company

several coal associations (for example the Kentucky Coal Association, the Lexington Coal Exchange, the Coal Institute, the American Coal Council, the National Mining Association, etc.) for new suppliers to add to the supplier list and also adds new suppliers based upon field inspection visits. If a supplier is identified that is not on the current supplier list, the Department will add the supplier to the list for the next RFQ. Suppliers can be added to the supplier list either by request of the supplier or by the Department.

A notice of a Request for Quotation (RFQ) is published in several Coal Industry Newsletters. The RFQ is initially sent to the suppliers on the current supplier list and posted on the Company website. If a supplier that has not received the RFQ calls and asks to be put on the Department's supplier list, they are automatically added to that list and a copy of the RFQ is sent to that supplier. During the evaluation of the bids, if a new supplier has submitted a bid that is competitive, a new supplier evaluation will be performed to determine the capability of the supplier.

The supplier evaluation is done to determine if a supplier has the ability to deliver the quantity and quality of coal bid at the offered price. An actual site visit may be conducted. The information requested is based upon:

- The volume and term offered by the supplier in response to the RFQ
- Past experience the Company has with the supplier
- The size and financial stability of the supplier
- Past experience the Company has with the type of coal being offered
- Previous knowledge the Company has concerning the source operation (possibly under a different source name)

The data requested may include coal reserve data such as property maps and drill logs, mining plans, listing of all production equipment, coal preparation facilities such as coal preparation plants, weighing, sampling and analysis capabilities on site, mine staffing and organization, past production records, and status of permits. In addition, financial data will be requested, and a supplier credit assessment will be performed in accordance with company policy. If all operational information, financial data, and other results from the site visit evaluation are acceptable, the supplier is approved.

5. Solicitations.

- a. Formal Solicitations. The Company shall purchase its Fuel through sealed-bid solicitations or Secured E-mail. However, the Company reserves the right to request or accept Informal Bids for Fuel purchases as described in Section 5.b., when in its judgment, market conditions or Unit conditions provide an opportunity to obtain Fuel more advantageously or more quickly than through the formal sealed-bid procedures. When the Company foregoes the Formal Solicitation process in favor of the Informal Bid procedure (Section 5.b. below), documentation

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

shall be included in the resulting Contract or Purchase Order file describing the conditions.

A Request for Quotation (“RFQ”) number will be assigned to each quotation package. The quotation must be returned to the company address as indicated on or before the due date and time, noting on the mailing label the RFQ number. The RFQ number will identify the quotation and ensure the quotation is opened according to the Coal Supply and By-Products Marketing Procurement Procedures.

The RFQ package shall contain the following minimum requirements:

- Instructions to Suppliers on the submission of an RFQ, including time and date the bids are due, correct labeling of bid envelope, signatures required, etc.
- Scope of supply Agreement
- Listing of typical information required from Supplier

Quantity and quality of coal being offered

Bid Price

Length of purchase

Transportation capabilities

Mining capabilities

Severance Tax data

- Company terms and conditions

RFQ's shall be opened on or after the established due date and time within the presence of one or more witnesses from another department. A numbered log shall be kept for logging in the receipt of each sealed envelope or each reply to the Secured E-mail. This numbered log shall be signed by the witnesses noting the bids were all sealed prior to opening and were received prior to the due date and time. Those bids received after the designated time will be returned unopened to the bidder, unless the Director waives this provision.

Upon opening the sealed envelopes, each bid shall be given the log number assigned to it and initialed by the witnesses attending the bid opening.

All candidates shall be given the same opportunity and time frame to respond to the RFQ. Information clarifications shall be shared with all candidates. A copy of

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES

Louisville Gas and Electric Company

Kentucky Utilities Company

the RFQ and the original of the suppliers' bid documents with evidence of the witness signatures shall be maintained within the Department.

The Department's Coal Services Administrator is responsible for entering the bid data into the bid evaluation spreadsheet. The spreadsheet contains data fields such as:

Supplier's name (from bid)

Mine name and location (from bid)

Fuel loading point, river milepost or rail loadout (from bid)

Annual price in dollars per ton and cents/MMBtu (from bid)

Transportation cost (assigned by the Coal Services Administrator)

Severance Tax paid on the coal offered (from bid)

Calculated total delivered cost (calculated by the Coal Services Administrator)

Calculated evaluated cost (calculated total delivered cost less any severance tax paid on the coal)

Fuel technical specifications (from bid), such as:

BTU per pound

Sulfur content

Moisture content

Ash content

Chlorine content

Size

Arsenic content

Hardgrove Index

Other technical specifications as appropriate

The bids are secured in the Department area.

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

The Department's Manager Coal Supply Services will independently verify that all bid data is correctly entered into the bid evaluation spreadsheet.

b. **Informal Bids.** When, in the Company's judgment, Fuel can be obtained more advantageously or quickly for one or more Stations through the Informal Bid procedures, the Department may solicit offers or accept unsolicited offers from Suppliers by telephone, Direct E-mail, facsimile or otherwise. Although these bids are typically used for Spot Purchases, circumstances may arise that would justify the recommendation of a Long-Term Purchase from an Informal Bid process. The Award Recommendation for all such Informal Bid purchases shall include the Department's Fuel Sole Source Award Recommendation form with appropriate signatures.

6. **Long-Term Purchases.** The Department shall review and analyze each Fuel offer. The evaluation will include, but not necessarily be limited to, the items required by the Company to satisfy operational, Environmental Standards and economic criteria. Based upon the bid evaluation spreadsheet, the Department will evaluate and rank all quotations received by total delivered cost and lowest evaluated cost. Other factors may be considered, including but not limited to, ranking reports generated by a software model that evaluates the impact of different coal qualities on Unit bus bar costs, supplier credit assessment, supplier past performance, diversity of region of supply, diversity of transportation mode, and diversity of suppliers. From this ranking, a short list of bidders may be selected from which the Department intends to conduct further discussions and/or negotiations. The short list may include unsolicited offers. The size of the short list will be determined solely at the Department's discretion. The Department may engage in preliminary negotiations with Suppliers on the short list to determine which offers warrant further consideration. The objective of the negotiations shall be to reach Agreements with Suppliers that provide the Company with favorable terms and conditions, the lowest possible cost of electrical energy delivered to the Unit bus bar and reliable supply consistent with other qualifiers related to supplier reliability, existing and future Environmental Standards, transportation options, etc. A team may be formed to conduct negotiations with bidders on the short list. Generally, this team will consist of two or more representatives from the Department. The terms and conditions outlined in the quotation submitted to the Department by the bidder shall be the basis for beginning negotiations with each potential Supplier. A representative from the Legal Department shall review documents regarding terms and conditions and a representative from the Department (or from the Company's accounting function) shall review documents regarding accounting aspects.

The Department may in some instances perform investigations of the bidders to determine their ability to supply Fuel under the terms and conditions outlined in their proposals. These investigations may include site visits, mine operation audits, audits of financial information, test shipments, or other similar actions intended to determine the bidder's qualification as a Supplier. The Department shall verify the adequacy of the proposed source of supply for coal quantity and quality.

The recommended Supplier(s) shall be selected by the negotiating team based upon the evaluation criteria and the results of the negotiations. The Department's Coal Services Administrator will prepare the Award Recommendation for approval as detailed in Section C.3. This recommendation will document the selection criteria and pertinent factors, and

Billiter

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

in circumstances where more than one company is selected, the recommendation shall describe the tonnage requirements and other responsibilities of each of the other recommended Suppliers.

7. **Spot Purchases.** Spot purchases, and resulting Purchase Orders or Contracts, may be made by the Company subject to the limit of authority stated in section C.3. In instances where there exists an opportunity to purchase Distressed Coal or other coal from an Informal Bid, the Manager Coal Supply Services may recommend the purchase of such coal to the Director without soliciting proposals through the Formal Solicitation process. The Award Recommendation for all such Fuel purchases shall include the Department's Fuel Sole Source Award Recommendation form with appropriate signatures.
8. **Joint Agreements.** Joint Agreements shall be made at the discretion of the Department in order to capture economic benefit from the combined purchasing power of LG&E and KU. Such discretion will be based upon the Company's operating requirements, Environmental Standards, inventory levels, and the ability of the Stations to burn similar fuels.
9. **Documentation.** Contracts and Purchase Orders shall be signed by the Supplier and the Company.

The following documents must be maintained:

- The final list of bidders
- A copy of the bid package
- The bidders' responses with witnesses' signatures
- The bid evaluation summary

E. Agreement Administration:

1. **Compliance.** The Department shall review and analyze daily business and operational reports to properly administer all Agreements. Coal weighing and sampling is conducted at each individual Station. Coal weights are measured in accordance with industry-accepted methods. Coal sampling and analysis is performed in accordance with Generation Services' System Laboratory procedures. These procedures have been developed in accordance with ASTM standards and cover coal sampling, coal sample preparation, coal sample identification, handling and shipping, and coal analysis on a parameter-by-parameter basis. Coal quantity and quality are reported to the Department through the Fuels Management System.
2. **Amendments.** A Contract/Purchase Order shall not be materially amended except after analysis by the Department, recommendation of the Director, review by the Legal Department, review by the Department (or otherwise) regarding accounting aspects, and in accordance with the Authority Limit Matrix in C.3.
3. **Agreement Administration.** The Department shall maintain the necessary data to administer the Agreements. Every Supplier's request for a change outside the existing

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

terms, conditions, or prices must be written and supported by adequate data in conformity with the Agreement. Each request shall be analyzed by the Department against the Agreement provisions and reported with recommendations to the Director.

4. **Supplier's Relief.** Any Supplier's request or claim for relief from compliance with any provision of the Agreement's terms such as Force Majeure conditions, quality specifications, approval of alternate sources, etc., must be in writing with an adequate description of conditions warranting nonperformance. Each request or claim shall be reviewed by the Director and the Legal Department.
5. **Inspections.** The Director shall cause inspections of mining and other facilities of a Supplier as part of Agreement Administration.

F. Agreement Enforcement:

1. **General Enforcement Policy.** Supplier obligations under Agreements shall be enforced by the Company to ensure Supplier compliance with the Company's overall procurement policy and to provide for the continuing supply of Fuel.
2. **Department Responsibility.** Whenever it is determined that a shipment does not meet the Agreement terms or a Fuel Supplier is not complying with the Agreement terms, the Department shall inform the Supplier and direct that subsequent shipments be in compliance.

G. Legal Assistance:

The Department shall have access to, and may receive legal advice from, the Legal Department on all matters relating to Fuel procurement, including Contract, Purchase Order and Agreement documentation, administration and enforcement.

H. Fuel Inventory Levels:

The Company has an obligation to ensure the availability of continuous reliable service to its customers. Decisions affecting Fuel inventory shall be responsive to this obligation.

The Company strives to maintain an adequate inventory to ensure service reliability while allowing for enough flexibility so inventory levels can be responsive to known and anticipated changes in conditions and minimize the risks of unforeseen conditions. Inventory ranges are established based upon forecasted Unit utilization, deliverability risks related to availability of truck, rail and barge capacity and associated transportation infrastructure, fuel quality requirements of the Units, the position of the Unit in the dispatch order, risk of market supply-demand imbalance, and the ability to conduct timely transactions. The general level of inventory is adjusted to meet anticipated conditions (i.e.

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES

Louisville Gas and Electric Company

Kentucky Utilities Company

summer/winter peak load, river lock outages, Unit outages, unloading system outages, etc.).

Coal inventories are monitored on a daily basis and reported monthly in the Department's Monthly Fuels Management Report which is widely distributed within the Company (including members of senior management). An annual physical inventory survey is taken and the results of the physical inventory survey are booked by the end of the year in the Fuels Management System.

I. Emergency Procurement:

Any one or more of the procedures described herein may be waived by the Vice President - Energy Supply and Analysis, whenever, Fuel must be purchased due to extraordinary conditions such as strikes, lockouts or other labor problems affecting Fuel production or transportation, embargoes, mining or other problems affecting production or transportation, existing and/or forecast extreme weather conditions, or any other conditions or circumstances that can be reasonably foreseen as impairing the continued supply of Fuel to the Company. When such a purchase is made, documentation of circumstances will be included in the Contract or Purchase Order file.

J. Transportation Services:

Transportation Services bids shall be requested, and Agreements negotiated whenever appropriate. A tariff may be used in lieu of an Agreement if conditions warrant. Consideration shall generally be given to the following factors when considering the need or desirability to make a Transportation Services Agreement:

- Station requirements;
- the locations of potential Fuel Suppliers;
- the most desirable transportation modes available;
- coal unloading and handling system constraints;
- existing transportation routes and transfer points between Suppliers and Stations;
- desirability of maintaining flexibility with different modes of transportation;
- economics;
- other factors which may affect the delivery of Fuel to the Stations.

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES
Louisville Gas and Electric Company
Kentucky Utilities Company

The process of selecting and contracting for Transportation Services will vary with the mode of transportation being sought. For barge and truck deliveries, the Department will generally use the Company's accepted competitive bidding procedures. In instances where only one rail carrier serves a Station, direct negotiations with the rail carrier serving a particular coal source may be initiated.

The selections of a transportation Supplier will generally be based upon, but not necessarily limited to, cost, reliability, coal unloading and handling system constraints, and other factors. Transportation Service Agreements must be in writing and signed by all parties, unless provided under an approved tariff. The approval procedures set forth in Section C.3 shall be used for the approval of all Transportation Agreements.

