COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In Re the Matter of:

APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR AN ADJUSTMENT OF ITS ELECTRIC AND GAS RATES AND FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY	**))))))**	**CASE NO. 2016-00371**

DIRECT TESTIMONY OF
WILLIAM STEVEN SEELYE
MANAGING PARTNER
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I. INTRODUCTION

Q. Please state your name and business address.

A. My name is William Steven Seelye. My business address is 6001 Claymont Village Drive, Suite 8, Crestwood, Kentucky 40014.

Q. By whom and in what capacity are you employed?

A. I am the managing partner for The Prime Group, LLC, a firm located in Crestwood, Kentucky, providing consulting and educational services in the areas of utility regulatory analysis, revenue requirement support, cost of service, rate design and economic analysis.

Q. On whose behalf are you testifying in this proceeding?

A. I am testifying on behalf of Louisville Gas and Electric Company ("LG&E" or "the Company"), which provides both electric and natural gas sales and delivery services in Kentucky.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is (i) to describe the proposed allocation of the revenue increases for LG&E's electric and natural gas operations; (ii) to support LG&E's proposed rates, and (iii) to sponsor the fully allocated cost of service studies based on LG&E's embedded cost of providing electric and natural gas service for the fully forecasted test year, which is the 12 months ending June 30, 2018.

Q. Please summarize your testimony.

A. In developing its proposed rates in this proceeding, LG&E relied heavily on the results of the electric and gas cost of service studies. For the most part, the

Company's class cost of service studies were prepared using methodologies that have been accepted by the Kentucky Public Service Commission ("Commission") in previous rate cases. In this proceeding, however, LG&E is presenting two versions of the electric cost of service study. In one version, the Base-Intermediate-Peak ("BIP") methodology used in prior cost of service studies for time-differentiating and allocating fixed production costs will be utilized. In the other version, a methodology is used to allocate fixed production costs that is more reflective of the way generation resources are planned by the Company. This alternative version allocates costs by weighting hourly class loads by the hourly Loss of Load Probability ("LOLP"), which is a key measure that has been used by LG&E and Kentucky Utilities Company ("KU" or Kentucky Utilities'") (collectively, the "Companies'") for planning their generation resources for many years. I will present information comparing the results of the LOLP version of the cost of service study to the BIP version that has been used in prior rate cases. The methodology used for the gas cost of service study has also been modified to reflect a refinement in the way that transmission costs are allocated in the study.

The purpose of a class cost of service study is to determine the contribution that each customer class is making towards LG&E's overall rate of return. Rates of return are calculated for each rate class. A class cost of service study is also used as a tool for developing unit charges for electric and gas service. Cost of service is a standard measure of reasonableness for utility rate design.

In this filing, LG&E is proposing rate design changes to begin to address fundamental changes that are taking place within the electric and gas utility industries. Across the United States, electric utilities are beginning to see competitive pressures from various forms of distributed generation (e.g., solar generation, natural gas generation, and wind generation). As a result of customers installing behind-the-meter electric generation, and also customers finding ways to conserve energy or use energy more efficiently, many utilities are experiencing steep declines in their sales per customer. Regardless of the environmental benefits that may result from these initiatives, it is important that the utility ensure that the rate design is structured in a way that recovers the actual cost of serving customers who install distributed generation and pursue behind-the-meter energy efficiency measures. With improperly designed rates, it is possible for the utility's other customers (for example, customers who cannot or do not install distributed generation) to be unduly penalized by having costs improperly shifted onto them from customers who install distributed generation or reduce their energy consumption. Therefore, it is important for the utility to design its rates so that the actual cost of providing service is recovered through rates even when customers reduce their energy consumption but still require the same utility infrastructure to serve them. For example, if a customer reduces its energy consumption through the installation of solar generation, but falls back on the utility to deliver power to the customer when the solar generation is not operating, the utility still needs the same distribution infrastructure to serve the customer even though the customer might be using less energy.

LG&E is therefore taking some initial steps toward implementing rate changes that will provide appropriate and equitable cost recovery in a changing utility industry. We are proposing to separate out the infrastructure and variable cost components of the energy charge for Residential Service (RS), General Service (GS) and other two-part rates that include only a customer charge and an energy charge. The purpose of this change in the presentation of these rate schedules is to provide more information to customers, stakeholders and employees about which costs are avoidable through the installation of distributed generation (i.e., the variable cost component) and which costs are less likely to be avoided (i.e., the fixed cost component). We are also proposing changes to the large customer rates, specifically Time-of-Day Secondary Service (TODS), Time-of-Day Primary Service (TODP), Retail Transmission Service (RTS), and Fluctuating Load Service (FLS), to provide better assurance that the actual costs of transmission and distribution service are recovered from customers that install distributed generation. For the natural gas side of the business, LG&E is proposing a cost-based Substitute Gas Sales Service (SGSS) for customers who are supplied natural gas, methane, native gas, or other gaseous fuels from sources other than LG&E. LG&E is also proposing a Local Gas Delivery Service (LGDS) to allow local gas producers to transport natural gas through LG&E's gas delivery system. I will discuss these changes in greater detail later in my testimony.

Q. Are you supporting certain information required by Commission Regulations 807 KAR 5:001, Section 16(7) and 16(8)?

A. Yes. I am sponsoring the following schedules for the corresponding Filing

Requirements:

• Cost of Service Studies	Section 16(7)(v)	Tab 52
• Revenue Summary	Section 16(8)(m)	Tab 66

Q. How is your testimony organized?

A. My testimony is divided into the following sections: (I) Introduction, (II) Qualifications, (III) Electric Rate Design and the Allocation of the Increase, (IV) Gas Rate Design and the Allocation of the Increase, (V) Increase in Miscellaneous Service Charges, (VI) Electric Cost of Service Study, and (VII) Gas Cost of Service Study.

II. QUALIFICATIONS

Q. Please describe your educational and professional background.

A. I received a Bachelor of Science degree in Mathematics from the University of Louisville in 1979. I have also completed 54 hours of graduate level course work in Industrial Engineering and Physics. From 2014 through 2015 I completed an additional 12 hours of Electrical Engineering coursework at the University of Louisville's Speed School of Engineering (courses in computer design, microcontroller programming, digital signal processing, and computer communications). In addition, from 2012 through 2015, I was an instructor at Louisville's Walden School and a private tutor and instructor in advanced placement calculus, linear algebra, pre-calculus, college algebra and differential equations.

Concerning my professional background, from May 1979 until July 1996, I was employed by LG&E. From May 1979 until December, 1990, I held various positions within the Rate Department of LG&E. In December 1990, I became Manager of Rates and Regulatory Analysis. In May 1994, I was given additional responsibilities in the marketing area and was promoted to Manager of Market Management and Rates. I left LG&E in July 1996 to form The Prime Group, LLC, with two other former employees of LG&E. Since leaving LG&E, I have performed or supervised the preparation of cost of service and rate studies for over 150 investor-owned utilities, rural electric distribution cooperatives, generation and transmission cooperatives, and municipal utilities. Therefore, including my time at LG&E, I have more than 35 years of experience in the utility industry. A more detailed description of my qualifications is included in Exhibit WSS-1.

Q. Have you ever testified before any state or federal regulatory commissions?

A. Yes. I have testified in over 50 regulatory and court proceedings in 13 different jurisdictions including the Kentucky Public Service Commission. I have testified on behalf of both LG&E and KU on numerous occasions. A listing of my testimony in other proceedings is included in Exhibit WSS-1.

Q. Please describe your work and testimony experience as they relate to topics addressed in your testimony?

A. I have performed or supervised the development of cost of service and rate studies for over 150 utilities throughout North America. I have also testified on numerous occasions regarding the rates proposed by electric, gas and water utilities, including LG&E.

