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MAR 29 2018

PUBLIC SERVICE
COMMISSION

Ms. Gwen Pinson
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

LG&E and KU Energy LLC
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

Michael E. Hornung
Manager, Pricing/Tariffs
T 502-627-4671
mike.hornung@lge-ku.com

March 29, 2018

**Re: An Investigation into the Implementation of Economic
Development Rates by Electric and Gas Companies
LG&E and KU Annual Report
Administrative Case No. 327**

Dear Ms. Pinson:

Pursuant to the Commission's Order of September 24, 1990 in Administrative Case No. 327, Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") each respectfully provide the annual reports for calendar year 2017.

Should you have any questions, please do not hesitate to contact me. Thank you for your assistance.

Sincerely,

A handwritten signature in blue ink, which appears to read "Mike Hornung". The signature is written in a cursive style and extends across the width of the page.

Michael E. Hornung

ECONOMIC DEVELOPMENT RATE CONTRACT REPORT

UTILITY:	<u>Kentucky Utilities Company</u>		Reporting Year : <u>2017</u>
			2017
			Reporting
			Period
			Cumulative
1)	Number of EDR Contracts -	Total:	<u>4</u>
		Existing Customers:	<u>2</u>
		New Customers:	<u>2</u>
			<u>5</u>
2)	Number of Jobs Created -	Total:	<u>786</u>
		Existing Customers:	<u>0</u>
		New Customers:	<u>786</u>
			<u>1,311</u>
3)	Amount of Capital Investment -	Total:	<u>\$ 681,200,000</u>
		Existing Customers:	<u>\$ -</u>
		New Customers:	<u>\$ 681,200,000</u>
			<u>\$ 780,633,231</u>
4)	Consumption -		
(A)	Demand, Billing Totals	Total:	<u>208,926</u> kVA
		Existing Customers:	<u>6,575</u> kVA
		New Customers:	<u>202,350</u> kVA
			<u>239,847</u> kVA
(B)	Energy, Billing Totals	Total:	<u>794,767,040</u> kWh
		Existing Customers:	<u>31,269,600</u> kWh
		New Customers:	<u>763,497,440</u> kWh
			<u>971,555,840</u> kWh
5)	Revenues		
(A)	Billing Revenues	Total:	<u>\$ 46,914,921</u>
		Existing Customers:	<u>\$ 1,903,815</u>
		New Customers:	<u>\$ 45,011,105</u>
			<u>\$ 56,194,264</u>
(B)	Marginal Costs	Total:	<u>\$ 23,942,617</u>
		Existing Customers:	<u>\$ 943,508</u>
		New Customers:	<u>\$ 22,999,109</u>
			<u>\$ 29,419,127</u>

ECONOMIC DEVELOPMENT RATE CONTRACT REPORT

UTILITY:	Louisville Gas and Electric Company		Reporting Year : <u>2017</u>
			2017
			Reporting Period
			Cumulative
1)	Number of EDR Contracts -	Total:	<u>4</u>
		Existing Customers:	<u>4</u>
		New Customers:	<u>0</u>
			<u>5</u>
2)	Number of Jobs Created -	Total:	<u>0</u>
		Existing Customers:	<u>0</u>
		New Customers:	<u>0</u>
			<u>169</u>
3)	Amount of Capital Investment -	Total:	<u>\$ -</u>
		Existing Customers:	<u>\$ -</u>
		New Customers:	<u>\$ -</u>
			<u>\$ 26,169,953</u>
4)	Consumption -		
(A)	Demand, Billing Totals	Total:	<u>9,420</u> kVA
		Existing Customers:	<u>9,420</u> kVA
		New Customers:	<u>0</u> kVA
			<u>54,827</u> kVA
(B)	Energy, Billing Totals	Total:	<u>19,172,400</u> kWh
		Existing Customers:	<u>19,172,400</u> kWh
		New Customers:	<u>0</u> kWh
			<u>123,291,600</u> kWh
5)	Revenues		
(A)	Billing Revenues	Total:	<u>\$ 1,614,914</u>
		Existing Customers:	<u>\$ 1,614,914</u>
		New Customers:	<u>\$ -</u>
			<u>\$ 8,340,914</u>
(B)	Marginal Costs	Total:	<u>\$ 831,992</u>
		Existing Customers:	<u>\$ 831,992</u>
		New Customers:	<u>\$ -</u>
			<u>\$ 3,876,405</u>