K. Bulk Commodities/Services/Other Fuels:

Bulk Commodities/Services shall be requested, and Agreements negotiated by the Department, whenever appropriate. Associated transportation services related to Section J. such as railcar leases, railcar maintenance and repair, barge maintenance and repair, barge fleeting services, coal blending, and coal transloading services shall also be requested and Agreements negotiated by the Department, whenever appropriate. All of these Bulk Commodities/Services Agreements will abide by the Approval Authority Limits as set forth in Section C.3. above.

Natural Gas. The Power Supply Department is responsible for the purchase of natural gas and associated pipeline transportation for the Stations.

Fuel Oil. Fuel oil is procured on an "as-needed" basis due to the infrequency of use and the nature of the oil market. When the need for fuel oil arises, the Department will solicit suppliers for offers. Purchases are made on the basis of lowest delivered cost and the ability to fill the order.

All documentation will be maintained pursuant to Section D.9 above.

L. Affiliate Transactions:

Transactions and relationships between the Company and its unregulated affiliates are governed by three governmental agencies: the Kentucky Public Service Commission, the Federal Energy Regulatory Commission, and as regards Kentucky Utilities Company, the Virginia State Corporation Commission.

The Company may purchase Fuel from an affiliate only at a price permissible under applicable affiliated restriction rules of the above regulators, if such a transfer is reasonably required by the Company to meet an Emergency and the Company believes in good faith that, under the circumstances, the transaction will be to the advantage of the

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES

Louisville Gas and Electric Company

Kentucky Utilities Company

Company. At the time of the affiliate transaction, the Company will document through the award recommendation process, the pricing basis and the justification for the affiliate transaction. The Company shall report any such purchase in its next recurrent report due to the Commission (Form A or Form B filing, or their successor(s)). All such affiliate transactions must as a minimum, meet the requirements of the Affiliate Transaction Overview, dated May 26, 2003, including the requirements of Kentucky Revised Statutes Chapter 278, Kentucky Public Service Commission Sections 2201 through 2219; the Federal Energy Regulatory Commission, 18 CFR 35.44; and Virginia State Corporation Commission, Code of Virginia Title 56 – Chapter 4 and any other applicable affiliate transaction rules.

M. Ethics and Conduct:

The Company recognizes the importance of following the Company's Standards of Integrity to guide the conduct of the Department in the performance of its duties and responsibilities:

The Department shall endeavor to serve the best interests of the Company and its customers in the performance of the Department's duties and responsibilities.

Department staff shall adhere to the ethical standards and policies of the Company.

Each employee involved with the procurement of Fuel will be required to promptly disclose, in writing, any actual or potential conflicts of interest to their supervisor and the LG&E/KU Compliance Department.

N. Penalties For Noncompliance:

All Department employees are required to familiarize themselves with the Coal Supply and By-Products Marketing Procurement Procedures and acknowledge through a process established by management, that they have received, read, understand, accept, and will act in accordance with this document. Failure to comply with any term of the procedures may result in disciplinary action, up to and including discharge.

Key Contact: Manager - Fuels Accounting and Administration

References: Authority Limit Matrix, Records Management and Retention Policy, Standards of Integrity, Reliability Standards, and Affiliate Restriction Regulations

Administrative Responsibility: Director, Coal Supply and By-Products Marketing

COAL SUPPLY AND BY-PRODUCTS MARKETING PROCUREMENT PROCEDURES

Louisville Gas and Electric Company

Kentucky Utilities Company

Originally issued at Louisville, Kentucky, the 10th day of February, 2003.

Current revision: May 1, 2024.

Louisville Gas and Electric Company

Kentucky Utilities Company

By 

Lonnie Bellar

Senior Vice President – Engineering and
Construction

By 

David Sinclair

Vice President – Energy Supply and Analysis



Power Supply Commodity Policy – Natural Gas Fuel for Generation

Operating Policy for the Power Supply Group

Effective Date – April~~May~~ 1, 2024~~2023~~

Signatures

Power Supply Commodity Policy – Natural Gas Fuel for Generation

Procedure Title

April~~May~~ 1, 2024

Effective Date

Preparer(s) Signatures

Linn Oelker – Manager, Generation Dispatch and Trading

Print Name & Title (Document Owner)

DocuSigned by:



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Signature & Date

Required Approval Signatures

Chuck Schram – Director, Power Supply

Print Name & Title

DocuSigned by:



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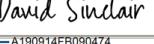
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Signature & Date

David Sinclair – Vice President, Energy Supply & Analysis

Print Name & Title

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Signature & Date

Lonnie Bellar – Senior Vice President, Engineering & Construction

Print Name & Title

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Signature & Date

Effective Date – April~~May~~ 1, 2024

Signature & Date

Table of Contents

Section 1	Organization	3
Section 2	Reports	3
Section 3	Records.....	4
Section 4	Optimization Responsibilities.....	4
Section 5	Reserved for Future Use.....	5
Section 6	Short Term Commodity Transactions.....	5
Section 7	Long Term Commodity Transactions.....	5
Section 8	Transaction Agreement Enforcement	7
Section 9	Reliability Transactions.....	7
Section 10	Ethics and Conduct	8
Section 11	Affiliate Transactions.....	8
Section 12	Training.....	8

Revision History

Version No. 5	Effective – April 1, 2024
<u>Summary of Changes</u> 1. Clarifying edits to Section 9 for routine holiday (weekend) transactions.	
Version No. 4 Effective – May 1, 2023	
Summary of Changes	
1. Updated signatories and titles to reflect organizational changes 2. Removed “Confidential” label and added “Business Use” label.	
Version No. 3 Effective – January 1, 2020	
Summary of Changes 3.1 Updated signatories and titles to reflect organizational changes 4.2 Replaced IT Service Desk with Technology Support Center 5.3 Clarified requirements surrounding the issuance and response to an RFP to allow for email or physical correspondence.	
Version No. 2 Effective – August 1, 2017	
Summary of Changes 1. Moved information classification to the footer 2. Updated signatories to reflect organizational changes.	
Version No. 1 Effective – February 1, 2016	
Summary of Changes 1. Initial version.	

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Purpose

The purpose of this document is to outline a uniform standard operational policy related to commercial activity for all natural gas and natural gas related commodity transactions consummated for use as a power generation fuel by Louisville Gas and Electric Company (LG&E) or Kentucky Utilities Company (KU).

Scope

This policy applies to all employees in the Power Supply Group (PSG) which transacts on behalf of Louisville Gas and Electric Company (LG&E) or Kentucky Utilities Company (KU) (Company).

Definitions

The following terms and acronyms are used frequently in this document:

Agreement - A legally binding document fully executed by both buyer and seller in which
1) one party agrees to sell a Commodity and
2) the other agrees to
a) buy a Commodity or
b) the conditions under which a Commodity would be purchased.

Authority Limit Matrix - The Authority Limit Matrix (ALM) is a company policy that is to be used as a guide in combination with the more detailed policies and procedures covering specific topics. Its purpose is to provide an easily accessible source of information with respect to the approval process of LG&E and/or KU.

Award Recommendation - The Company's internal process for the review and approval by management of a recommended Long Term Commodity Transaction.

Commodity(ies) - In this document, commodities include physical natural gas and pipeline transportation, services, and storage.

Commodity Transaction - A unique Agreement or a confirmation under a master Agreement between a buyer and a seller involving Commodities.

Company - Louisville Gas and Electric Company (LG&E) or Kentucky Utilities Company (KU) or both.

Firm – A Commodity sale or purchase which is not Non-Firm.

Gas Day – As defined by the North American Energy Standards Board (NAESB), which currently begins at 09:00 Central Clock Time (CCT) and runs for 24 hours.

Individual Contributor – The positions within the PSG of Scheduler and Trader job family.

Long Term Commodity Transactions – Any Commodity Transaction that exceeds the term, tenor, or notional amount of the authority granted to the Manager – Generation Dispatch and Trading by the ALM.

Non-Firm – A Commodity sale or purchase for which receipt or delivery may be interrupted for any reason or no reason, without financial liability on the part of either the buyer or the seller.

PSG Real Time Personnel – Associate Dispatcher, Dispatcher, Senior Dispatcher, Supervisor Generation Dispatch, Associate Scheduler, Scheduler, Senior Scheduler, Associate Trader, Trader, Senior Trader, Supervisor Hourly Trading, Manager – Generation Dispatch and Trading, Director – Power Supply.

Records Management and Retention Policy - The policy maintained by the Company's Corporate Compliance Group that outlines managing the life cycle of all company documents (which include all official records, data and information whether paper or electronic) while effectively balancing its legal and business obligations.

Request for Proposal (RFP) - A process for soliciting sealed bids from suppliers of a Commodity and is typically sent in the form of a written request to industry suppliers and may be published for distribution through media outlets.

Short Term Commodity Transaction – Any Commodity Transaction that is within the term, tenor, or notional amount of the Manager – Generation Dispatch and Trading by the ALM.

Training - training of PSG employees that is (i) comparable to generally accepted practices in the energy trading industry, and (ii) commensurate and proportional in sophistication, scope and frequency to the volume of transactions and the nature and extent of the risk taken by the Company.

Section 1 Organization

1.1 Departmental Structure

The Power Supply Group shall be organized and staffed to effectively administer the PSG's commercial activities.

1.2 Organizational Responsibilities

The Director - Power Supply is responsible for the operations of the PSG and reports directly to the Vice President, Energy Supply and Analysis who is responsible for the Energy Supply and Analysis line of business including the PSG functions. The Vice President - Energy Supply and Analysis reports directly to the Chief Operating Officer who has the final responsibility for commercial activities of the PSG. Other Departments may be utilized by the PSG to the extent the Director - Power Supply, Vice President-Energy Supply and Analysis, and Chief Operating Officer consider advisable in the execution of the functions of the group.

1.3 Commodity Approval Authority

Short Term Commodity Transactions are executed by Power Supply personnel through the authority granted by the ALM.

Long Term Commodity Transaction are executed by Power Supply personnel through the authority granted by the approval of an Award Recommendation.

The execution of Commodity Transactions will comply with internal business controls including the Authority Limit Matrix, Sarbanes Oxley compliance and Internal Audit Services' recommendations. The Company has detailed internal control procedures covering Commodity Transactions, Contract Administration and Confirmations, and Credit.

Section 2 Reports

The Director - Power Supply will instruct the PSG to prepare, maintain, and distribute various reports to management and others as deemed necessary for business operations and regulatory requirements.

Section 3 Records

3.1 Commodity Accounting

All personnel must document Short Term Commodity Transactions in the Company's commodity accounting system no later than the end of their first work period after the end of the respective Gas Day. Long Term Commodity Transactions must be accurately reflected in the commodity accounting system in time to ensure appropriate financial accounting.

3.2 Recording of Telephone Calls

All Short Term Commodity Transactions must be executed on a recorded telephone line or on an electronic platform where the transaction is logged by the platform operator.

If the transaction is completed on the ICE electronic platform, a record of the transaction is electronically available to the Contract Administration department for confirmation against the Company's transaction records.

The phone recording will be maintained in accordance with the Records Management and Retention Policy. In the event the telephone recording system is out of service, personnel will promptly report the incident through the Technology Support Center.

3.3 Award Recommendations

An Award Recommendation will be prepared for all Long Term Commodity Transactions. All approved Award Recommendations will be retained by the PSG in accordance with the Records Management and Retention Policy.

3.4 Agreements

All executed Agreements will be sent to the Company's Contract Administration group who will be responsible for distribution within the Company and maintenance of the documents in accordance with the Records Management and Retention Policy.

Contract Administration will maintain active Agreements on site and the Agreements will be available in accordance with their departmental policies.

Section 4 Optimization Responsibilities

The PSG is responsible for purchasing natural gas and natural gas transport (the Commodities governed by this policy) to fuel the Company's generation assets consistent with the Company's fuel procurement strategy that is developed in concert with coal needs. In executing these

responsibilities, the PSG shall use best efforts to keep current on market conditions, prices, availability and other developments relating to Commodities.

Section 5 Reserved for Future Use.

Section 6 Short Term Commodity Transactions

The Power Supply Traders are responsible for surveying the market by phone, instant messaging, electronic platforms, and any other standard industry process with the objective of obtaining the best value for the Commodities when executing Short Term Commodity Transactions. Traders will take into account prices, availability of transport, Operational Flow Orders, transport alerts and/or restrictions, as well as other market developments for a particular Commodity when determining the best value.

Power Supply Traders may only execute Short Term Commodity Transactions in real time within their authority limits as provided in the ALM.

6.1 Natural Gas

Personnel may buy and sell Non-Firm natural gas. Individual Contributors may only buy or sell Firm natural gas after written approval provided by the Manager – Generation Dispatch and Trading or the Director – Power Supply.

6.2 Natural Gas Transport

Personnel may buy Firm and Non-Firm natural gas transport to serve Company's generation assets. Firm transport may only be purchased after written approval of the Manager – Generation Dispatch and Trading or the Director – Power Supply.

Section 7 Long Term Commodity Transactions

Power Supply personnel are responsible for surveying the market and obtaining the best value for the Commodities when recommending Long Term Commodity Transactions. Power Supply personnel will use the Award Recommendation process when recommending a Long Term Commodity Transaction to management.

7.1 Award Recommendation Process

An Award Recommendation will be prepared for all Long Term Commodity Transactions. The Award Recommendation will take into account prices, availability of transport and/or storage, operational flow orders, transport alerts and/or restrictions, as well as other market developments for a particular Commodity when determining the best value. Power Supply may rely on other groups within the Company, as well as external consultants, to develop market analysis for consideration during a Request for Proposal.