III. ELECTRIC RATE DESIGN AND THE ALLOCATION OF THE INCREASE

A. ALLOCATION OF THE ELECTRIC REVENUE INCREASE

Q. Please summarize how LG&E proposes to allocate the electric revenue increase to the classes of service.

A. LG&E relied on the results of the electric cost of service studies to determine the revenue increases allocated to the classes of service. Specifically, larger relative portions of the overall revenue increase are allocated to the rate classes with low rates of return on rate base, and smaller relative portions of the overall increase are allocated to the rate classes with high rates of return. In other words, LG&E is proposing higher percentage increases for rate classes that have low rates of return and lower percentage increases for rate classes that have higher rates of return. LG&E is proposing rate increases for all electric rate classes except for Lighting Energy Service. A comparison of the rate of return at current rates and the percentage revenue increase proposed for each rate class is shown below in Table 1:

	Rate of Return on Rate Base		Revenue
Rate Class	BIP Version	LOLP Version	Increase
Residential Service	2.65%	2.04%	9.54%
General Service	7.34%	8.65%	7.15%
Primary Service-Secondary	8.84%	9.70%	7.05%
Primary Service-Primary	6.49%	7.03%	8.25%
Time-of-Day Secondary Service	11.92%	11.90%	6.75%
Time-of-Day Primary Service	4.57%	5.39%	8.22%
Retail Transmission Service	3.48%	4.83%	8.45%
Lighting Energy Service	8.01%	17.55%	0.00%
Traffic Energy Service	7.62%	10.39%	6.76%
Lighting Service & Restricted Lighting Service	5.39%	6.01%	8.21%
Special Contracts	1.94%	2.47%	8.69%
Total All Classes	4.92%	4.92%	8.52%

Table 1

Table 2 shows the same results as Table 1 except that the data is sorted from the highest to the lowest percentage increase:

	Rate of Return on Rate Base		Revenue
Rate Class	BIP Version	LOLP Version	Increase
Residential Service	2.65%	2.04%	9.54%
Special Contracts	1.94%	2.47%	8.69%
Retail Transmission Service	3.48%	4.83%	8.45%
Primary Service-Primary	6.49%	7.03%	8.25%
Time-of-Day Primary Service	4.57%	5.39%	8.22%
Lighting Service & Restricted Lighting Service	5.39%	6.01%	8.21%
General Service	7.34%	8.65%	7.15%
Primary Service-Secondary	8.84%	9.70%	7.05%
Traffic Energy Service	7.62%	10.39%	6.76%
Time-of-Day Secondary Service	11.92%	11.90%	6.75%
Lighting Energy Service	8.01%	17.55%	0.00%
Total All Classes	4.92%	4.92%	8.52%

Table 2

As illustrated in Table 2, the percentage increases allocated to the rate classes are essentially inversely proportional to the class rate of return. In allocating the revenue increase to the classes, one of the Company's objectives was to limit the maximum increase to any class to approximately one percentage point above the overall increase. This results in the class with the lowest rate of return, particularly in relation to the LOLP version of the cost of service study, receiving a 9.54 percent increase and the class with the highest rate of return receiving a zero percent increase. The decision was made not to assign an increase for any rate class with a rate of return exceeding 15 percent. All other rate classes with a rate of return under 15 percent were allocated a rate increase within a bandwidth of approximately 1 to 1.75 percentage points of the average increase.

Q. Are there any rate classes that are not shown on the above table?

A. Yes. Residential Time of Day Service (RTOD) is a small rate class currently serving only 50 customers. This rate class was included with Rate RS in the cost of service study. LG&E is proposing an increase of 9.53 percent for this rate class. Rate FLS is also not included in the above table because no customers are currently served under the rate schedule.

Q. Are classes with the higher rates of return subsidizing classes with low rates of return?

A. Yes, from a cost of service perspective, they are. Of course, cost of service is just one factor that must be considered. Economic factors such as job creation and retention are also important considerations.

Q. Is LG&E proposing to eliminate all subsidies in this proceeding?

A. No. LG&E's objective is to eliminate subsidies gradually over time. While LG&E

does want to address the issue of subsidies, the Company proposes to do so in a manner that doesn't create unduly large increases for any one major rate class.

Q. Have you prepared schedules showing the proposed revenue increase for each standard rate schedule?

A. Yes. The revenue increase for each rate class is shown on Schedule M-2.1-E of Section 16(8)(m) of the Filing Requirements. The detailed billing calculations for each rate schedule are shown on Schedule M-2.3-E. The proposed unit charges for each rate schedule are shown on Schedule M-2.3-E.

B. RESIDENTIAL SERVICE (RS)

Q. Please provide a brief description of Rate RS.

A. Rate RS is the standard electric rate schedule available to single-family residential service. Approximately 364,000 residential customers are served under this rate schedule. Rate RS has a two-part rate structure that includes a Basic Service Charge and an Energy Charge.

Q. What are the charges that LG&E is proposing for Rate RS?

A. LG&E is proposing to *increase* the Basic Service Charge from $10.75 per month to $22.00 per month. The Company is proposing to *decrease* the energy charge from $0.08639 per kWh to $0.08471 per kWh.

Q. Is the Company proposing any changes in the presentation of the charges for Rate RS?

A. Yes, LG&E is proposing that the energy charge be broken down into a variable cost component (Variable Energy Charge) and a fixed cost component (Infrastructure Energy Charge). The Variable Energy Charge is $0.03681 per kWh and the Infrastructure Energy Charge is $0.04790 per kWh. These charges would also apply to Volunteer Fire Department Service (Rate VFD).

Q. Why is the Company proposing this change?

A. The purpose of showing the energy charge as consisting of both a variable cost component and a fixed cost component is solely educational and informational at this point in time. The Company wants customers, stakeholders and employees to be aware that two types of costs are included in the energy charge for Rate RS and other rates that have a two-part rate structure consisting of a Basic Service Charge and an Energy Charge. The energy cost component consists of costs, such as fuel expenses and variable operation and maintenance expenses, that vary directly with the kWh usage of customers. The fixed cost component consists of demand-related costs that do not vary directly with energy usage, such as depreciation expenses, return, taxes, and fixed operation and maintenance expenses related to utility infrastructure. It is important for customers, stakeholders and employees to understand that not all costs are automatically reduced when customers use less energy. For example, the fixed costs associated with poles, transformers, conductors, power plants, office buildings, etc., are not automatically reduced when consumers reduce their energy usage. As greater emphasis is placed on distributed generation and energy conservation in our society, it is important for customers, stakeholders and utility employees to understand the distinction between fixed and variable costs.

Q. What is the breakdown of total costs among these three cost components for Rate RS?

A. The following table shows how the cost of providing service to customers under Rate RS is broken down between customer-related fixed costs, demand-related fixed costs, and energy-related variable costs:

Cost Component	Percentage of Cost
Customer-Related Fixed Costs	22.9%
Demand-Related Fixed Costs (Infrastructure Demand Costs)	40.6%
Energy-Related Variable Costs	36.5%

Table 3

Q. How are these costs currently recovered from Rate RS customers?

A. Rate RS, as well as a number of other LG&E rate schedules that serve smaller commercial and industrial customers (for example Rate GS), are currently structured as a *two-part rate* consisting of a customer charge (Basic Service Charge) and an energy charge. The Basic Service Charge is billed as a flat monthly charge per customer, and the energy charge is a variable charge billed on a cents-per-kWh basis. Under a two-part rate design, all *three cost components* (customer costs, demand costs and energy costs) are recovered through *two rate components* (customer charge and energy charge). Unlike the three- and multi-part rates that are used for LG&E's larger customers, the two-part rate for Rate RS does not utilize a demand charge. Therefore, demand costs (costs associated with transformers, overhead and underground conductor, transmission lines, and generation capacity) must be recovered through either the customer charge or the energy charge. For Rate RS, all demand costs and a portion of the customer costs are currently being recovered through the energy charge. The following table compares the percentage of costs broken down by component (customer cost, demand cost, and energy cost) to the percentage of recovery through the rate components (customer charge and energy charge):

Component	**Percentage of Cost**	**Rate Design**
Customer	22.9%	11.5%
Demand	40.6%	0.0%
Energy	36.5%	88.5%

Table 4

As can be seen from this table, all demand costs and a significant portion of customer costs are currently recovered through a variable energy charge.

