

TARIFF E.S. (Cont'd)
(Environmental Surcharge)

RATE (Cont'd)

4. Revenue Allocation

$$\text{Residential Allocation RA(m)} = \frac{\text{KY Residential Retail Revenue RR(b)}}{\text{KY Retail Revenue R(b)}}$$

$$\text{All Other Allocation OA(m)} = \frac{\text{KY All Other Classes Retail Revenue OR(b)}}{\text{KY Retail Revenue R(b)}}$$

Where:

(m) = the expense month
 (b) = most recent calendar year revenues

5. Environmental Surcharge Factor

$$\text{Residential Monthly Environmental Surcharge Factor} = \frac{\text{Net KY Retail E(m)} * \text{RA(m)}}{\text{KY RR(m)}}$$

$$\text{All Other Monthly Environmental Surcharge Factor} = \frac{\text{Net KY Retail E(m)} * \text{AO(m)}}{\text{KY OR(m)- KY OF(m)}}$$

Where:

Net KY Retail E(m) = Monthly E(m) allocated to Kentucky Retail Customers, net of Over/ (Under) Recovery Adjustment; Allocation based on Percentage of Kentucky Retail Revenues to Total Company Revenues in the Expense Month.

(For purposes of this formula, Total Company Revenues do not include Non -Physical Revenues.)

RR(m) = Kentucky Residential Retail Revenues for the Expense Month.

OR(m) = Kentucky All Other Classes Retail Revenues for the Expense Month


OF(m) = Kentucky All Other Classes Fuel Revenues for the Expense Month

(Cont'd on Sheet No. 29-5)

C 10/27/16

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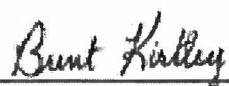
DATE EFFECTIVE: Service Rendered On And After June 22, 2015

ISSUED BY: JOHN A. ROGNESS III 

TITLE: Director Regulatory Services

By Authority Of an Order of the Public Service Commission

In Case No. 2014-00396 Dated June 22, 2015

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH 
EFFECTIVE 6/22/2015 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)