A proposed Award Recommendation must be signed (at a minimum) by the Legal Department, Credit Department, Financial Reporting Department, Director – Power Supply, and the VP-Energy Supply and Analysis. Additional approvals may be necessary in accordance with the ALM.

7.2 Request for Proposal (RFP)

- 7.2.1 The Generation Planning department provides projections to the PSG of the Commodities needed for the company's long term planning horizons.
- 7.2.2 The Company may select potential suppliers on the basis of past performance of past and current Agreements, market intelligence from industry research, credit analysis, and general knowledge of the industry. Potential suppliers are periodically reviewed by the PSG to eliminate any suppliers that are known to have gone out of business and to also add any new or existing suppliers that may previously have not been considered.
- 7.2.3 A notice of the RFP is sent to industry suppliers via email or physical correspondence and may be published for distribution through media outlets.
- 7.2.4 The RFP shall include at a minimum the following:
 - a. Instructions to Supplier on the submission of the response.
 - b. Response due date and time.
 - c. Scope of the commodity agreement request.
 - d. Company terms and conditions.
- 7.2.5 The RFP will be approved by the VP-Energy Supply and Analysis prior to issuance.
- 7.2.6 Responses to the RFP shall be received via email or physical correspondence.
- 7.2.7 Responses to the RFP shall be opened on or after the published due date and time and in the presence of one or more employees from outside the PSG.
- 7.2.8 Those bids received after the designated time will be returned unopened to the bidder, unless the Director - Power Supply waives this provision.

7.2.9 No potential qualified supplier shall be preferred or discriminated against because of race, religion, color, sex, age or marital status of the supplier or any of its representatives.

7.3 Sole sourcing

7.3.1 A RFP process may not be appropriate for all Long Term Commodity Transactions. Sole-sourced transactions may be appropriate under any the following circumstances:

- a. The goods or services being procured are a monopoly service.
- b. An urgent situation does not allow adequate time for a Request For Proposal.
- c. The lack of two or more qualified bidders is documented.
- d. Management determines and clearly documents that there is only one acceptable supplier.

7.3.2 A Sole Source Authorization section must be included in a proposed Award Recommendation detailing the sole-source circumstances.

Section 8 Transaction Agreement Enforcement

The PSG is responsible for protecting the interests of the Company under the agreements with the counterparties. The PSG will work with other Company departments, such as the Legal Department, to enforce the Company's rights.

Section 9 Reliability Transactions

PSG Real Time Personnel are authorized to take any actions necessary to enter into Short Term Commodity Transactions for natural gas that exceed their limits stated in the ALM if, and only if, such actions are necessary to maintain system reliability. Maintaining system reliability may be due to request from the Transmission Operator, Balancing Authority, or Reliability Coordinator, or required to meet NERC standards or that absent such actions, one could reasonably expect the Company would declare an Energy Emergency Alert (EEA). Any such Short Term Commodity Transaction entered into on this basis must be reported in writing to the Director – Power Supply and the Vice President – Energy Supply and Analysis within twelve (12) hours of the transaction with a detailed explanation as to the nature of the reliability issue and why it was not possible to enter into transactions in compliance with the ALM. Transactions over extended holiday periods (weekends) for routine unit commitment plans are not considered transactions of this type. These transactions are authorized by Power Supply management prior to execution in accordance with Section 6.1.

Section 10 Ethics and Conduct

The Company recognizes the importance of following the Company's Standards of Integrity to guide the conduct of the PSG in the performance of its duties and responsibilities.

The group shall endeavor to serve the best interests of the Company and its customers in the performance of the group's duties and responsibilities. PSG personnel shall adhere to the ethical standards and policies of the Company.

Section 11 Affiliate Transactions

Transactions and relationships between the Company and its unregulated affiliates are governed by four governmental agencies: the Kentucky Public Service Commission, the Federal Energy Regulatory Commission, the Securities and Exchange Commission, and as regards Kentucky Utilities Company, the Virginia State Corporation Commission.

Power Supply personnel may only execute transactions with affiliates in accordance with the applicable affiliate restriction regulations.

Section 12 Training

Each PSG employee is expected to be familiar with all Company policies and procedures that are relevant to the PSG employee's activities, as well as the practices and protocols implemented by providers of natural gas and the pipeline entities transporting natural gas. Training for Individual Contributors includes initial supervised Training prior to independently conducting trading activities, as well as initial and refresher Training on certain regulatory and corporate policy issues. Training will be conducted by PSG employees and by the Company's Corporate Compliance Group.

Individual Responsibilities; Penalties For Noncompliance

All Power Supply employees are required to familiarize themselves with this Power Supply Commodity Policy – Natural Gas Fuel for Generation and acknowledge through a process established by management, that they have received, read, understood, accepted, and will act in accordance with this document. Failure to comply with any term of this policy may result in disciplinary action, up to and including discharge.

Key Contacts: Manager – Generation Dispatch and Trading

References: Authority Limit Matrix, Records Management and Retention Policy, Standards of Integrity-PPL, NERC Reliability Standards.

Administrative Responsibility: Director – Power Supply



Power Supply Commodity Policy – Natural Gas Fuel for Generation

Operating Policy for the Power Supply Group

Effective Date – April 1, 2024

Signatures

Power Supply Commodity Policy – Natural Gas Fuel for Generation

Procedure Title

April 1, 2024

Effective Date

Preparer(s) Signatures

Linn Oelker – Manager, Generation Dispatch and Trading

Print Name & Title (Document Owner)

DocuSigned by:



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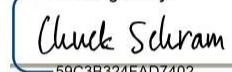
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Required Approval Signatures

Chuck Schram – Director, Power Supply

Print Name & Title

DocuSigned by:



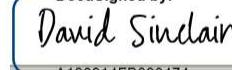
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David Sinclair – Vice President, Energy Supply & Analysis

Print Name & Title

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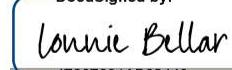
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Lonnie Bellar – Senior Vice President, Engineering & Construction

Print Name & Title

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Table of Contents

Section 1	Organization	3
Section 2	Reports	3
Section 3	Records	4
Section 4	Optimization Responsibilities	4
Section 5	Reserved for Future Use	5
Section 6	Short Term Commodity Transactions	5
Section 7	Long Term Commodity Transactions	5
Section 8	Transaction Agreement Enforcement	7
Section 9	Reliability Transactions	7
Section 10	Ethics and Conduct	8
Section 11	Affiliate Transactions	8
Section 12	Training	8

Revision History

Version No. 5	Effective – April 1, 2024
Summary of Changes	
1. Clarifying edits to Section 9 for routine holiday (weekend) transactions.	
Version No. 4	Effective – May 1, 2023
Summary of Changes	
1. Updated signatories and titles to reflect organizational changes 2. Removed “Confidential” label and added “Business Use” label.	
Version No. 3	Effective – January 1, 2020
Summary of Changes	
1. Updated signatories and titles to reflect organizational changes 2. Replaced IT Service Desk with Technology Support Center 3. Clarified requirements surrounding the issuance and response to an RFP to allow for email or physical correspondence.	
Version No. 2	Effective – August 1, 2017
Summary of Changes	
1. Moved information classification to the footer 2. Updated signatories to reflect organizational changes.	
Version No. 1	Effective – February 1, 2016
Summary of Changes	
1. Initial version.	

Purpose

The purpose of this document is to outline a uniform standard operational policy related to commercial activity for all natural gas and natural gas related commodity transactions consummated for use as a power generation fuel by Louisville Gas and Electric Company (LG&E) or Kentucky Utilities Company (KU).

Scope

This policy applies to all employees in the Power Supply Group (PSG) which transacts on behalf of Louisville Gas and Electric Company (LG&E) or Kentucky Utilities Company (KU) (Company).

Definitions

The following terms and acronyms are used frequently in this document:

Agreement - A legally binding document fully executed by both buyer and seller in which

- 1) one party agrees to sell a Commodity and
- 2) the other agrees to
 - a) buy a Commodity or
 - b) the conditions under which a Commodity would be purchased.

Authority Limit Matrix - The Authority Limit Matrix (ALM) is a company policy that is to be used as a guide in combination with the more detailed policies and procedures covering specific topics. Its purpose is to provide an easily accessible source of information with respect to the approval process of LG&E and/or KU.

Award Recommendation - The Company's internal process for the review and approval by management of a recommended Long Term Commodity Transaction.

Commodity(ies) – In this document, commodities include physical natural gas and pipeline transportation, services, and storage.

Commodity Transaction – A unique Agreement or a confirmation under a master Agreement between a buyer and a seller involving Commodities.

Company - Louisville Gas and Electric Company (LG&E) or Kentucky Utilities Company (KU) or both.

Firm – A Commodity sale or purchase which is not Non-Firm.

Gas Day – As defined by the North American Energy Standards Board (NAESB), which currently begins at 09:00 Central Clock Time (CCT) and runs for 24 hours.

Individual Contributor – The positions within the PSG of Scheduler and Trader job family.

Long Term Commodity Transactions – Any Commodity Transaction that exceeds the term, tenor, or notional amount of the authority granted to the Manager – Generation Dispatch and Trading by the ALM.

Non-Firm – A Commodity sale or purchase for which receipt or delivery may be interrupted for any reason or no reason, without financial liability on the part of either the buyer or the seller.

PSG Real Time Personnel – Associate Dispatcher, Dispatcher, Senior Dispatcher, Supervisor Generation Dispatch, Associate Scheduler, Scheduler, Senior Scheduler, Associate Trader, Trader, Senior Trader, Supervisor Hourly Trading, Manager – Generation Dispatch and Trading, Director – Power Supply.

Records Management and Retention Policy - The policy maintained by the Company's Corporate Compliance Group that outlines managing the life cycle of all company documents (which include all official records, data and information whether paper or electronic) while effectively balancing its legal and business obligations.

Request for Proposal (RFP) - A process for soliciting sealed bids from suppliers of a Commodity and is typically sent in the form of a written request to industry suppliers and may be published for distribution through media outlets.

Short Term Commodity Transaction – Any Commodity Transaction that is within the term, tenor, or notional amount of the Manager – Generation Dispatch and Trading by the ALM.

Training - training of PSG employees that is (i) comparable to generally accepted practices in the energy trading industry, and (ii) commensurate and proportional in sophistication, scope and frequency to the volume of transactions and the nature and extent of the risk taken by the Company.

Section 1 Organization

1.1 Departmental Structure

The Power Supply Group shall be organized and staffed to effectively administer the PSG's commercial activities.

1.2 Organizational Responsibilities

The Director - Power Supply is responsible for the operations of the PSG and reports directly to the Vice President, Energy Supply and Analysis who is responsible for the Energy Supply and Analysis line of business including the PSG functions. The Vice President - Energy Supply and Analysis reports directly to the Chief Operating Officer who has the final responsibility for commercial activities of the PSG. Other Departments may be utilized by the PSG to the extent the Director - Power Supply, Vice President-Energy Supply and Analysis, and Chief Operating Officer consider advisable in the execution of the functions of the group.

1.3 Commodity Approval Authority

Short Term Commodity Transactions are executed by Power Supply personnel through the authority granted by the ALM.

Long Term Commodity Transaction are executed by Power Supply personnel through the authority granted by the approval of an Award Recommendation.

The execution of Commodity Transactions will comply with internal business controls including the Authority Limit Matrix, Sarbanes Oxley compliance and Internal Audit Services' recommendations. The Company has detailed internal control procedures covering Commodity Transactions, Contract Administration and Confirmations, and Credit.

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The Director - Power Supply will instruct the PSG to prepare, maintain, and distribute various reports to management and others as deemed necessary for business operations and regulatory requirements.

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The PSG is responsible for purchasing natural gas and natural gas transport (the Commodities governed by this policy) to fuel the Company's generation assets consistent with the Company's fuel procurement strategy that is developed in concert with coal needs. In executing these

responsibilities, the PSG shall use best efforts to keep current on market conditions, prices, availability and other developments relating to Commodities.

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The Power Supply Traders are responsible for surveying the market by phone, instant messaging, electronic platforms, and any other standard industry process with the objective of obtaining the best value for the Commodities when executing Short Term Commodity Transactions. Traders will take into account prices, availability of transport, Operational Flow Orders, transport alerts and/or restrictions, as well as other market developments for a particular Commodity when determining the best value.

Power Supply Traders may only execute Short Term Commodity Transactions in real time within their authority limits as provided in the ALM.

6.1 Natural Gas

Personnel may buy and sell Non-Firm natural gas. Individual Contributors may only buy or sell Firm natural gas after written approval provided by the Manager – Generation Dispatch and Trading or the Director – Power Supply.

6.2 Natural Gas Transport

Personnel may buy Firm and Non-Firm natural gas transport to serve Company's generation assets. Firm transport may only be purchased after written approval of the Manager – Generation Dispatch and Trading or the Director – Power Supply.

Section 7 Long Term Commodity Transactions

Power Supply personnel are responsible for surveying the market and obtaining the best value for the Commodities when recommending Long Term Commodity Transactions. Power Supply personnel will use the Award Recommendation process when recommending a Long Term Commodity Transaction to management.

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A proposed Award Recommendation must be signed (at a minimum) by the Legal Department, Credit Department, Financial Reporting Department, Director – Power Supply, and the VP-Energy Supply and Analysis. Additional approvals may be necessary in accordance with the ALM.