Q. What are three- and multi-part rate designs?

A. A *three-part rate* is a rate structure that includes a customer charge, energy charge and demand charge. LG&E's rate for medium commercial and industrial customers (Rate PS) is a three-part rate consisting of a customer charge, energy charge and demand charge. The rates for large commercial and industrial customers (Rate TODS, TODP, RTS, and FLS) are structured as a *multi-part rate* consisting of a customer charge, energy charge and multi-part demand charge that is unbundled between production fixed cost components and transmission/distribution fixed cost components. The reason that a two-part rate structure traditionally has been used in the industry for residential and small commercial and industrial accounts is that the cost of the metering technology necessary to bill a three- or multi-part rate for small customers has been prohibitive. This is changing in the industry. As utilities install advanced metering technology for all types of customers, it becomes more feasible to use three- or multi-part rates for residential and general service (small commercial and small industrial) customers.

Q. Does recovering fixed customer and demand costs through a variable energy charge create problems?

A. Yes, it certainly does. The Company must install generation, transmission and distribution infrastructure to serve customers. The costs associated with this infrastructure are fixed. As explained earlier, some of these fixed costs are demand-related and are thus related to utility infrastructure that is sized to meet maximum loads that customers place on the system, while other fixed costs are customer-related and are thus related to the number of customers that the utility serves. These fixed costs typically will not change if a customer uses more energy or if a customer uses less energy. For example, once the Company installs a distribution line, transformer, service line, and meter to serve a customer, the operation and maintenance expenses, depreciation expenses, property taxes, interest expenses, and other such costs are not decreased if a customer uses less energy. Once the facilities are installed they are invariant to customer usage and are therefore fixed. If the costs are improperly recovered through a volumetric charge rather than a fixed charge, then when a customer uses less energy these fixed costs will not be recovered from the customer, and those costs must be recovered from other customers. This is particularly problematic if a customer reduces energy consumption by installing distributed generation technology such as solar panels or a wind turbine but falls back on the utility when sunlight is unavailable or when the wind isn't blowing. In those instances, the customer will have reduced its energy usage with distributed generation but will still require the same generation, transmission and distribution capacity to meet its demand requirements. The customer will have reduced the billing of fixed costs collected through the energy charge but will not have caused the utility to reduce its fixed costs. In those instances, the fixed costs are thus shifted to customers who have not installed distributed generation technology.

Q. At this point, has distributed generation created problems for LG&E?

A. Nothing significant. However, the installation of customer-owned distributed generation is already creating problems with the erosion of fixed cost recovery for utilities in western states, such as New Mexico, Arizona, Nevada, and Colorado. At this point, it is important for LG&E to be aware of what is going on in other jurisdictions and to begin educating its customers, stakeholders and employees about the kinds of costs that are fixed and those that are variable and thus avoidable. In the short term, only variable costs are avoidable as a result of self-generation and conservation efforts by consumers. But even if distributed generation never becomes a major factor on LG&E's system, the changes that LG&E is proposing are still beneficial because the Company is moving toward a more cost-based rate structure. Thus, LG&E's rates provide for a more fair and equitable recovery of costs from customers.

Q. With the emergence of customer-owned distributed generation, what ratemaking frameworks are other utilities and commissions exploring to ensure that costs are fairly and equitably recovered from customers?

A. They are looking into a number of options. In a recent rate case in New Mexico for which I was a witness, the commission staff proposed a rate design that would insure that all production, transmission and distribution fixed costs would be recovered fully from customers with distributed generation. Other utilities are considering the implementation of three- and multi-part rates for residential and small commercial and industrial customers. Under some of the approaches being adopted by utilities, residential customers would be billed under a rate that includes one or more types of demand charges; for example, the residential rate could include a demand charge that is billed on the basis of the customer's maximum monthly demand (that recovers transmission and distribution fixed costs) and a demand charge billed on the basis of the customer's demand determined at the time of the utility's system peak (coincident peak demand) (that recovers generation fixed costs.) Ultimately, rates that make use of multi-part rate structures allow utilities to price electric service in a more cost-based manner, thus greatly reducing, if not eliminating, intra-class subsidies.

Some utilities are also considering the use of straight-fixed variable ("SFV") rate designs that would collect all transmission and distribution costs through a monthly customer charge. An SFV rate is a rate design in which all the utility's fixed costs, or fixed transmission and distribution costs, would be recovered through a flat monthly charge, such as a customer charge. SFV rate designs have been used extensively in the natural gas industry to deal with declining usage, downward spiraling margins, and the equitable recovery of fixed costs. An SFV rate design would not only help protect the utility against lost revenue due to energy conservation and the installation of distributed generation but it would also ensure that fixed costs are fairly and reasonably distributed. Only the utility's avoidable costs would be recovered through an energy charge, specifically, the utility's variable energy costs. All fixed costs would be recovered through the customer charge or other fixed charge, thus fully ensuring the fixed costs are inappropriately shifted onto customers that do not implement distributed generation.

Other utilities are proposing revenue decoupling mechanisms to allow the utility to encourage the introduction of behind-the-meter distributed generation technologies without resulting in an erosion of fixed cost recovery. Revenue decoupling is designed to decouple the link between energy usage and the amount of net revenues collected by the utility. It is generally implemented as a rate adjustment mechanism that operates with annual surcharges or surcredits. With decoupling, the annual amount of net revenues, or fixed cost revenues, (total revenues less variable energy expenses) for a rate class would be compared to the fixed-cost revenue requirement determined from the utility's rate case for that rate class, as adjusted to reflect increases or decreases in the number of customers served. If the net revenues collected from the customer class for a 12-month period are less than the fixed-cost revenue requirement for the customer class determined from the rate case (as adjusted for changes in the number of customers served) then a surcharge is calculated based on the deficiency and then applied to kWh sales in a subsequent 12-month period. Likewise, if the net revenues collected from the customer class for a 12-month period are greater than the fixed cost revenue requirement for the customer class determined from the rate case (again, as adjusted for changes in the number of customers served) then a surcredit is calculated based on the excess revenues and applied sales in a subsequent 12-month period. Since decoupling allows the utility to collect net revenues equivalent to the fixed-cost revenue requirement from its last case, the utility would be protected against the loss of revenues due to the adoption of distributed generation technologies by customers. Decoupling and other lost revenue mechanisms have been implemented by several utilities (including LG&E in the past) in conjunction with energy conservation and demand-side management programs.

Decoupling is often identified as a way to align the interests of the utility and customers in the adoption of energy saving technologies.

Q. Are these options that LG&E and KU should be evaluating?

A. Yes. It is important for the Companies to continue to monitor developments in the industry. But at this point, breaking out the energy charge in the Company's two-part rates into fixed and variable cost components is a good first step toward educating customers, stakeholders and employees about what makes up the cost of providing service to customers.

Q. What is the basis for the proposed increase in the Basic Service Charge for Rate RS?

A. The Company is proposing a cost-based Basic Service Charge that reflects the customer-related costs from the Company's cost of service study. As will be explained in greater detail in the portion of my testimony dealing with the electric cost of service study, the methodology that is used to classify costs as customer related corresponds to the methodology that has been accepted by the Commission in the past. The methodology for classifying costs as customer-related also corresponds to one of the standard methodologies set forth in the *Electric Utility Cost Allocation Manual* published by the National Association of Utility Regulatory Commissioners ("NARUC").

Q. Have you prepared an exhibit showing the calculation of the cost components for Rate RS?

A. Yes. Exhibit WSS-2 shows the calculation of the unit customer cost, demand related cost, and energy costs from the BIP version of the cost of service study. From this calculation, the customer cost is $22.04 per customer per month; the demand-related cost is $0.04094/kWh; and the energy cost is $0.03681/kWh. In the proposed rate, LG&E is proposing a Basic Service Charge of $22.00 which is slightly below the unit cost from the cost of service study. The small difference is recovered through the Infrastructure Energy Charge which LG&E is proposing to be $0.04790/kWh. The Company is proposing a Variable Energy Charge of $0.03681/kWh, which is the same as calculated from the cost of service study.

Q. Why is the Basic Service Charge rounded?

A. The Basic Service Charge is rounded to keep the charge as simple and easy to use as possible. The Companies are also proposing that the charge be the same for both LG&E and KU.

Q. Please explain the costs that are recovered through the Basic Service Charge.

A. The Basic Service Charge recovers the minimum system that each customer must have in place to access the electric grid. The customer charge also recovers the cost of operating and maintaining this minimum system as well as other costs not related to customer usage, such as meter reading, billing and customer service costs. The minimum system comprises the meter, service drop from the transformer, the transformer, the minimum size of wire, and poles extending to the distribution substation that is necessary to provide a customer with access to the electric grid. Once the cost of this minimum system is determined using the zero-intercept methodology (discussed later in my testimony), it can be allocated to each customer.

Q. What other costs need to be recovered from customers?

A. Customers often need more equipment than the minimum system in order to receive adequate service. The cost of this equipment above the minimum is related to the customer's usage level and is a demand-related fixed cost that is recovered through either a demand or energy charge. A cost of service study is performed for the purpose of allocating costs as accurately as possible based on cost causation. In a cost of service study, it is important to distinguish the distribution system costs related to demand from the distribution system costs that are related to the minimum system which are not related to demand, as discussed in the NARUC Electric Utility Cost Allocation Manual. As discussed earlier, the Company must install the minimum amount of equipment to provide customers with access to the electric grid. This minimum amount of equipment is not related to the volume of electricity used by the customer, and each customer must have that minimum amount of equipment in place to obtain electric service. These non-volumetric fixed distribution costs are associated with serving the customer and therefore should be borne by the customer through a fixed customer charge regardless of usage. The remainder of the distribution costs, which are related to installed capacity, are classified as demand-related and are collected through a kWh energy charge for Rate RS or through a kW charge for customer classes billed under a three- or multi-part rate that has a demand charge. This split of distribution system costs between volumetric and fixed assures that customers only have to pay for what they are actually using, namely the basic minimum system that all customers require plus as much additional equipment as required to meet their needs.

Q. Does the current Basic Service Charge of $10.75 recover all LG&E's customer-related costs for Rate RS?

A. No. The current Basic Charge of $10.75 per customer per month does not recover all of the customer-related fixed costs of $22.04. Based on Exhibit WSS-2, there are $11.29 in customer-related fixed costs per customer per month (calculated as $22.04 - $10.75 = $11.29) that are not being collected through the Basic Service Charge. When this under-recovery of $11.29 per customer per month is multiplied by the billing units of 4,368,714 customer months for Rate RS during the test year, the result is $49,322,781 in fixed customer-related costs that are not being recovered through the Basic Service Charge under the current rate design. When these customer charge fixed costs are recovered through the Energy Charge instead, the result is about 1.2 cents per kWh of non-volumetric fixed cost collected through the Energy Charge (calculated as $49,322,781/ 4,179,523,067 kWh = $0.012/kWh). Thus, the current Basic Service Charge is $11.29 per customer per month too low and the Energy Charge is 1.2 cents per kWh too high based on data from the cost of service study. This recovery of non-volumetric fixed costs through the energy charge assessed on a kWh basis results in intra-class subsidies and in unrecovered fixed costs if kWh usage declines due to energy efficiency, conservation or mild weather.

Q. Will LG&E's proposed residential rate help to eliminate subsidies?

A. Yes. There are two types of subsidies that need to be considered – inter-class subsidies and intra-class subsidies. The term "*inter-class subsidies*" refers to subsidies that are provided from or to one class of customers to or from another class of customers, and the "*intra-class subsidies*" refers to subsidies that are provided from or to customers within the same rate class. LG&E's proposed rates are designed to make progress towards reducing both *inter*- and *intra-class* rate subsidies. As will be discussed, the apportionment of the total revenue increase to the customers was developed in such a manner as to provide a reduction in *inter-class subsidies*.

The rate making principle to follow to avoid *intra-class subsidies* is that fixed costs should be recovered through fixed charges (such as the customer charge and demand charge), and variable costs should be recovered through variable charges (such as the energy charge and the fuel adjustment charge). If fixed costs are recovered through variable charges, such as the energy charge assessed on a kWh basis, each kWh contains a component of fixed costs and customers using more energy than the average customer in the class are paying more than their fair share of the utility's fixed costs, while customers using less energy than the average customer in the class are paying less than their fair share of the utility's fixed costs. These fixed costs should be collected through the billing units associated with the appropriate cost driver, and energy usage clearly is not the correct cost driver for collecting fixed costs.

The collection of fixed costs through the energy charge typically results in customers with above-average usage subsidizing customers with below-average usage. In order to eliminate this source of intra-class subsidies, LG&E proposes a rate design that more closely follows the ratemaking principle of recovering fixed costs through fixed charges and variable costs through variable charges than does its current rate design.

Increasing the Basic Service Charge will eliminate subsidies by bringing the charges toward the actual cost of providing service. Increasing the Basic Service Charge from $10.75 to $22.00 will eliminate subsidies that high usage customers are currently providing low usage customers.

C. RESIDENTIAL TIME-OF-DAY ENERGY AND DEMAND SERVICES

Q. Please provide a brief description of LG&E's residential time-of-day rates.

A. LG&E offers two time-of-day rates, RTOD-Energy and RTOD-Demand. Rate RTOD-Energy is a time-of-day rate that includes a time differentiated energy charge. Under the rate, customers are charged a significantly lower energy charge for off-peak usage. There are approximately 50 customers currently taking service under RTOD-Energy. The Company is not proposing any structural changes to Rate RTOD-Energy.

Rate RTOD-Demand is a time-of-day rate that includes a flat energy charge but a time differentiated demand charge. There are currently no customers taking service under RTOD-Demand. LG&E is proposing structural changes to Rate RTOD-Demand to more accurately reflect costs and thus encourage customers to sign up for the rate.

Q. What are the charges that LG&E is proposing for Rate RTOD-Energy?

A. LG&E is proposing to *increase* the Basic Service Charge from $10.75 per month to

$22.00 per month and to *decrease* the off-peak energy charge from $0.06128 per kWh to $0.05850 per kWh. The Company is proposing to increase the Basic Service Charge to the same level as being proposed for Rate RS. The off-peak energy charge is being reduced to a level that yields a revenue increase for Rate RTOD-Energy that is approximately equal to the percentage increase for Rate RS.

Q. What structural changes is LG&E proposing for Rate RTOD-Demand?

A. LG&E is proposing to eliminate the off-peak demand charge and replace it with a base demand charge that is applied to the customer's maximum usage whenever it occurs. This is the same structure that has been used for decades for LG&E's large customer rates and seems to operate effectively. Using a base demand charge rather than an off-peak demand charge prevents customers from being penalized for improvements in load factor. LG&E is proposing to *increase* the Basic Service Charge from $10.75 per month to $22.00 per month and to *decrease* the off-peak energy charge from $0.04565 per kWh to $0.03681 per kWh. The Company is proposing to replace the demand charge for *off peak hours* of $3.25 per kW with a demand charge *for all hours* of $3.51 per kW, and to decrease the demand charge for on peak hours from $12.38 per kW to $7.68 per kW.

D. GENERAL SERVICE (GS)

Q. Please provide a brief description of Rate GS.

A. Rate GS is the standard electric rate schedule available to small commercial and industrial customers served at secondary voltages (available voltages *less than*

2,400/4,160Y volts). The rate schedule is limited to customers whose 12-month average monthly demands do not exceed 50 kW. Approximately 45,000 small commercial and industrial customers are served under this rate schedule. Rate GS has a two-part rate structure that includes a Basic Service Charge and an Energy Charge.