7.2 Request for Proposal (RFP)

- 7.2.1 The Generation Planning department provides projections to the PSG of the Commodities needed for the company's long term planning horizons.
- 7.2.2 The Company may select potential suppliers on the basis of past performance of past and current Agreements, market intelligence from industry research, credit analysis, and general knowledge of the industry. Potential suppliers are periodically reviewed by the PSG to eliminate any suppliers that are known to have gone out of business and to also add any new or existing suppliers that may previously have not been considered.
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- 7.2.8 Those bids received after the designated time will be returned unopened to the bidder, unless the Director - Power Supply waives this provision.

7.2.9 No potential qualified supplier shall be preferred or discriminated against because of race, religion, color, sex, age or marital status of the supplier or any of its representatives.

7.3 Sole sourcing

7.3.1 A RFP process may not be appropriate for all Long Term Commodity Transactions. Sole-sourced transactions may be appropriate under any the following circumstances:

- a. The goods or services being procured are a monopoly service.
- b. An urgent situation does not allow adequate time for a Request For Proposal.
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- d. Management determines and clearly documents that there is only one acceptable supplier.

7.3.2 A Sole Source Authorization section must be included in a proposed Award Recommendation detailing the sole-source circumstances.

Section 8 Transaction Agreement Enforcement

The PSG is responsible for protecting the interests of the Company under the agreements with the counterparties. The PSG will work with other Company departments, such as the Legal Department, to enforce the Company's rights.

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PSG Real Time Personnel are authorized to take any actions necessary to enter into Short Term Commodity Transactions for natural gas that exceed their limits stated in the ALM if, and only if, such actions are necessary to maintain system reliability. Maintaining system reliability may be due to request from the Transmission Operator, Balancing Authority, or Reliability Coordinator, or required to meet NERC standards or that absent such actions, one could reasonably expect the Company would declare an Energy Emergency Alert (EEA). Any such Short Term Commodity Transaction entered into on this basis must be reported in writing to the Director – Power Supply and the Vice President – Energy Supply and Analysis within twelve (12) hours of the transaction with a detailed explanation as to the nature of the reliability issue and why it was not possible to enter into transactions in compliance with the ALM. Transactions over extended holiday periods (weekends) for routine unit commitment plans are not considered transactions of this type. These transactions are authorized by Power Supply management prior to execution in accordance with Section 6.1.

Section 10 Ethics and Conduct

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Power Supply personnel may only execute transactions with affiliates in accordance with the applicable affiliate restriction regulations.

Section 12 Training

Each PSG employee is expected to be familiar with all Company policies and procedures that are relevant to the PSG employee's activities, as well as the practices and protocols implemented by providers of natural gas and the pipeline entities transporting natural gas. Training for Individual Contributors includes initial supervised Training prior to independently conducting trading activities, as well as initial and refresher Training on certain regulatory and corporate policy issues. Training will be conducted by PSG employees and by the Company's Corporate Compliance Group.

Individual Responsibilities; Penalties For Noncompliance

All Power Supply employees are required to familiarize themselves with this Power Supply Commodity Policy – Natural Gas Fuel for Generation and acknowledge through a process established by management, that they have received, read, understood, accepted, and will act in accordance with this document. Failure to comply with any term of this policy may result in disciplinary action, up to and including discharge.

Key Contacts: Manager – Generation Dispatch and Trading

References: Authority Limit Matrix, Records Management and Retention Policy, Standards of Integrity-PPL, NERC Reliability Standards.

Administrative Responsibility: Director – Power Supply

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 12

Responding Witness: James R. Frank

Q-12. For the last six months of the period under review and for the years 2023 and 2024, list all firm power commitments for LG&E for (a) purchases and (b) sales. This list shall identify the electric utility, the amount of commitment in MW, and the purpose of the commitment (i.e., peaking, emergency, etc.).

A-12.

a. Firm Purchases:

The firm purchases from Ohio Valley Electric Corporation (OVEC) for the review period are shown in the table below. LG&E purchased its participation ratio (5.63%) of the OVEC released capacity for the months in question.

Utility	Period	Companies' Amt (MW)	LG&E Portion (MW)	Purpose
OVEC	May 2024	~ 70	~ 48	Baseload
OVEC	Jun 2024	~ 136	~ 95	Baseload
OVEC	Jul 2024	~ 152	~ 105	Baseload
OVEC	Aug 2024	~ 152	~ 105	Baseload
OVEC	Sep 2024	~ 93	~ 65	Baseload
OVEC	Oct 2024	~ 134	~ 93	Baseload
OVEC	2023	~87-158	~60-109	Baseload
OVEC	2024	~70-158	~48-109	Baseload

b. Firm Sales: None.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 13

Responding Witness: Andrea M. Fackler

Q-13. Provide a monthly billing summary of sales to all electric utilities for the last six months of the period under review.

A-13. See attached.



Louisville Gas and Electric Company

Power Transaction Schedule

Month Ended May 31, 2024

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Sales						
CONSTITUTION ENERGY GENERATION, LLC	CONSTGEN	Economy 82,000		\$ 1,551.38	\$ 2,079.22	\$ 3,630.60
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy 2,000		\$ 25.72	\$ 36.82	\$ 62.54
ENERGY IMBALANCE	IMBL	Economy 267,000		\$ 3,509.46	\$ 4,662.20	\$ 8,171.66
MACQUARIE ENERGY, LLC	MACQUARIE	Economy 186,000		\$ 5,659.81	\$ 7,585.52	\$ 13,245.33
MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC.	MISO	Economy 1,309,000		\$ 43,216.24	\$ 57,920.27	\$ 101,136.51
PJM INTERCONNECTION ASSOCIATION	PJM	Economy 128,000		\$ 1,932.43	\$ 2,589.91	\$ 4,522.34
RAINBOW ENERGY MARKETING CORP	REMC	Economy 412,000		\$ 7,495.84	\$ 10,046.26	\$ 17,542.10
DUKE ENERGY CAROLINAS, LLC-SEEM	DUKEBP	Economy 10,000		\$ 160.88	\$ 230.26	\$ 391.14
DUKE ENERGY FLORIDA, LLC	DUKEFLORIDA	Economy 2,000		\$ 63.65	\$ 91.10	\$ 154.75
DOMINION ENERGY SOUTH CAROLINA, INC.-SEEM	DESC	Economy 5,000		\$ 73.20	\$ 104.76	\$ 177.96
NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION-SEEM	NCEMC	Economy 49,000		\$ 858.78	\$ 1,150.98	\$ 2,009.76
SOUTHERN COMPANY SERVICES, INC-SEEM	SWE	Economy 11,000		\$ 171.39	\$ 245.30	\$ 416.69
THE ENERGY AUTHORITY-SEEM	TEAM	Economy 205,000		\$ 3,421.02	\$ 4,584.99	\$ 8,006.01
KENTUCKY UTILITIES COMPANY	KU	Economy 47,036,000		\$ 1,160,760.99	\$ 20,016.06	\$ 1,180,777.05
Total Sales		49,704,000	\$ -	\$ 1,228,900.79	\$ 111,343.65	\$ 1,340,244.44



Louisville Gas and Electric Company

Power Transaction Schedule

Month Ended June 30, 2024

<u>Company</u>	<u>Type of Transaction</u>	<u>KWH</u>	<u>Billing Components</u>				<u>Total Charges(\$)</u>
			<u>Demand(\$)</u>	<u>Fuel Charges(\$)</u>	<u>Other Charges(\$)</u>		
Sales							
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy 22,000	\$ 350.06	\$ 379.81	\$ 729.87		
ENERGY IMBALANCE	IMBL	Economy 52,000	\$ 778.47	\$ 760.47	\$ 1,538.94		
MACQUARIE ENERGY, LLC	MACQUARIE	Economy 146,000	\$ 3,482.55	\$ 3,778.47	\$ 7,261.02		
MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC.	MISO	Economy 199,000	\$ 5,736.52	\$ 6,229.18	\$ 11,965.70		
PJM INTERCONNECTION ASSOCIATION	PJM	Economy 362,000	\$ 10,508.53	\$ 11,400.68	\$ 21,909.21		
RAINBOW ENERGY MARKETING CORP	REMC	Economy 106,000	\$ 2,611.06	\$ 2,832.91	\$ 5,443.97		
THE ENERGY AUTHORITY	TEA	Economy 7,000	\$ 107.59	\$ 125.98	\$ 233.57		
TENNESSEE VALLEY AUTHORITY	TVA	Economy 22,000	\$ 429.31	\$ 465.79	\$ 895.10		
DUKE ENERGY CAROLINAS, LLC-SEEM	DUKEBP	Economy 2,000	\$ 35.43	\$ 41.48	\$ 76.91		
DUKE ENERGY FLORIDA, LLC	DUKEFLORIDA	Economy 3,000	\$ 61.32	\$ 71.81	\$ 133.13		
NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION-SEEM	NCEMC	Economy 43,000	\$ 874.50	\$ 948.79	\$ 1,823.29		
SOUTHERN COMPANY SERVICES, INC-SEEM	SWE	Economy 47,000	\$ 909.27	\$ 986.54	\$ 1,895.81		
THE ENERGY AUTHORITY-SEEM	TEAM	Economy 67,000	\$ 1,473.50	\$ 1,598.69	\$ 3,072.19		
KENTUCKY UTILITIES COMPANY	KU	Economy 26,095,000	\$ 645,941.99	\$ 27,068.30	\$ 673,010.29		
Total Sales		27,173,000	\$ -	\$ 673,300.10	\$ 56,688.90	\$ 729,989.00	



Louisville Gas and Electric Company

Power Transaction Schedule

Month Ended July 31, 2024

Company	Type of Transaction	KWH	Billing Components				Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)		
Sales							
CONSTITUTION ENERGY GENERATION, LLC	CONSTGEN	Economy 1,000		\$ 24.12	\$ 30.38	\$ 54.50	
ENERGY IMBALANCE	IMBL	Economy 32,000		\$ 437.49	\$ 482.85	\$ 920.34	
MACQUARIE ENERGY, LLC	MACQUARIE	Economy 26,000		\$ 774.81	\$ 976.21	\$ 1,751.02	
MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC.	MISO	Economy 206,000		\$ 6,530.80	\$ 7,958.47	\$ 14,489.27	
PJM INTERCONNECTION ASSOCIATION	PJM	Economy 458,000		\$ 10,916.74	\$ 13,303.18	\$ 24,219.92	
RAINBOW ENERGY MARKETING CORP	REMC	Economy 34,000		\$ 1,026.12	\$ 1,292.85	\$ 2,318.97	
THE ENERGY AUTHORITY	TEA	Economy 4,000		\$ 59.56	\$ 75.04	\$ 134.60	
TENNESSEE VALLEY AUTHORITY	TVA	Economy 24,000		\$ 519.72	\$ 654.81	\$ 1,174.53	
ASSOCIATED ELECTRIC COOPERATIVE INC.-SEEM	AECI	Economy 21,000		\$ 364.46	\$ 459.20	\$ 823.66	
NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION-SEEM	NCEMC	Economy 12,000		\$ 215.11	\$ 271.02	\$ 486.13	
SOUTHERN COMPANY SERVICES, INC-SEEM	SWE	Economy 1,000		\$ 19.10	\$ 24.07	\$ 43.17	
THE ENERGY AUTHORITY-SEEM	TEAM	Economy 7,000		\$ 133.62	\$ 168.36	\$ 301.98	
KENTUCKY UTILITIES COMPANY	KU	Economy 27,658,000		\$ 701,637.72	\$ 59,901.58	\$ 761,539.30	
Total Sales		28,484,000	\$ -	\$ 722,659.37	\$ 85,598.02	\$ 808,257.39	



Louisville Gas and Electric Company

Power Transaction Schedule

Month Ended August 31, 2024

<u>Company</u>		Type of Transaction	KWH	Billing Components			Total Charges(\$)
				Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Sales							
ENERGY IMBALANCE	IMBL	Economy	3,000	\$ 35.99	\$ (124.75)	\$ (88.76)	
MACQUARIE ENERGY, LLC	MACQUARIE	Economy	7,000	\$ 206.60	\$ 288.56	\$ 495.16	
MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC.	MISO	Economy	7,000	\$ 187.80	\$ 262.31	\$ 450.11	
OWENSBORO MUNICIPAL UTILITIES	OMU	Economy	1,000	\$ 9.66	\$ 46.07	\$ 55.73	
PJM INTERCONNECTION ASSOCIATION	PJM	Economy	14,000	\$ 364.98	\$ 509.79	\$ 874.77	
RAINBOW ENERGY MARKETING CORP	REMC	Economy	5,000	\$ 152.15	\$ 212.50	\$ 364.65	
TENNESSEE VALLEY AUTHORITY	TVA	Economy	5,000	\$ 123.25	\$ 172.13	\$ 295.38	
KENTUCKY UTILITIES COMPANY	KU	Economy	16,057,000	\$ 410,479.28	\$ 18,117.24	\$ 428,596.52	
Total Sales			16,099,000	\$ -	\$ 411,559.71	\$ 19,483.85	\$ 431,043.56