Q. What are the charges that LG&E is proposing for Rate GS?

A. LG&E is proposing to increase the Basic Service Charge for Rate GS from $25.00 per month to $31.50 per month for single-phase service and from $40.00 to $50.40 per month for three-phase service. The Company is proposing to increase the energy charge from $0.09650 per kWh to $0.10230 per kWh. As with Rate RS, the energy charge for Rate GS will be broken down into Variable Energy Charge and Infrastructure Energy Charge. The Variable Energy Charge is $0.03721 per kWh and the Infrastructure Energy Charge is $0.06509 per kWh.

E. POWER SERVICE (PS)

Q. What are the charges that LG&E is proposing for PS?

A. PS is a rate available for large commercial and industrial customers served at secondary voltages (available voltages *less than* 2,400/4,160Y volts) whose 12-month average loads exceed 50 kW but do not exceed 250 kW and for large commercial and industrial customers served at primary voltages (2,400/4,160Y volts, 7,200/12,470Y volts, or 34,500 volts) whose 12-month average do not exceed 250 kW. LG&E is not proposing an increase to Basic Service Charge for customers served at secondary voltages. Therefore, the Basic Service will remain at $90 per customer per month for secondary voltage customers. The Company is proposing to increase the Basic Service Charge from $200.00 to $240.00 per customer per month for customers served at primary voltages. The Company is not proposing to change the Energy Charge for either secondary or primary voltage customers. Thus the energy charge will remain at $0.04071 per kWh for secondary voltage service and at $0.03925 per kWh for primary voltage service. For secondary voltage service, the Company is proposing to increase the Summer Demand Charge from $18.40 to $20.93/kW/Mo and to increase the Winter Demand Charge from $15.99 to $18.19/kW/Mo. For primary voltage service, the Company is proposing to increase the Summer Demand Charge from $15.92 to $18.64/kW/Mo and to increase the Winter Demand Charge from $13.63 to $15.96/kW/Mo.

Q. In its Order in Case No. 2015-00417 dated June 29, 2016, the Commission ordered KU to include in its next application for a general adjustment in rates testimony in support of the monthly billing demand provisions of Rate PS. Will you be the witness addressing this issue?

A. Yes. The Commission's Order in Case No. 2015-00417 related to a complaint filed concerning the determination of billing demand in Rate PS for Kentucky Utilities. However, because Rate PS for LG&E has the same rate structure and provisions for the determination of the billing demand as Rate PS for KU, it is appropriate to address the issue in the LG&E proceeding as well.

Q. How is the billing demand determined under Rate PS?

A. For Rate PS, the monthly billing demand is determined as the greater of the following:

a) the maximum measured load in the current billing period but not less than 50 kW for secondary service or 25 kW for primary service, or

b) a minimum of 50% of the highest measured demand in the preceding eleven (11) monthly billing periods, or

c) a minimum of 60% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

Q. Is this a standard provision in the electric utility industry?

A. Yes. It is common for utilities to determine billing demands on the basis of a minimum demand (as in provisions (a) and (c) as shown above) or based on a percentage of the highest demands during a previous 11-month period (as in provision (b) as shown above) or both. Determining billing demands on the basis of a percentage of the highest demand during a previous 11-month or other period is referred to as a "demand ratchet" in the electric utility industry, and is a standard practice in the industry. In a standard treatise on electric utility ratemaking, Lawrence J. Vogt, *Electricity Pricing: Engineering Principles and Methodologies* (CRC Press: 2009), the author states:

> A *demand ratchet* processes a customer's metered maximum demand for the prior eleven months by applying a specified percentage to those demands in all or a portion of those months and then selects the highest resulting calculated demand as the current month's billing demand – if it exceeds the current month's maximum demand. (*Id.*, at pp. 312.)

Not only are demand ratchets standard provisions in the industry, but the use of a demand ratchet percentage of 50% or greater is also common.

Q. Do other utilities in Kentucky, Indiana, and Ohio have demand ratchets?

A. Yes. The medium and large power tariffs of the major utilities in the region use some form of a demand ratchet. Below is a summary of the ratchets used by investor-owned utilities in Kentucky, Indiana, and Ohio:

i) For Kentucky Power Company's Medium General Service Tariff M.G.S., the monthly billing demand is the maximum of (a) the minimum billing demand of 6 kW or (b) 60% of the greater of (1) the customer's contract capacity in excess of 100 kW or (2) the customer's highest previously established monthly billing demand during the past 11 months in excess of 100 kW.

ii) For Duke Energy Kentucky's and Duke Energy Ohio's Rate DS Service at Secondary Voltage, the billing demand is the higher of (a) 85% of the highest monthly kW demand established in the summer period and effective for the next succeeding 11 months or (b) 1 kW for single phase secondary voltage service and 5 kW for three-phase secondary voltage service.

iii) For Indianapolis Power & Light Company's Rate PL Primary Service, the billing demand cannot be less than 60% of the highest billing demand that has been established in any of the immediately preceding 11 months and in no case less than 500 kW.

iv) For Indiana Michigan Power Company, the monthly billing demand in Indiana cannot be less than 60% of the customer's highest previously established monthly billing demand during the past 11 months, or 100 kVA.

v) For Ohio Edison, the monthly billing demand is the maximum of 1) the measured demand during the month; 2) 5 kW; or 3) the contract demand (where the contract demand is 60% of the customer's expected, typical monthly peak load.)

Q. Is the ratchet provision in LG&E's Rate PS in line with these other utilities?

A. Yes. All of these utilities except Duke Energy Kentucky and Duke Energy Ohio have a 60% ratchet provision. Duke Energy Kentucky and Duke Energy Ohio have an even higher ratchet percentage of 85%, but the ratchet is only applied to demands metered during the summer months. The ratchet percentage used in LG&E's Rate PS is lower than these other utilities.

Q. What is the justification for including a demand ratchet in a large power tariff such as Rate PS?

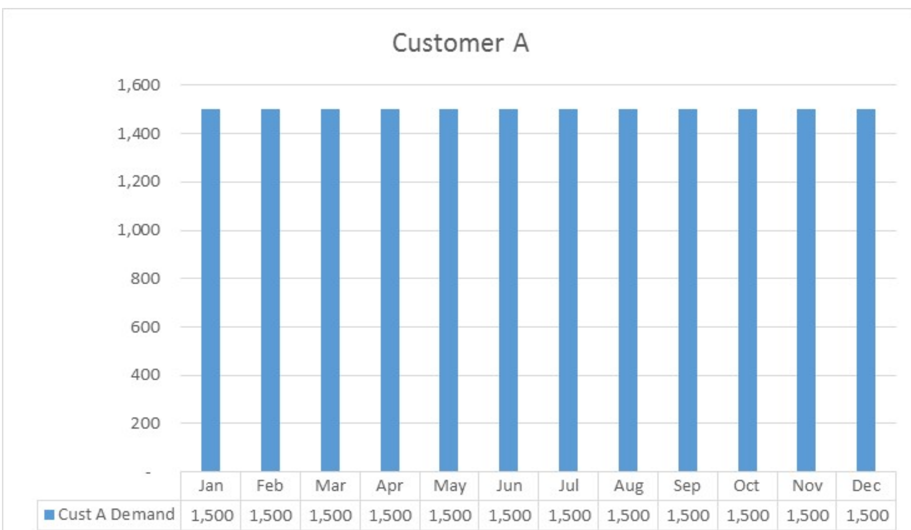
A. A utility must install distribution, transmission, and generation facilities to serve a customer's demand. Just because a customer's demand is not always at the maximum level does not mean that the fixed costs of the facilities installed to meet the customer's maximum demand will disappear. The fixed costs of the facilities installed to meet a customer's maximum demand will be incurred even when the customer has a lower demand. In the case of localized facilities, such as primary and secondary distribution lines, transformers, substations, and transmission facilities, the utility must install sufficient capacity to meet the customer's maximum demand, whenever the demand occurs. Therefore, a utility's transmission and distribution fixed costs are correlated to the customers' maximum demands, not their average monthly demands. Generation fixed costs are correlated to customer demands at the time of the system peak. For most but not all customers, the customer's maximum demands occur near the system peak. For system peak demands, which drive the cost of generation fixed assets, customer load diversity has an effect on the generation requirements that individual customer demands place on the system. Therefore, while a 100% ratchet percentage is justified for the recovery of transmission and distribution fixed costs, a lower ratchet could possibly be justified for the recovery of generation fixed costs. For this reason, in an unbundled rate environment in which generation fixed costs are billed separately from transmission and distribution fixed costs, a 100% ratchet percentage would be justified for the transmission and distribution component, while a lower percentage, such as 50%, would typically be used for the generation fixed cost component of the rate. With a bundled rate, such as LG&E's Rate PS, in which generation, transmission and distribution fixed costs are recovered through a single demand charge, it is not uncommon to see demand ratchets for a bundled demand charge in the 50 to 90% range.

Q. Do demand ratchets more accurately reflect the actual cost of providing service?

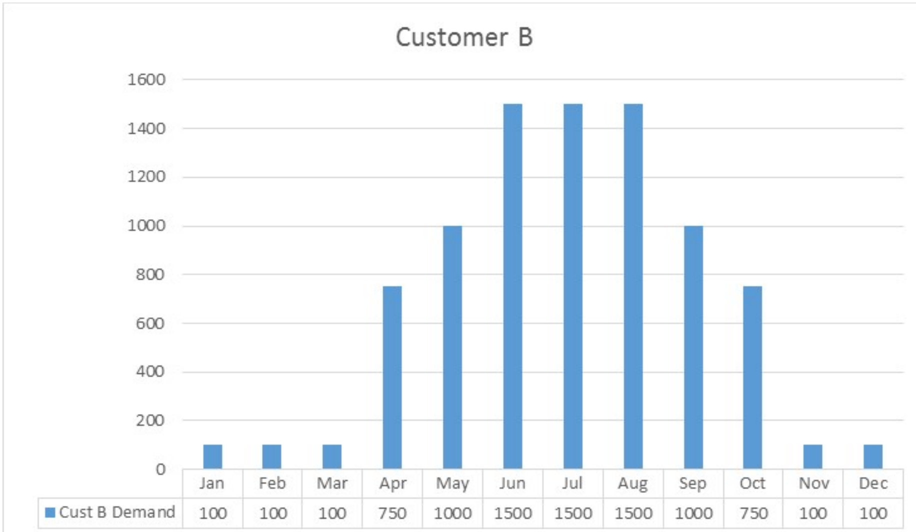
A. Yes, in general they do. Because demand-related fixed costs do not disappear when customers have lower demands during the year, demand ratchets ensure that customers with month-to-month fluctuations in their demand pay an appropriate share of fixed costs. Without demand ratchets, customers with demands that fluctuate from month to month end up being subsidized by customers with steady demands.

Q. Can you provide an example that shows how, without a demand ratchet, customers with steady demands end up subsidizing customers with fluctuating demands?

A. Yes. Consider two customers – Customer A and Customer B – both with a maximum demand of 1,500 kW during the year. In this example, Customer A has a steady demand of 1,500 kW every month. Customer B has a demand of 1,500 kW that only occurs during the summer peak months, but during the non-summer months Customer B's demands are significantly lower. For purposes of this example, we will assume that both customers' summer demands are coincident with the summer system peak. This is a simplifying but not unrealistic assumption. The following two graphs show the monthly demands for Customer A and Customer B.



Graph 1



Graph 2

In this example, if there are no significant topographical differences between serving the two customers, the fixed generation, transmission and distribution costs would be essentially the same for both customers. Both customers have a 1,500 kW demand coincident with the summer system peak; therefore, the generation fixed costs necessary to serve both customers would be the same. Both customers have a maximum non-coincident demand of 1,500 kW; therefore, the transmission and distribution delivery costs would be the same for both customers. Therefore, in this example, the fixed generation, transmission and distribution costs are the same to serve both customers. Yet, even though it costs the same to serve both customers, without a demand ratchet, the demand charge revenues collected from the two customers are starkly different. The following table shows the demand charge revenue that would be collected from the two customers under the current Rate PS Secondary demand charges without a ratchet:

	Customer A			Customer B		
Month	kW Demand	Demand Charge	Demand Charge Revenue	kW Demand	Demand Charge	Demand Charge Revenue
Jan	1,500	15.99	$ 23,985	100	15.99	$ 1,599
Feb	1,500	15.99	23,985	100	15.99	1,599
Mar	1,500	15.99	23,985	100	15.99	1,599
Apr	1,500	15.99	23,985	750	15.99	11,993
May	1,500	18.40	27,600	1000	18.40	18,400
Jun	1,500	18.40	27,600	1500	18.40	27,600
Jul	1,500	18.40	27,600	1500	18.40	27,600
Aug	1,500	18.40	27,600	1500	18.40	27,600
Sep	1,500	18.40	27,600	1000	18.40	18,400
Oct	1,500	15.99	23,985	750	15.99	11,993
Nov	1,500	15.99	23,985	100	15.99	1,599
Dec	1,500	15.99	23,985	100	15.99	1,599
Total			**$ 305,895**			**$ 151,580**

Table 5

As can be seen from the table, LG&E would collect less than half the revenue in demand charges from Customer B than from Customer A, even though the fixed costs associated with serving the two customers are the same. Without a ratchet Customer A would be overpaying and Customer B would be underpaying for service. In other words, Customer A would be subsidizing Customer B.

Q. What happens in the example if the Company's current demand ratchet for Rate PS is used?

A. Under the demand ratchet for Rate PS, the billing demand cannot fall below 50% of the customer's monthly demands during the preceding 11 months. If the same load pattern used in the example reoccurs year after year, then Customer B's billing demand could not fall below 750 kW (1,500 x 50% = 750 kW). Of course, Customer A's billing demand could not fall below 750 kW either, but in this example Customer A's demand is a constant 1,500 kW and thus Customer A is unaffected by the demand ratchet. The table below shows the demand charge revenue that would be collected from the two customers under the current Rate PS demand charges with the current ratchet:

	Customer A			Customer B		
Month	kW Demand	Demand Charge	Demand Charge Revenue	kW Demand	Demand Charge	Demand Charge Revenue
Jan	1,500	15.99	$ 23,985	750	15.99	$ 11,993
Feb	1,500	15.99	23,985	750	15.99	11,993
Mar	1,500	15.99	23,985	750	15.99	11,993
Apr	1,500	15.99	23,985	750	15.99	11,993
May	1,500	18.40	27,600	1000	18.40	18,400
Jun	1,500	18.40	27,600	1500	18.40	27,600
Jul	1,500	18.40	27,600	1500	18.40	27,600
Aug	1,500	18.40	27,600	1500	18.40	27,600
Sep	1,500	18.40	27,600	1000	18.40	18,400
Oct	1,500	15.99	23,985	750	15.99	11,993
Nov	1,500	15.99	23,985	750	15.99	11,993
Dec	1,500	15.99	23,985	750	15.99	11,993
Total			**$ 305,895**			**$ 203,548**

Table 6

As can be seen, the demand ratchet in Rate PS significantly reduces the subsidies received by Customer B. In this example, the subsidies still exist but they are reduced.