Louisville Gas and Electric Company

Power Transaction Schedule

Month Ended September 30, 2024

<u>Company</u>	Type of Transaction	KWH	Billing Components				Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)		
Sales							
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy 67,000		\$ 1,128.36	\$ 1,112.84	\$ 2,241.20	
ENERGY IMBALANCE	IMBL	Economy 163,000		\$ 2,793.14	\$ 2,685.31	\$ 5,478.45	
MACQUARIE ENERGY, LLC	MACQUARIE	Economy 171,000		\$ 4,203.93	\$ 4,146.22	\$ 8,350.15	
MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC.	MISO	Economy 1,001,000		\$ 33,373.68	\$ 32,914.90	\$ 66,288.58	
PJM INTERCONNECTION ASSOCIATION	PJM	Economy 1,089,000		\$ 29,654.05	\$ 29,246.41	\$ 58,900.46	
RAINBOW ENERGY MARKETING CORP	REMC	Economy 420,000		\$ 9,619.72	\$ 9,487.52	\$ 19,107.24	
THE ENERGY AUTHORITY	TEA	Economy 27,000		\$ 698.18	\$ 688.57	\$ 1,386.75	
TENNESSEE VALLEY AUTHORITY	TVA	Economy -		\$ -	\$ 0.06	\$ 0.06	
DUKE ENERGY FLORIDA, LLC	DUKEFLORIDA	Economy 6,000		\$ 181.16	\$ 178.67	\$ 359.83	
NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION-SEEM	NCEMC	Economy 11,000		\$ 225.50	\$ 222.40	\$ 447.90	
SOUTHERN COMPANY SERVICES, INC-SEEM	SWE	Economy 2,000		\$ 22.36	\$ 39.76	\$ 62.12	
THE ENERGY AUTHORITY-SEEM	TEAM	Economy 64,000		\$ 1,562.31	\$ 1,540.83	\$ 3,103.14	
KENTUCKY UTILITIES COMPANY	KU	Economy 15,429,000		\$ 396,846.28	\$ 18,080.82	\$ 414,927.10	
Total Sales		18,450,000	\$ -	\$ 480,308.67	\$ 100,344.31	\$ 580,652.98	



Louisville Gas and Electric Company

Power Transaction Schedule

Month Ended October 31, 2024

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Sales						
ENERGY IMBALANCE	IMBL	Economy	569,000	\$ 9,900.93	\$ 8,828.21	\$ 18,729.14
MACQUARIE ENERGY, LLC	MACQUARIE	Economy	2,578,000	\$ 66,762.86	\$ 59,900.96	\$ 126,663.82
MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC.	MISO	Economy	3,609,000	\$ 95,477.06	\$ 85,663.92	\$ 181,140.98
PJM INTERCONNECTION ASSOCIATION	PJM	Economy	8,983,000	\$ 259,241.07	\$ 232,596.31	\$ 491,837.38
RAINBOW ENERGY MARKETING CORP	REMC	Economy	5,730,000	\$ 146,712.00	\$ 131,632.94	\$ 278,344.94
THE ENERGY AUTHORITY	TEA	Economy	4,000	\$ 72.28	\$ 64.85	\$ 137.13
DUKE ENERGY FLORIDA, LLC-SEEM	DUKEFLORIDA	Economy	5,000	\$ 102.06	\$ 91.57	\$ 193.63
NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION-SEEM	NCEMC	Economy	309,000	\$ 6,427.64	\$ 5,767.00	\$ 12,194.64
SOUTHERN COMPANY SERVICES, INC-SEEM	SWE	Economy	139,000	\$ 2,429.39	\$ 2,179.69	\$ 4,609.08
THE ENERGY AUTHORITY-SEEM	TEAM	Economy	359,000	\$ 8,017.19	\$ 7,193.18	\$ 15,210.37
KENTUCKY UTILITIES COMPANY	KU	Economy	108,866,000	\$ 2,733,303.43	\$ 2,139.14	\$ 2,735,442.57
Total Sales			131,151,000	\$ -	\$ 3,328,445.91	\$ 536,057.77
						\$ 3,864,503.68

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 14

Responding Witness: Michael P. Drake

Q-14. Provide a list, in chronological order, showing by unit, any scheduled, actual, and forced outages between for the last six months of the period under review. Provide a key for any information that is abbreviated.

A-14. See attached.

Louisville Gas & Electric Company
May 2024 through October 2024

Unit and Outage Type (F=Forced; S=Scheduled)	Scheduled		Actual*		Hours of Duration		Reason for Deviation from Scheduled Maintenance OR Reason for Forced Outage as Appropriate	
	From	To	From	To	Scheduled	Actual*		
Mill Creek Unit 1 - Coal - 300 MW In-service August 1972	S 10/28/2024 11:30	10/29/2024 16:36	10/28/2024 11:30	10/29/2024 16:36	29:06	29:06	Boiler waterwall tube leak repair	
Mill Creek Unit 2 - Coal - 295 MW In-service July 1974	S 5/6/2024 8:08	5/8/2024 14:43	5/6/2024 8:08	5/8/2024 14:43	54:35	54:35	Boiler Cleaning	
	F			6/23/2024 18:03	6/24/2024 17:20	23:17	Excitation System	
	S 10/4/2024 21:03	10/5/2024 14:47	10/4/2024 21:03	10/5/2024 14:47	17:44	17:44	Boiler Cleaning	
Mill Creek Unit 3 - Coal - 394 MW In-service August 1978	S 3/2/2024 0:00	5/5/2024 0:00	3/1/2024 20:40	5/6/2024 0:01	1536:00	1563:21	Generator Field Rewind	
	S 5/6/2024 0:01	5/6/2024 20:39	5/6/2024 0:01	5/6/2024 20:39	20:38	20:38	Generator Field Rewind	
	F		5/6/2024 20:39	5/7/2024 14:17	17:38	17:38	Turbine Vibration Instrumentation	
	F		6/22/2024 8:49	6/22/2024 17:29	8:40	8:40	Unit Auxiliary Power Feed	
	F		8/1/2024 15:09	8/1/2024 21:23	6:14	6:14	Induced Draft Fan Variable Frequency Drive	
	F		8/2/2024 7:54	8/5/2024 1:10	65:16	65:16	Turbine Driven Boiler Feed Pump	
	F		8/5/2024 1:10	8/5/2024 21:57	20:47	20:47	Boiler feed pump superheat spray line	
	F		8/11/2024 5:48	8/11/2024 19:23	13:35	13:35	ID Fan variable frequency drive (VFD) fault	
	S 8/12/2024 21:54	8/13/2024 6:00	8/12/2024 21:54	8/13/2024 6:00	8:06	8:06	Induced Draft Fan Variable Frequency Drive	
	S 9/3/2024 6:00	9/4/2024 18:40	9/3/2024 6:00	9/4/2024 18:40	36:40	36:40	Feedwater Heater Repairs	
	S 10/8/2024 21:49	10/11/2024 8:28	10/8/2024 21:49	10/11/2024 8:28	58:39	58:39	condenser tube leak	
	S 11/2/2024 0:00	11/10/2024 0:00	10/25/2024 20:27	11/4/2024 0:00	192:00	219:33	Turbine Main Stop Valves - Fine Screens	
Mill Creek Unit 4 - Coal - 486 MW In-service September 1982	No outages > or = 6 hours							
Trimble County Unit 1 - Coal - 370 MW In-service December 1990 75% ownership share of 511 MW	S 5/25/2024 1:59	5/26/2024 14:41	5/25/2024 1:59	5/26/2024 14:41	36:42	36:42	Boiler circulating water pump motor	
	F		6/13/2024 20:37	6/14/2024 10:40	14:03	14:03	Turbine differential expansion limit	
	S 6/21/2024 21:56	6/23/2024 13:13	6/21/2024 21:56	6/23/2024 13:13	39:17	39:17	Boiler Circulating Water Pump Motor	
	F		7/18/2024 14:16	7/20/2024 6:39	40:23	40:23	Boiler reheat tube leak	
	S 7/20/2024 6:39	7/21/2024 6:43	7/20/2024 6:39	7/21/2024 6:43	24:04	24:04	Boiler reheat tube leak repair	
	S 8/10/2024 2:06	8/11/2024 16:31	8/10/2024 2:06	8/11/2024 16:31	38:25	38:25	Boiler Circulating Water Pump	
	F		9/10/2024 1:56	9/11/2024 8:48	30:52	30:52	Boiler waterwall tube leak	
	S 9/11/2024 8:48	9/12/2024 23:24	9/11/2024 8:48	9/12/2024 23:24	38:36	38:36	Flue Gas Ductwork Leak	
	F		9/20/2024 6:31	9/22/2024 12:35	54:04	54:04	Boiler waterwall tube leak	
Trimble County Unit 2 - Coal - 570 MW In-service January 2011 75% ownership share of 732 MW jointly owned with KU	F		8/23/2024 13:02	8/26/2024 19:12	78:10	78:10	Bottom Ash Conveyors	
	F		9/13/2024 2:08	9/17/2024 1:00	94:52	94:52	Low Feedwater Flow	
	S 9/21/2024 0:00	12/1/2024 0:00	9/17/2024 1:00	11/23/2024 15:55	1704:00	1622:55	Steam Turbine	
Cane Run Unit 7 - Gas - 683 MW In-service June 2015 Jointly owned with KU	S 4/30/2024 12:33	5/2/2024 0:00	4/30/2024 12:33	5/2/2024 0:00	35:27	35:27	Rotor Cooling Air System	
	S 5/9/2024 21:39	5/12/2024 19:19	5/9/2024 21:39	5/12/2024 19:19	69:40	69:40	High Pressure Superheat non return valve	
	S 5/17/2024 12:14	5/19/2024 12:38	5/17/2024 12:14	5/19/2024 12:38	48:24	48:24	HP Steam Isolation Valve	
	S 5/28/2024 22:16	6/2/2024 6:46	5/28/2024 22:16	6/2/2024 6:46	104:30	104:30	HP Steam Isolation Valve	
	F		6/4/2024 20:55	6/5/2024 3:33	6:38	6:38	Circulating Water Pump Motor	
	S 10/18/2024 21:38	10/21/2024 13:29	10/18/2024 21:38	10/21/2024 13:29	63:51	63:51	Main Steam Isolation Valve Inspection	
	S 10/21/2024 19:31	10/22/2024 12:38	10/21/2024 19:31	10/22/2024 12:38	17:07	17:07	Reheat Attemperator Valve	

*Actual outage dates and hours of duration include scheduled and forced outages.

Attachment to Response to Question No. 14

Drake

Page 1 of 2

E. W. Brown Unit 5 - Gas CT - 130 MW	S	6/20/2024 7:31	6/20/2024 15:59	6/20/2024 7:31	6/20/2024 15:59	8:28	8:28	Starting System
In-service June 2001	S	7/1/2024 6:55	7/1/2024 13:02	7/1/2024 6:55	7/1/2024 13:02	6:07	6:07	Fuel Meter Inspection
Jointly owned with KU	S	9/21/2024 0:00	9/29/2024 0:00	9/23/2024 6:47	9/26/2024 10:27	192:00	75:40	Circuit Breaker - Repair
E. W. Brown Unit 6 - Gas CT - 171 MW	S	5/13/2024 6:27	5/16/2024 0:00	5/13/2024 6:27	5/16/2024 0:00	65:33	65:33	Borescope inspection
In-service August 1999	S	5/16/2024 0:00	5/17/2024 8:40	5/16/2024 0:00	5/17/2024 8:40	32:40	32:40	Borescope inspection
Jointly owned with KU	S	10/26/2024 0:00	11/3/2024 0:00	10/28/2024 8:34	11/1/2024 14:58	192:00	102:24	Replace Substation Breaker
E. W. Brown Unit 7 - Gas CT - 171 MW	S	5/15/2024 7:02	5/20/2024 11:46	5/15/2024 7:02	5/20/2024 11:46	124:44	124:44	Borescope inspection
In-service August 1999	S	8/9/2024 6:36	8/9/2024 13:09	8/9/2024 6:36	8/9/2024 13:09	6:33	6:33	Fuel Gas System
Jointly owned with KU								
Cane Run Unit 11 - Gas CT - 14 MW		No outages > or = 6 hours						
In-service June 1968								
Paddys Run Unit 11 - Gas CT - 13 MW		No outages > or = 6 hours						
In-service June 1968								
Paddys Run Unit 12 - Gas CT - 28 MW	F			9/27/2024 1:52	9/27/2024 8:30		6:38	Combustion Turbine Loss of Auxiliary Power
In-service July 1968								
Paddys Run Unit 13 - Gas CT - 175 MW	F			8/1/2024 13:30	8/2/2024 11:41		22:11	Generator Cooling System
In-service June 2001	S	8/14/2024 6:00	8/14/2024 14:04	8/14/2024 6:00	8/14/2024 14:04	8:04	8:04	Generator Cooling System
Jointly owned with KU	F			9/27/2024 1:52	9/27/2024 8:30		6:38	Combustion Turbine Loss of Auxiliary Power
	F			10/6/2024 16:32	10/7/2024 15:25		22:53	CT Cooling System
	S	10/23/2024 7:04	10/24/2024 14:31	10/23/2024 7:04	10/24/2024 14:31	31:27	31:27	Generator Cooling System
Trimble County Unit 5 - Gas CT - 179 MW	F			6/9/2024 2:33	6/9/2024 10:47		8:14	Generator protection relay equipment failure
In-service May 2002	F			10/12/2024 22:51	10/13/2024 11:01		12:10	Lube Oil Pump Motor
Jointly owned with KU								
Trimble County Unit 6 - Gas CT - 179 MW	S	8/12/2024 6:00	8/12/2024 14:15	8/12/2024 6:00	8/12/2024 14:15	8:15	8:15	Compressor Inlet Heating System
In-service May 2002	S	9/26/2024 7:00	9/26/2024 13:18	9/26/2024 7:00	9/26/2024 13:18	6:18	6:18	Compressor washing
Jointly owned with KU	F			10/12/2024 22:51	10/13/2024 6:50		7:59	Lube Oil Pump Motor
Trimble County Unit 7 - Gas CT - 179 MW	S	4/27/2024 0:00	5/26/2024 0:00	4/25/2024 0:00	5/24/2024 6:28	696:00	702:28	Borescope Inspection
In-service June 2004	S	8/15/2024 2:00	8/15/2024 15:49	8/15/2024 2:00	8/15/2024 15:49	13:49	13:49	Exhaust compartment inspection
Jointly owned with KU								
Trimble County Unit 8 - Gas CT - 179 MW	S	5/8/2024 7:32	5/8/2024 15:52	5/8/2024 7:32	5/8/2024 15:52	8:20	8:20	Fire protection system
In-service June 2004	S	9/25/2024 3:00	9/26/2024 8:10	9/25/2024 3:00	9/26/2024 8:10	29:10	29:10	Turbine Vibration - Balance Weight Installation
Jointly owned with KU								
Trimble County Unit 9 - Gas CT - 179 MW		No outages > or = 6 hours						
In-service July 2004								
Jointly owned with KU								
Trimble County Unit 10 - Gas CT - 179 MW		No outages > or = 6 hours						
In-service July 2004								
Jointly owned with KU								

*Actual outage dates and hours of duration include scheduled and forced outages.