Q. Would it be possible to eliminate all fixed-cost subsidies?

A. In this idealized example it would be possible to eliminate all subsidies. This can be done by increasing the ratchet percentage to 100%. If a 100% demand ratchet is applied, Customer B's billing demand would be 1,500 kW each month (100% x 1,500 kW = 1,500 kW). Again, Customer A's billing demands would be unchanged. With a 100% ratchet, the demand billings would be the same for both customers, as illustrated in the following table:

	Customer A			Customer B		
Month	**kW Demand**	**Demand Charge**	**Demand Charge Revenue**	**kW Demand**	**Demand Charge**	**Demand Charge Revenue**
Jan	1,500	15.99	$ 23,985	1500	15.99	$ 23,985
Feb	1,500	15.99	23,985	1500	15.99	23,985
Mar	1,500	15.99	23,985	1500	15.99	23,985
Apr	1,500	15.99	23,985	1500	15.99	23,985
May	1,500	18.40	27,600	1500	18.40	27,600
Jun	1,500	18.40	27,600	1500	18.40	27,600
Jul	1,500	18.40	27,600	1500	18.40	27,600
Aug	1,500	18.40	27,600	1500	18.40	27,600
Sep	1,500	18.40	27,600	1500	18.40	27,600
Oct	1,500	15.99	23,985	1500	15.99	23,985
Nov	1,500	15.99	23,985	1500	15.99	23,985
Dec	1,500	15.99	23,985	1500	15.99	23,985
Total			**$ 305,895**			**$ 305,895**

Table 7

Q. If a 100% percent demand ratchet would eliminate all of the subsidies in the example, then why isn't LG&E proposing to use a 100% demand ratchet percentage?

A. As mentioned earlier, the example is somewhat idealized. Specifically, it was assumed that both customers' maximum demands occur at the time of the system peak. This means that the cost of the generation capacity installed to serve both customers would be the same. Not all customers with a load pattern that fluctuates like Customer B will have a maximum demand that occurs at the time of the Companies' system peak. Some low-load factor customers will have a maximum demand that coincides with the system peak and others may not. The relationship between a customer's demand at the time of the system peak and the customer's maximum demand is referred to as the coincidence factor. Coincidence factors for commercial and industrial customers during a month will typically range from 50% to 100%. Because coincidence factors are on average less than 100% it is reasonable to use a demand ratchet for generation fixed costs that is less than 100%. This is the reason that demand ratchets for generation fixed costs are typically between 50% to 90% for rates that are not billed based on a coincident peak demand.

Q. Do demand ratchets encourage customers to use power more efficiently?

A. Yes. Demand ratchets encourage customers to manage their peak demands and purchase energy at a more constant rate. If a customer avoids monthly spikes in its demands, then the customer can avoid the application of the ratchet. Therefore, a ratchet provides an incentive for customers to maintain more steady demands, without month-to-month load fluctuations, which will result in a lower average cost of providing service. Because a utility must install capacity to meet spikes in a customer's demands, if a customer avoids demand spikes the utility can then install less distribution, transmission and generation capacity to serve the customer's load. Demand ratchets induce customers to use power more efficiently and allow demand rates to send a better price signal.

F. LARGE CUSTOMER RATES (TODS, TODP, RTS, FLS)

Q. What are the standard large customer rates offered by LG&E?

A. LG&E offers four standard rates for large commercial and industrial customers: Time-of-Day Secondary Service (TODS), Time-of-Day Primary Service (TODP), Retail Transmission Service (RTS), and Fluctuating Load Service (FLS). TODS is available to customers served at secondary voltages (available voltages *less than* 2,400/4,160Y volts) with average demands between 250 kW to 5,000 kW. TODP is available to customers served at primary voltages (2,400/4,160Y volts, 7,200/12,470Y volts, or 34,500 volts) with average demands greater than 250 kVA. RTS is available to customers served at transmission voltages (69,000 volts or higher) with average demands greater than 250 kVA. FLS is available to customers served at primary or transmission voltage whose demands are 20,000 kW or greater. Customers with demands of 20,000 kW or greater whose loads either increase or decrease 20 MVA or more per minute or whose load either increase or decrease 70 MVA or more in ten minutes, when any such increases or decreases occur more than once during any hour of the month, are required to take service under FLS. The proposed charges for TODS, TODP, RTS, and FLS are shown on pages 8, 9, 10, and 11, respectively, of Schedule M-2.3-E of the Filing Requirements.

Q. Do all of these rate schedules have the same basic rate structure?

A. Yes. All four of these rates have a rate structure consisting of a Basic Service

Charge, an Energy Charge, and a Maximum Load Charge comprising a Peak Demand Charge, an Intermediate Demand Charge, and a Base Demand Charge. For example, the unit charges for TODS are ***currently*** as follows:

Basic Service Charge	$200.00 per customer
Energy Charge	$0.04049 per kWh
Maximum Load Charge:	
Peak Demand Charge	$6.74/kW/Mo.
Intermediate Demand Charge	$5.10/kW/Mo.
Base Demand Charge	$4.60/kW/Mo.

The Peak Demand Charge applies to billing demands (maximum demands) that occur during the weekday hours ("Peak Demand Period") from 1:00 PM to 7:00 PM during the summer months of May through September (summer peak months") and during the weekday hours from 6:00 AM to 12:00 Noon during winter months of October through April (winter peak months). The Intermediate Demand Charge applies to billing demands that occur during the weekday hours ("Intermediate Demand Period") from 10:00 AM to 10:00 PM during the summer peak months and from 6:00 AM to 10:00 PM during the winter peak months. The Base Demand Charge applies to the billing demands that occur at any time during the month.

Q. Is there a cost basis for this rate structure?

A. Yes. LG&E and KU must install sufficient generation resources to meet its peak demands. Peak demand conditions occur during the summer peak months and the winter peak months. Furthermore, peak conditions occur during hours between 6:00 AM in the morning and 10:00 PM at night, but varying by season. LG&E and KU must also install sufficient transmission and distribution facilities to deliver the power to the individual customers, no matter when they need power, whether it is during the peak or intermediate period or otherwise. Over the years, the Companies have structured the Peak Demand Charge and the Intermediate Demand Charge so that these charges would essentially provide recovery of generation fixed costs. The Base Demand Charge was structured so that the charge would basically provide recovery of transmission and distribution demand-related costs. (The structure was initially developed by LG&E and included only a peak and base charge, but was eventually adopted by KU and modified to include an intermediate charge to give customers greater opportunities to control their demands and reduce their demand costs.) Therefore, the Maximum Load Charge was, and is, essentially unbundled between generation fixed costs, which are recovered through the Peak and Intermediate Demand Charges, and transmission and distribution demand-related fixed costs, which are recovered through the Base Demand Charge.

Q. How are the billing demands determined?

A. The billing demands for the Peak and Intermediate Demand Charges are determined as the greater of (a) the maximum measured load during the Peak or Intermediate Demand Periods, or (b) 50% of the highest measured demand for the Peak or Intermediate Demand Periods during the preceding 11 monthly billing periods. This means that a 50% demand ratchet applies to the Peak and Intermediate Demand

Charges. The billing demands for the Base Demand Charge is determined as the greater of (a) the maximum measured load during the month (i.e., all hours of the months), (b) 75% of the highest measured demand determined the same way in the preceding 11 monthly billing periods, or (c) 75% of the contract capacity based on the customer's maximum load. This means that a 75% demand ratchet applies to the Base Demand Charge. A higher ratchet was implemented for the Base Demand Charge because the charge was designed to recover transmission and distribution demand-related costs which must be adequately sized to meet the customer's maximum demand whenever the demand occurs.

Q. What changes is LG&E proposing to the rate structure?

A. LG&E proposes to keep the same basic rate structure but to increase the demand ratchet for the Base Demand Charge to 100%. The Company is not proposing to change the demand ratchets for the Peak and Intermediate Charges at this time.

Q. Why is LG&E proposing this change?

A. The modification to the demand ratchets for the large customer rates is being proposed in conjunction with the elimination of the Company's standard rider for Supplemental or Standby Service (Rider SS). The Company has concluded that Rider SS is not adequate in light of fundamental changes that are taking place in the electric utility industry. Rider SS is available to customers who are regularly supplied with electric energy from generating facilities (distributed generation) owned by the customer and who desire to contract with LG&E for reserve, breakdown, supplemental or standby service. Fundamental changes are taking place in the electric utility industry whereby more customers are installing distributed generation to meet their power needs and falling back on the utility to supply power when their facilities are not operating. In some jurisdictions, there has been a surge in the installation of customer-owned renewable distributed generation such as solar generation or wind generation. In general, utilities are supportive of these initiatives as long as the utility's other customers are not subsidizing customers that install distributed generation facilities. Therefore, it is important for utilities to have a rate structure that prevents the subsidization of distributed generation by customers who have chosen not to install distributed generation.