Attachment to Response to Question No. 14

Drake

Page 2 of 2

Response to Question No. 15

Page 1 of 2

Drake

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 15

Responding Witness: Michael P. Drake

Q-15. For the last six months of the period under review, provide the monthly capacity factor at which each generating unit operated.

A-15.

	Net Capacity Factor (%) May 1, 2024 - October 31, 2024					
	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24
Brown 5	1.18	1.64	1.52	5.41	0.96	0.76
Brown 6	1.92	7.74	4.97	11.97	4.20	0.00
Brown 7	3.08	11.44	7.96	14.76	2.86	2.52
Brown Solar	20.58	25.13	23.33	25.05	19.19	21.57
Cane Run 7	49.53	89.30	98.07	97.63	95.52	82.92
Mill Creek 1	14.55	7.16	0.06	4.11	0.00	0.00
Mill Creek 2	50.81	59.22	68.70	64.59	69.43	69.17
Mill Creek 3	54.86	69.50	71.35	58.06	49.59	50.35
Mill Creek 4	67.91	74.26	72.86	71.29	68.43	72.56
Ohio Falls 1	48.57	17.54	3.38	11.21	6.44	42.01
Ohio Falls 2	60.60	19.23	31.20	11.46	6.62	44.75
Ohio Falls 3	59.33	30.88	6.42	15.31	6.58	41.84
Ohio Falls 4	45.63	20.69	20.60	15.60	6.45	28.98
Ohio Falls 5	54.16	22.70	7.80	16.13	6.35	27.91
Ohio Falls 6	61.21	26.93	18.33	30.42	9.62	21.26
Ohio Falls 7	57.21	30.00	4.33	28.07	14.96	13.34
Ohio Falls 8	46.13	37.78	45.51	27.97	13.41	13.73
Paddy's Run 12	0.03	0.00	0.00	0.00	0.00	0.00
Paddy's Run 13	4.80	5.13	3.51	7.49	2.36	0.42
Trimble County 1	83.16	63.14	79.14	83.13	70.69	86.88
Trimble County 2	82.03	81.84	81.93	71.56	31.45	0.00
Trimble County 5	5.06	10.19	6.44	14.25	9.49	0.36
Trimble County 6	15.99	15.48	15.42	18.56	6.83	0.50

Response to Question No. 15**Page 2 of 2****Drake**

Trimble County 7	1.20	36.37	55.49	54.02	31.94	26.05
Trimble County 8	1.99	0.90	8.17	24.10	18.45	0.68
Trimble County 9	34.15	16.89	21.90	41.93	21.51	24.68
Trimble County 10	25.59	7.78	20.20	9.62	5.61	8.28

Notes:

1 – Trimble County values reflect 100% of the unit. Trimble County 1 is owned by LG&E (75%), IMPA (12.88%), and IMEA (12.12%). Trimble County 2 is owned by KU (60.75%), LG&E (14.25%), IMPA (12.88%), and IMEA (12.12%).

2 – The North American Electric Reliability Council Generation Availability Data System defines capacity factor as the value equal to the net MWh produced divided by the product of the hours in the period and the unit rating.

3 – Jointly owned units are shown for both LG&E and KU and include Brown 5-7, Brown Solar, Cane Run 7, Paddy's Run 13, Trimble County 2, and Trimble County 5-10.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 16

Responding Witness: Michael P. Drake

Q-16.

- a. For the last six months of the period under review, explain whether LG&E made any changes to its maintenance and operation practices or completed any specific generation efficiency improvements that affect fuel usage at LG&E's generation facilities.
- b. Describe the impact of these changes on LG&E's fuel usage.

A-16.

- a. There have been no maintenance or operation practice changes that affect fuel usage during the period under review. The company strives to maintain unit efficiency through routine cyclic planned outage maintenance and performance monitoring. Generally, this maintenance work is focused on reestablishing expected turbine and equipment efficiency. This is verified through monitoring of all plant systems during operation and periodic equipment testing. The company utilizes multiple software and analytical tools in this process.
In evaluating potential major component projects or replacements that may impact efficiency, the company must balance any potential efficiency benefit associated with the project against both costs and potential implications under the Clean Air Act. LG&E has not realized any efficiency improvements through major component projects during this period.
- b. Not applicable.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 17

Responding Witness: Micheal P. Drake

Q-17. For the last six months of the period under review provide the hour by hour availability of each generating unit availability, how the unit had been bid into the day ahead market, whether the unit was operating, and if operating the minimum (economic or operational) and maximum capacity of the unit.

A-17. See attachment being provided in a separate Excel file.

Attachment
provided in
separate
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LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 18

Responding Witness: Delbert Billiter / Stuart A. Wilson

Q-18. State whether LG&E is aware of any violations of its policies and procedures regarding fuel procurement that occurred prior to or during the last six months of the period under review.

A-18. The Company did not have any violations of its policies and procedures regarding fuel procurement that occurred prior to or during the period under review.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 19

Responding Witness: Andrea M. Fackler

Q-19. State whether LG&E is aware of any violations of 807 KAR 5:056 that occurred prior to or during the last six months of the period under review.

A-19. The Company is not aware of any violations of 807 KAR 5:056 that occurred prior to or during the period under review.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 20

Responding Witness: Andrea M. Fackler

Q-20. Describe the effect on the FAC calculation of line losses related to:

- a. Intersystem sales when using a third-party transmission system; and
- b. Intersystem sales when not using a third-party transmission system.

A-20.

- a-b. Line losses related to inter-system sales are calculated using a loss factor of 0.5% whether the inter-system sale requires a third-party transmission system or not. This practice is consistent with the Commission's June 7, 2013, Amended Order in Case No. 2012-00553.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 21

Responding Witness: Andrea M. Fackler

- Q-21. State whether all fuel contracts related to commodity and transportation have been filed with the Commission. If any contracts have not been filed, explain why they have not been filed and provide a copy.
- A-21. For the period under review, all fuel contracts related to commodity and/or transportation have been filed with the Commission.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 22

Responding Witness: Delbert Billiter

Q-22. For each generating station, state the methods of coal delivery currently available.

A-22. Mill Creek – Rail and Barge
Trimble County – Barge

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 23

Responding Witness: Andrea M. Fackler

Q-23. If a change in the base fuel cost is proposed, state the month to be used as the base period (b). If the base period results in a fuel cost other than one representative of current costs as prescribed by 807 KAR 5:056, Section 1(2), explain why this base period was selected. If no change is proposed, include an explanation of the reason(s) LG&E believes the current base period fuel cost should remain unchanged.

A-23. LG&E is recommending a change in its fuel base rate in this proceeding and with KU jointly recommends that the per unit cost for the February 2023 expense month be used as the base period. As discussed in the Direct Testimony of Andrea M. Fackler, the Companies recommend the individual LG&E and KU per unit costs for the February 2023 expense month be combined on a weighted basis to align the fuel base rate for both utilities in anticipation of the Companies' plan to file an application to legally merge with one surviving entity. See the Fackler Testimony for further discussion of the proposed fuel base rate and the selection of the base period.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 24

Responding Witness: Andrea M. Fackler

Q-24. Provide a calculation of the fossil fuel costs F(b) that LG&E proposes to use to calculate the base period fuel cost. This calculation shall show each component of F(b) as defined by 807 KAR 5:056. Explain why the fuel cost in the selected base period is representative of the level of fuel cost currently being experienced by LG&E.

A-24. Attached is a copy of the Fuel Cost Schedule (Form A, Page 2) for the February 2023 expense month, which shows the components of the proposed F(b) as defined by 807 KAR 5:056. The Company considered F(b) and S(b) collectively in determining the appropriate month to use as a new fuel base rate since together they produce the monthly FAC per unit cost. See also the response to Question No. 23.

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE

Expense Month: February 2023

(A) <u>Company Generation</u>	
Coal Burned	(+) \$ 18,506,555 (1)
Oil Burned	(+) -
Gas Burned	(+) 4,758,456 (1)
Fuel (assigned cost during Forced Outage)	(+) 310,914 *
Fuel (substitute cost for Forced Outage)	(-) 304,161 *
SUB-TOTAL	<u>\$ 23,265,011</u>
(B) <u>Purchases</u>	
Net energy cost - economy purchases	(+) \$ 1,177,027
Identifiable fuel cost - other purchases	(+) -
Identifiable fuel cost (substitute for Forced Outage)	(-) - *
Less Purchases Above Highest Cost Units	(-) 211
Internal Economy	(+) 22,342
Internal Replacement	(+) 41,172
SUB-TOTAL	<u>\$ 1,240,330</u>
(C) <u>Inter-System Sales</u>	
Including Interchange-out	(+) \$ 106,299
Internal Economy	(+) 2,109,940
Internal Replacement	(+) 253
Dollars Assigned to Inter-System Sales Losses	(+) 531
SUB-TOTAL	<u>\$ 2,217,023</u>
(D) <u>Over or (Under) Recovery</u>	
From Page 4, Line 13	<u>\$ (659,763)</u>
(E) <u>CSR Customers Adjustment</u>	<u>\$ -</u>
TOTAL FUEL RECOVERY (A+B-C-D-E) =	<u>\$ 22,948,081</u>

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00553.

Coal burned = \$5,382

Gas burned = \$100

* Excluded from calculations per 807 KAR 5:056 due to fuel cost for substitute generation and purchases being less than assigned cost during Forced Outage.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 25

Responding Witness: Andrea M. Fackler

Q-25. Provide a schedule showing each component of sales as defined by 807 KAR 5:056 in the selected base period (b). Explain why LG&E believes that the sales in the selected base period (b) are representative of the level of kWh sales that LG&E will derive from the level of fuel cost incurred during the selected base period (b).

- a. Separately provide the amounts of power purchases used in the calculation of sales provided.
- b. Separately provide the amounts of intersystem power sales used in the calculation of sales provided.

A-25. Attached is a copy of the Sales Schedule (Form A, Page 3) for the February 2023 expense month, which shows the components of the proposed S(b) as defined by 807 KAR 5:056. The Company considered F(b) and S(b) collectively in determining the appropriate month to use as a new fuel base rate since together they produce the monthly FAC per unit cost. See also the response to Question No. 23.

LOUISVILLE GAS AND ELECTRIC COMPANY**SALES SCHEDULE (KWH)**

Expense Month: February 2023

(A) Generation (Net)	(+)	883,292,463
Purchases including interchange-in	(+)	5,760,000
Internal Economy	(+)	864,000
Internal Replacement	(+)	1,549,000
SUB-TOTAL		<u>891,465,463</u>

(B) Inter-system Sales including interchange-out	(+)	3,858,000
Internal Economy	(+)	82,115,000
Internal Replacement	(+)	9,000
System Losses (805,483,463 KWH times 4.62%)	(+)	<u>37,225,885</u>
SUB-TOTAL		<u>123,207,885</u>

TOTAL SALES (A-B) 768,257,578

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 26

Responding Witness: Andrea M. Fackler

Q-26. Provide a schedule showing the calculation of LG&E's proposed increase or decrease in its base fuel cost per kWh to be incorporated into its base rate.

A-26. \$0.03037 Proposed Fuel Base Rate
\$0.02860 Less: Current Fuel Base Rate
\$0.00177 Increase in Fuel Base Rate

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 27

Responding Witness: Andrea M. Fackler

Q-27. Provide a schedule of the present and proposed rates that LG&E seeks to change pursuant to 807 KAR 5:056, shown in comparative form.

A-27. Since LG&E has a base rate proceeding pending (Case No. 2025-00114) and an order is expected by February 13, 2026, the Company believes it is administratively more efficient to provide the requested schedule of present and proposed rates in the instant proceeding once the Commission has issued its Final Order in the Company's base rate proceeding. As such, the Company will supplement this response as soon as practicable after new base rates are established. See also the response to Question No. 26 which provides the change in the fuel base rate which is also representative of the change in the base energy rates in the tariff sheets if the Commission approves the Company's recommended fuel base rate of \$0.03037 per kWh.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 28

Responding Witness: Andrea M. Fackler

Q-28. Provide a copy of the current tariff showing by cross-outs and inserts all proposed changes in rates.

A-28. Since LG&E has a base rate proceeding pending (Case No. 2025-00114) and an order is expected by February 13, 2026, the Company believes it is administratively more efficient to provide the requested tariff revisions in the instant proceeding once the Commission has issued its Final Order in the Company's base rate proceeding. As such, the Company will supplement this response as soon as practicable after new base rates are established. See also the response to Question No. 26 which provides the change in the fuel base rate which is also representative of the change in the base energy rates in the tariff sheets if the Commission approves the Company's recommended fuel base rate of \$0.03037 per kWh.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 29

Responding Witness: James R. Frank

Q-29. For the years ending 2023 and 2024, provide:

- a. Maximum annual system demand; and
- b. Average annual demand.

A-29.

- a. See the table provided below. The maximum annual system demand for the combined KU and LG&E systems is the maximum hourly observation over each 8,760 (or 8,784 in the case of 2024) hour period. The average annual demand for the combined KU and LG&E systems is the average of all hourly observations over the annual period.

Year Ending October 31	Maximum Annual System Demand (MW)	Average Annual Demand (MW)
2023	6,407	3,501
2024	6,407	3,594

- b. See the response to part (a).

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 30

Responding Witness: Andrea M. Fackler

Q-30.

- a. Provide a schedule of the calculation of the 12-month average line loss by month for November 2022 through October 2024.
- b. Describe the actions that LG&E has taken to reduce line loss during this period.

A-30.

- a. See attached.
- b. KU's transmission and distribution systems are constantly being expanded and upgraded to provide reliable electric service. All enhancements contribute to a system that will operate with potentially fewer line losses. New line construction and transformer additions provide facilities which may reduce the current in existing facilities, thus allowing power the path of least resistance. Replacing existing conductors with large conductors or replacing existing transformers with larger transformers also reduce the resistance. Adding capacitors near the load reduces system reactive power (VAR) requirements and line and transformer currents. Any reduction in current and/or resistance results in reduced losses. The Company's planning and design objective is to provide a reliable transmission and distribution system at a reasonable cost. For transmission and distribution, the costs for losses are evaluated as outlined below.

Transmission

The cost of transmission line losses is included in the economic analysis when evaluating the cost of alternative projects. The costs of core and copper losses are incorporated into the selection of all transmission transformers.

Distribution

Losses are evaluated in the selection of standard line materials (cables, wires, distribution transformers, etc.) and distribution substation transformers. Total ownership cost, which includes the cost of no-load, load and auxiliary losses, is incorporated into the selection of distribution and substation transformers.

Louisville Gas and Electric Company						
12 Month Average Line Loss						
November 2022 to October 2024						
Line	Month	12 Months to Date kWh Sources	12 Months to Date Overall System Losses	12 Months End Percent Losses	Current Month kWh Sources	Current Month Calculated System Losses (kWh)
a	b	c	d	e (d /c)	f	g (e * f)
1	Nov-22	11,840,705,827	507,671,177	4.29%	871,182,393	37,373,725
2	Dec-22	11,930,434,741	552,735,400	4.63%	974,102,624	45,100,951
3	Jan-23	11,836,440,627	520,987,565	4.42%	937,584,945	41,441,255
4	Feb-23	11,757,305,010	543,370,670	4.62%	805,483,463	37,225,885
5	Mar-23	11,734,423,186	517,602,188	4.41%	850,150,097	37,499,888
6	Apr-23	11,712,374,234	515,621,922	4.40%	799,776,683	35,190,174
7	May-23	11,654,360,006	511,105,403	4.39%	918,716,597	40,331,659
8	Jun-23	11,500,201,969	505,921,623	4.40%	1,005,873,588	44,258,438
9	Jul-23	11,454,557,010	486,022,318	4.24%	1,235,028,706	52,365,217
10	Aug-23	11,438,848,319	487,282,269	4.26%	1,213,198,888	51,682,273
11	Sep-23	11,437,151,445	500,644,729	4.38%	1,002,344,854	43,902,705
12	Oct-23	11,460,026,808	510,573,813	4.46%	846,583,970	37,757,645
13	Nov-23	11,427,822,632	493,358,751	4.32%	838,978,217	36,243,859
14	Dec-23	11,366,239,109	485,823,731	4.27%	912,519,101	38,964,566
15	Jan-24	11,463,902,013	505,780,693	4.41%	1,035,247,849	45,654,430
16	Feb-24	11,493,058,552	497,495,854	4.33%	834,640,002	36,139,912
17	Mar-24	11,489,011,681	497,309,063	4.33%	846,103,226	36,636,270
18	Apr-24	11,530,015,176	488,378,676	4.24%	840,780,178	35,649,080
19	May-24	11,588,688,030	493,477,724	4.26%	977,389,451	41,636,791
20	Jun-24	11,714,926,344	496,357,934	4.24%	1,132,111,902	48,001,545
21	Jul-24	11,715,197,748	502,984,902	4.29%	1,235,300,110	52,994,375
22	Aug-24	11,729,021,600	486,483,216	4.15%	1,227,022,740	50,921,444
23	Sep-24	11,736,991,174	476,669,708	4.06%	1,010,314,428	41,018,766
24	Oct-24	11,748,017,235	482,761,628	4.11%	857,610,031	35,247,772

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 31

Responding Witness: Stuart A. Wilson

Q-31. Describe in detail any hedging or hedging related activities that LG&E uses in relation to power purchases. Include an explanation as to whether the Commission approved the hedging activities or the utility implemented hedging pursuant to internal company policies. If the hedging was pursuant to internal policies, provide a copy of the policy and an explanation of how long the hedging activity has been ongoing.

A-31. The Company is not a member of a regional transmission organization (“RTO”). While the Company makes energy purchases when economics are favorable, there are no hedging activities related to these purchases.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 32

Responding Witness: Delbert Billiter / James R. Frank

Q-32. Provide the most recent projected fuel requirements for the years 2025, 2026, and 2027 in tons for coal, MMBtu for natural gas, and dollars.

A-32. Below is the most recent forecast of the Company's coal requirement for 2025, 2026, and 2027. Note that 2025 shows actual tons and dollars instead of projected.

	<u>Tons</u>	<u>Dollars</u>
2025	5,187,840	\$301,655,309
2026	4,838,097	\$294,586,797
2027	4,816,333	\$296,389,203

Below is the most recent forecast of the Company's natural gas requirement for natural gas generation resources for years 2025, 2026, and 2027. Note that 2025 shows actual MMBtu and dollars instead of projected.

	<u>MMBtu</u>	<u>Dollars</u>
2025	13,399,964	\$61,135,730
2026	12,269,325	\$58,354,511
2027	17,545,268	\$78,479,454

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 33

Responding Witness: Andrea M. Fackler / James R. Frank

Q-33. Provide the most recent sales projections for the years 2025, 2026, and 2027 in kWh and dollars.

A-33. Below is the most recent forecast of projected sales to LG&E's electric ultimate consumers. Note that 2025 shows actual sales and dollars instead of projected.

<u>Year</u>	<u>Sales (kWh)</u>	<u>Dollars</u>
2025	11,381,361,167	\$1,260,786,421
2026	11,041,792,094	\$1,310,978,380
2027	12,260,161,637	\$1,438,333,432

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 34

Responding Witness: James R. Frank

- Q-34. Provide the planned maintenance schedule for each of the generating units for the years 2025, 2026, and 2027.
- A-34. See attached. 2025's maintenance weeks reflect actual planned outages. Certain information requested is confidential and proprietary and is being provided under seal pursuant to a petition for confidential protection.

Attachment to Response Question No. 34

Page 1 of 3

CONFIDENTIAL INFORMATION REDACTED

Frank

Weekly Maintenance Detail - 2025

Attachment to Response Question No. 34

Page 2 of 3

CONFIDENTIAL INFORMATION REDACTED

Frank

Weekly Maintenance Detail - 2026

Attachment to Response Question No. 34

Page 3 of 3

Frank

CONFIDENTIAL INFORMATION REDACTED

Weekly Maintenance Detail - 2027

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 35

Responding Witness: Delbert Billiter / Andrea M. Fackler / James R. Frank

Q-35. Identify any issues that could affect fuel costs for the two-year period that remain unresolved or unsettled. Include in the response any issues related to billings from a regional transmission operator. Consider this a continuing request to inform the Commission if LG&E becomes aware of any issues during the course of this proceeding.

A-35. The Company has no unresolved or unsettled issues to report and will update the Commission during the course of this proceeding if it becomes aware of any issues.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 36

Responding Witness: Delbert Billiter

Q-36. Provide the number of LG&E's coal purchase contracts that included transportation costs and those that did not from November 1, 2022, through October 31, 2024.

- a. Explain how it is determined whether transportation costs will be included in the coal purchase contract.
- b. When transportation is contracted for separately from the coal contract, explain whether LG&E issues requests for proposals (RFP) for this service.
 - (1) If yes, state how often this occurs, how many vendors are included in the RFP, and how is it determined which vendors will receive the RFP.
 - (2) State whether LG&E uses or contracts with any related parties for transportation of its coal purchases. If yes, provide the name of the related party and nature of the relationship, the period it has contracted with the party, and copies of any contracts with the related party if not previously filed with the Commission.
- c. Explain in detail LG&E's policies and procedures for entering into transportation contracts.

A-36. Many coal suppliers incur transportation costs in the process of mining coal and moving coal from the mine to the processing plant, and from the processing plant to the FOB Delivery Point (typically FOB railcar or FOB barge). However, it is the Company's interpretation that transportation costs, in the context of this question, refer to transportation costs for the final delivery of the coal to the power generation station from the FOB Delivery Point. Using this interpretation, the Company had no coal contracts, during the period November 1, 2022 to October 31, 2024, that included transportation costs.

- a. When the Company solicits the market for coal, it allows suppliers to make proposals at a FOB Delivery Point of the bidder's choosing. When a supplier offers coal FOB power generation station, the Company evaluates this proposal against other offers on a delivered costs basis to the power

Response to Question No. 36

Page 2 of 2

Billiter

generation station. If the cost of the offer, on a delivered basis, is lower than other options, and the supplier and their transportation provider meet all other criteria, the Company would select this offer. It is rare for a supplier to offer coal on a FOB power generation station basis.

- b. When more than one transportation vendor is available, the Company issues an RFP to acquire transportation services. When only one transportation vendor exists, as with Mill Creek Generating Station for rail deliveries, no RFP is performed.
 - (1) The frequency of transportation RFPs varies depending on the term of the existing contracts. The Company issues RFPs before existing contracts expire to identify the best transportation option ahead of the active contracts' termination date. The number of vendors varies by the services needed, but all transportation vendors capable of providing the needed services to the Company's power generation stations are included.
 - (2) The Company has no transportation contracts with any related party.

The Company's procedures for entering into transportation contracts are outlined on pages 12-13 of the Coal Supply and By-Products Marketing Procurement Procedures. See the response to Question No. 11.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 37

Responding Witness: Andrea M. Fackler / Stuart A. Wilson

Q-37. Explain how purchase power costs are accounted for in the calculation of the FAC when LG&E experiences a planned generation outage and purchases power to meet load (i.e., whether the entire amount of the purchase power recorded in the calculation, or there is a limit as to the amount recorded). If there is a limit, explain the basis for the limitation and how it is calculated. If there is no limit, explain the basis for including 100 percent of the purchase power costs.

A-37. When the Company experiences a planned generation outage and purchases power to meet load, purchased power costs are accounted for in the calculation of the FAC. Any power purchases that cost more than the Company's highest cost unit that was available to generate power are excluded from the FAC.

The inclusion of purchased power costs in the FAC is consistent with 807 KAR 5:056, which states “[f]uel costs (F) shall be the most recent actual monthly cost...of...the charges for economy energy purchases, the charges as a result of scheduled outage, and other charges for energy being purchased by the buyer to substitute for the buyer's own higher cost energy, may be included”.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 38

Responding Witness: Andrea M. Fackler / Stuart A. Wilson

Q-38. Explain how purchase power costs are accounted for in the calculation of the FAC when LG&E is not experiencing a generation outage but must purchase power in order to meet demand (i.e., whether the entire amount of the purchase power recorded in the calculation, or there is a limit as to the amount recorded). If there is a limit, explain the basis for the limitation and how it is calculated. If there is no limit, explain the basis for including 100 percent of the purchase power costs.

A-38. When the Company is not experiencing a generation outage and purchases power to meet load, economic purchased power costs are accounted for in the calculation of the FAC. Any power purchases that cost more than the Company's highest cost unit that was available to generate power are excluded from the FAC.

The inclusion of purchased power costs in the FAC is consistent with 807 KAR 5:056, which states “[f]uel costs (F) shall be the most recent actual monthly cost...of...the charges for economy energy purchases, the charges as a result of scheduled outage, and other charges for energy being purchased by the buyer to substitute for the buyer's own higher cost energy, may be included”.

Response to Question No. 39

Page 1 of 2

Fackler

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 39

Responding Witness: Andrea M. Fackler

Q-39. Provide the amount, by month, of costs excluded from recovery from the FAC related to non-economy purchases.

- a. State whether LG&E otherwise recovers the excluded costs.
- b. If LG&E does recover the excluded costs, explain in detail how those costs are recovered.

A-39.

Louisville Gas and Electric	
Non-Economy Purchases Disallowed from Recovery in Fuel Adjustment Clause (FAC)	
Nov-22	\$ -
Dec-22	-
Jan-23	-
Feb-23	211
Mar-23	-
Apr-23	-
May-23	667
Jun-23	340
Jul-23	15
Aug-23	-
Sep-23	-
Oct-23	-
Nov-23	-
Dec-23	-
Jan-24	11
Feb-24	-
Mar-24	44
Apr-24	-
May-24	-
Jun-24	40
Jul-24	-
Aug-24	-
Sep-24	3,799
Oct-24	-
Total	\$ 5,127

a-b. The Company does not recover actual costs excluded from recovery in the FAC in another manner. However, the Company recovers through base rates an amount of non-economy purchases based on a three-year average of historical actual exclusion amounts disallowed from recovery in the Fuel Adjustment Clause pursuant to 807 KAR 5:056. The annual amount of non-economy purchase exclusion costs currently embedded in base rates during the period under review is \$4,347⁴. This amount will not change until new base rates are established in a base rate case proceeding.

⁴ *Electronic Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Rates, a Certificate of Public Convenience and Necessity to Deploy Advanced Metering Infrastructure, Approval of Certain Regulatory and Accounting Treatments, and Establishment of a One-Year Surcredit*, Case No. 2020-00350, Order issued June 30, 2021 establishing base rates effective July 1, 2021.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 40

Responding Witness: Andrea M. Fackler

Q-40. Provide the amount of current FAC fuel procurement or purchase power costs that is included in LG&E's base rates.

A-40. Pursuant to 807 KAR 5:056, Section 1(3), LG&E's FAC recoverable costs are primarily recovered through energy base rates, which contain an embedded fuel rate approved by the Commission. Any variance between the fuel base rate and the actual fuel cost for an expense month is charged/credited to customers through an FAC adjustment on a customer's bill two months later. LG&E's current fuel base rate was approved by the Commission in Case No. 2023-00011. Importantly, there are also non-fuel components to the base energy rate and for some tariffs, there is an environmental cost recovery component embedded in the energy base rate. The non-fuel component is established or revised during a base rate proceeding while the environmental cost recovery ("ECR") component is established or revised during a base rate proceeding (e.g., if projects are being eliminated into base rates) or during an ECR adjustment clause two-year review proceeding (e.g., if costs are rolled into base rates to be collected through base rates rather than the ECR surcharge).

Additionally, when preparing a base rate case application, LG&E removes all FAC recoverable costs and revenues since they have separate reporting requirements with the Commission. See also the response to Question No. 41.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 41

Responding Witness: Andrea M. Fackler

Q-41. Provide the amount of non-FAC fuel procurement or purchase power costs that are otherwise recovered in LG&E's base rates.

A-41. Pursuant to 807 KAR 5:056, Section 1(4) and past Commission Orders, LG&E is subject to two potential cost disallowances for fuel adjustment clause purposes. The first potential disallowance is when forced outages occur and the Company has to purchase or generate any lost power. If those fuel costs exceed the cost of the fuel costs had the power been generated by the unit forced out, the fuel costs are not recoverable through the FAC. The second potential disallowance is for power purchases made that exceed the fuel costs for the Company's highest cost generating unit available to serve load during the month. Any costs above this threshold are not recoverable through the FAC. As discussed in the response to Question No. 39, the Company reviews historical actual FAC exclusions when preparing its annual business plan, which is also what is used for base rate case applications. During the period under review, a three-year historical average of actual FAC exclusions was included for recovery in base rates. The annual jurisdictional amount of both forced outage and purchases above highest cost units exclusion amounts currently embedded in base rates is \$188,638⁵. This amount will not change until new base rates are established in a base rate case proceeding.

⁵ *Electronic Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Rates, a Certificate of Public Convenience and Necessity to Deploy Advanced Metering Infrastructure, Approval of Certain Regulatory and Accounting Treatments, and Establishment of a One-Year Surcredit*, Case No. 2020-00350, Order issued June 30, 2021 establishing base rates effective July 1, 2021.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information
Dated December 19, 2025

Case No. 2025-00341

Question No. 42

Responding Witness: Andrea M. Fackler

Q-42. Provide each instance an error was made by LG&E on its FAC form A rate sheets filed during the full two-year period under review. For each instance provide:

- a. An explanation on the error and why the error was made.
- b. LG&E's actions taken to correct for the error.
- c. Revised FAC form A rate sheets showing the actual fuel related expenses and sales as if it was filed accurately.

A-42.

- a. As disclosed in LG&E's Read 1st filing letter on January 12, 2024 for its November 2023 Form B filing, in October 2023 a typographical error led to an incorrect value for the auxiliary usage for the Brown CT Units 5 through 7, which are jointly owned with LG&E's sister utility Kentucky Utilities Company, and KU's Brown CT Units 8 through 11 being allocated to the individual units, which resulted in a net understatement of LG&E's net generation in October 2023. In November, the overstated auxiliary usage was reversed, which resulted in an overstatement of LG&E's net generation in November 2023.
- b. LG&E revised and filed its October and November 2023 Form A filings with the Commission on January 19, 2024 as an accompaniment to its December 2023 Form A filing. Because the October 2023 FAC billing factor was billed to customers in the December billing period, KU included the corrected October 2023 FAC billing factor in the "Over or (Under) Recovery Schedule" in the December 2023 Form A filing. Because the November 2023 FAC billing factor was currently being billed to customers during the January billing period, KU included the corrected November 2023 FAC billing factor in the "Over or (Under) Recovery Schedule" in the January 2024 Form A filing. In addition to correcting the Form A filings, LG&E's E. W. Brown plant personnel implemented an additional step to verify the data before sending it out for reporting purposes.
- c. See attached.

Revised
November 2023
Form A

Andrea M. Fackler

Manager, Revenue Requirement/Cost of Service
State Regulation and Rates
T 502-627-3442 | F 502-627-3213
andrea.fackler@lge-ku.com



VIA ELECTRONIC FILING

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

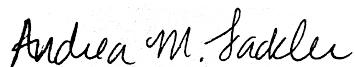
December 19, 2023

Dear Ms. Bridwell:

In compliance with 807 KAR 5:056 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) ("COVID-19 Order"), Louisville Gas and Electric Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the January 2024 billing cycle which begins December 29, 2023.

The necessary supporting data to justify the billing factors is included. Please contact me if you have any questions about this filing.

Sincerely,

A handwritten signature in black ink that reads "Andrea M. Fackler".

Andrea M. Fackler

Enclosures

REVISED PAGE AS FILED ON 1/19/2024

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: November 2023

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$	0.00247	/ KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	\$	<u>0.00035</u>	/ KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	\$	<u><u>0.00212</u></u>	/ KWH

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: 12/29/2023

Submitted by Andrea M. Fackler

Title: Manager, Revenue Requirement/Cost of Service

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: November 2023

Fuel "Fm" (Fuel Cost Schedule)	=	\$20,834,676	
Sales "Sm" (Sales Schedule)	=	802,734,358	KWH

Per First Revision of PSC approved Tariff Sheet No. 85.1
effective August 1, 2021

= (-) \$ 0.02348 / KWH

FAC Factor (1) = \$ 0.00247 / KWH

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: 12/29/2023

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE

Expense Month: November 2023

(A) <u>Company Generation</u>	
Coal Burned	(+) \$ 18,251,476 (1)
Oil Burned	(+) -
Gas Burned	(+) 3,034,570 (1)
Fuel (assigned cost during Forced Outage)	(+) 237,370 *
Fuel (substitute cost for Forced Outage)	(-) 230,167 *
SUB-TOTAL	<u>\$ 21,286,046</u>
(B) <u>Purchases</u>	
Net energy cost - economy purchases	(+) \$ 1,903,023
Identifiable fuel cost - other purchases	(+) -
Identifiable fuel cost (substitute for Forced Outage)	(-) 785 *
Less Purchases Above Highest Cost Units	(-) -
Internal Economy	(+) 225,949
Internal Replacement	(+) 25,181
SUB-TOTAL	<u>\$ 2,154,153</u>
(C) <u>Inter-System Sales</u>	
Including Interchange-out	(+) \$ 573,870
Internal Economy	(+) 2,346,909
Internal Replacement	(+) 101,038
Dollars Assigned to Inter-System Sales Losses	(+) <u>2,869</u>
SUB-TOTAL	<u>\$ 3,024,686</u>
(D) <u>Over or (Under) Recovery</u>	
From Page 4, Line 13	<u>\$ (419,163)</u>
(E) <u>CSR Customers Adjustment</u>	<u>\$ -</u>
TOTAL FUEL RECOVERY (A+B-C-D-E) =	<u>\$ 20,834,676</u>

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00553.

Coal burned = \$4,279

Gas burned = \$52

* Excluded from calculations per 807 KAR 5:056 due to fuel cost for substitute generation and purchases being less than assigned cost during Forced Outage.

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month: November 2023

(A) Generation (Net)	(+)	932,980,217
Purchases including interchange-in	(+)	22,915,000
Internal Economy	(+)	10,038,000
Internal Replacement	(+)	1,062,000
SUB-TOTAL		966,995,217

(B) Inter-system Sales including interchange-out	(+)	23,828,000
Internal Economy	(+)	99,927,000
Internal Replacement	(+)	4,262,000
System Losses (838,978,217 KWH times 4.32%)	(+)	36,243,859
SUB-TOTAL		164,260,859

TOTAL SALES (A-B) 802,734,358

Form A
Page 4 of 5

LOUISVILLE GAS AND ELECTRIC COMPANY

**FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: November 2023

1.	Last FAC Rate Billed	0.00209
2.	KWH Billed at Above Rate	<u>757,885,501</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2) <u>\$ 1,583,981</u>
4.	KWH Used to Determine Last FAC Rate	958,442,149
5.	Non-Jurisdictional KWH (Included in Line 4)	<u>-</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5) <u>958,442,149</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed	<u>-</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6) <u>\$ 2,003,144</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8) <u>\$ (419,163)</u>
10.	Total Sales "Sm" (From Page 3 of 5)	<u>802,734,358</u>
11.	Kentucky Jurisdictional Sales	<u>802,734,358</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11) <u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12) <u>\$ (419,163)</u> To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
 INTERCOMPANY TRANSACTIONS**

Expense Month: November 2023

LOUISVILLE GAS AND ELECTRIC COMPANY

KWH		
Purchases		
Internal Economy		
	\$ 223,036.40	10,038,000 KU Fuel Cost - Sales to LGE Native Load
	2,912.97	Half of Split Savings
	<u>\$ 225,949.37</u>	<u>10,038,000</u>
Internal Replacement		
	\$ 25,181.35	1,062,000 Freed-up KU Generation sold back to LGE
	-	- KU Generation for LGE Pre-Merger
	<u>\$ 25,181.35</u>	<u>1,062,000</u>
Total Purchases	<u>\$ 251,130.72</u>	<u>11,100,000</u>
 Sales		
Internal Economy		
	\$ 2,345,826.37	99,927,000 Fuel for LGE Sale to KU for Native Load
	1,082.43	Half of Split Savings to LGE from KU
	<u>\$ 2,346,908.80</u>	<u>99,927,000</u>
Internal Replacement		
	\$ 101,038.16	4,262,000 Freed-up LGE Generation sold back to KU
	-	- LGE Generation for KU Pre-Merger Sales
	<u>\$ 101,038.16</u>	<u>4,262,000</u>
Total Sales	<u>\$ 2,447,946.96</u>	<u>104,189,000</u>

KENTUCKY UTILITIES COMPANY

KWH		
Purchases		
Internal Economy		
	\$ 2,345,826.37	99,927,000 Fuel for LGE Sale to KU for Native Load
	1,082.43	Half of Split Savings to LGE from KU
	<u>\$ 2,346,908.80</u>	<u>99,927,000</u>
Internal Replacement		
	\$ 101,038.16	4,262,000 Freed-up LGE Generation sold back to KU
	-	- LGE Generation for KU Pre-Merger Sales
	<u>\$ 101,038.16</u>	<u>4,262,000</u>
Total Purchases	<u>\$ 2,447,946.96</u>	<u>104,189,000</u>
 Sales		
Internal Economy		
	\$ 223,036.40	10,038,000 KU Fuel Cost - Sales to LGE Native Load
	2,912.97	Half of Split Savings
	<u>\$ 225,949.37</u>	<u>10,038,000</u>
Internal Replacement		
	\$ 25,181.35	1,062,000 Freed-up KU Generation sold back to LGE
	-	- KU Generation for LGE Pre-Merger
	<u>\$ 25,181.35</u>	<u>1,062,000</u>
Total Sales	<u>\$ 251,130.72</u>	<u>11,100,000</u>

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
LOUISVILLE GAS AND ELECTRIC COMPANY**

Expense Month: November 2023

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	352,385
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	264,289
4.	Current Month True-up	OSS Page 3	\$	<u>14,039</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u><u>278,328</u></u>
6.	Current Month S(m)	Form A Page 3		802,734,358
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00035

OSS Adj
Page 2 of 3

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month: November 2023

Line No.

1.	Total OSS Revenues	\$ 1,203,923
2.	Total OSS Expenses	<u>\$ 851,538</u>
3.	Total OSS Margins	<u>\$ 352,385</u>

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
LOUISVILLE GAS AND ELECTRIC COMPANY**

Expense Month: November 2023

Line No.

1. Last OSS Adjustment Factor Billed		\$ (0.00007)
2. KWH Billed at Above Rate		757,885,501
3. OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	\$ (53,052)
4. KWH Used to Determine Last OSS Adjustment Factor		958,442,149
5. Non-Jurisdictional KWH (Included in Line 4)		-
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	958,442,149
7. Revised OSS Factor Billed, if prior period adjustment is needed		\$ -
8. OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	\$ (67,091)
9. (Over) or Under Amount	(Line 3 - Line 8)	\$ 14,039
10. Total Sales "Sm" (From Form A, Page 3 of 5)		802,734,358
11. Kentucky Jurisdictional Sales		802,734,358
12. Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.00000000
13. Total Company (Over) or Under Amount	(Line 9 x Line 12)	\$ 14,039