It is also important for a utility to implement rates that allow the utility to recover the appropriate amount of fixed costs associated with serving customers who have installed distributed generation facilities but who want to rely on the utility to provide generation, transmission and distribution service when the distributed generation facilities are not operating. But LG&E also wants to offer a rate design that provides reasonable cost recovery while not discriminating against customers who install distributed generation and that isn't excessively harsh or onerous to customers who install distributed generation but want backup service.

Q. Why is the current standby rate inadequate?

A. In addition to the administrative problems with the rider that are addressed in the Direct Testimony of Robert M. Conroy, there has generally been an unwillingness on the part of customers with distributed generation to sign up under the rider because it is viewed as "too harsh" or "too onerous". Rider SS, which is a rider that would generally be applicable to customers served under Rates PS, TODS, TODP, RTS, or FLS, requires a standby customer to establish a contract demand for its entire load. The customer would then be billed a minimum demand charge that is the greater of (1) the customer's total demand charge billed under the customer's primary rate schedule (PS, TODS, TODP, RTS, or FLS), or (2) the demand charge calculated by applying the demand charges set forth in Rider SS to the customer's contact demand. Currently, the demand charges set forth in Rider SS are as follows:

Secondary Voltage:	$13.57 per kW (or kVA) per month
Primary Voltage:	$12.30 per kW (or kVA) per month
Transmission Voltage:	$10.83 per kW (or kVA) per month

These charges were designed to provide full recovery of all production, transmission, and distribution fixed costs. Therefore, for a customer who has installed its own distributed generation facilities, the customer will have paid for its own generation facilities plus the full fixed costs per kW (or kVA) of LG&E's generation facilities on a monthly basis. From the customer's perspective, under this arrangement the customer will view this as paying for the cost of generation assets twice.

Q. But if the utility is standing ready to provide generation backup service to customers who have installed their own generation, then shouldn't the customer pay a portion of the fixed costs?

A. Yes, they should. The challenge, though, is determining the appropriate level of fixed costs that the customer should pay. The amount that a distributed generator should pay largely depends on the operating characteristics of the distributed generation facilities that are installed. In all cases, a standby customer should pay for all of the transmission and distribution plant installed to serve the customer's maximum demand. As discussed earlier in the portion of my testimony addressing the demand ratchet for Rate PS, sufficient transmission and distribution capacity needs to be installed to deliver power to the customer whenever the customer needs it. For a customer who has installed distributed generation facilities, the utility must have transmission and distribution capacity to deliver sufficient power to meet the customer's load requirements whenever the customer's distributed generation facilities aren't operating. But for generation capacity, the cost of backing up the customer depends on the operating characteristics of the customer's generating facilities. For example, if the customer has installed solar generation, then the utility would be called upon to provide backup power whenever there isn't sufficient sunlight to energize the solar panels, which is likely to occur during periods when the utility is experiencing peak load conditions, such as during a winter system peak which typically occurs during nighttime hours. Likewise, if the customer has installed wind generation, then the utility would be called upon to provide backup power whenever the wind isn't blowing, which is also likely to occur during summer and winter system peak load conditions. Therefore, for these types of distributed generation facilities, it is highly likely that the utility would be called upon to provide backup power during time periods when the utility is experiencing peak load conditions. On the other hand, if the customer has installed a coal- or gas-fired generating facility that operates basically continuously at a low forced outage rate, then it is less likely that the utility would be called upon to provide generation backup power during peak load conditions. Therefore, it would, in general, be less costly to provide generation backup service to a customer who has a generating facility that is operated 24 hours per day, seven days per week, but with a random forced outage rate than to provide generation backup service to a customer whose generating facility is subject to wind conditions and available sunlight.

Q. How will the costs of providing backup service be addressed if Rider SS is eliminated?

A. Under LG&E's proposal, a customer with distributed generation facilities who relies on LG&E to provide backup service to its generating facilities would be served on the same rate as any other customer. Therefore, the Company will not discriminate between a customer who has distributed generation facilities and any other customer with similar fluctuating load requirements. If a customer with distributed generation meets the load requirements for one of the Company's standard rate schedules, then the customer will be served under that rate schedule. However, this policy necessitates a change in the demand ratchet for Rates TODS, TODP, RTS, and FLS.

Q. Please explain how serving standby customers under TODS, TODP, RTS, and FLS and changing the ratchet will help provide proper recovery of fixed generation, transmission, and distribution demand-related costs.

A. As explained earlier, generation fixed costs are essentially recovered through the Peak and Intermediate Demand Charges. A 50% demand ratchet is applied in determining the billing demand for these rate components. Importantly, the billing demands are based on measured demands during the Peak and Intermediate Billing Periods. Therefore, if a standby or other customer has a demand that occurs during the peak and intermediate hours (and most customers do), then the Peak and Intermediate Demand Charges will apply to those demands. But if the customer's demand occurs outside of the Peak and Intermediate Billing Periods, then there will be no measured demands during those periods and the Peak and Intermediate Demand Charges will not apply.

Furthermore, the 50% ratchet will be applied based on the maximum demands that have occurred during the preceding 11 months. ***LG&E is not proposing to change the ratchet percentages applicable to the Peak and Intermediate Demand Charges at this time.*** The structure for determining the billing demand allows the Company to recover at least 50% of a maximum demand that occurred during the peak and intermediate periods for the current and preceding 11 months. This demand ratchet therefore provides recovery of at least 50% of the annual fixed generation costs that the Company has incurred to supply generation capacity to the customer. At this point, the Company believes that the 50% demand ratchet, along with the change to the proposed ratchet for the Base Demand Charge, strikes a reasonable balance *between* (i) providing a pricing structure for recovering a reasonable portion of the annual fixed generation costs incurred to provide service to standby customers and to customers with intermittent loads that fluctuate from month to month *and* (ii) offering a pricing structure that isn't unduly harsh or onerous to standby or customers with intermittent loads. It should be kept in mind that the two components that provide recovery of generation fixed costs – the Peak and Intermediate Demand Charges – represent most of the total demand charges billed under Rates TODS, TODP, RTS, and FLS. Under LG&E's current rates, the peak and intermediate demand charges represent from approximately 71% to 78% of the total demand charges. (For example, by calculating a simple percentage of the peak and intermediate demand charges to the total of the peak, intermediate and base demand charges for Rate TODP, the percentage to the total is 71% [($5.26 + $3.91) ÷ ($5.26 + $3.91 + $3.75) = 71%]. For Rate FLS, the percentage is 78% [($3.42 + $2.37) ÷ ($3.42 + $2.37 + $1.62) = 78%].) Therefore, peak and intermediate demand charges, which represent most of the demand charges for these rate schedules, will be unaffected by the proposed change in the ratchet.

For transmission and distribution costs, it is important to increase the ratchet percentage to provide assurance that the fixed costs of the transmission and distribution facilities installed to deliver power to customers any time they need the power are appropriately recovered from standby customers and from customers with large month-to-month fluctuations in their loads. As explained in the portion of my testimony dealing with the demand ratchets for Rate PS, transmission and distribution facilities must be sized to deliver the maximum load that the customer creates on the system. Unlike generation facilities, transmission and distribution facilities are designed to meet localized demands placed on the system by customers. The

Company is therefore proposing to implement a 100% ratchet for the component of the demand charge that provides for recovery of transmission and distribution fixed costs. The 100% ratchet will only apply to the Base Demand Charge which currently represents between 22% and 29% of the total demand charges (based on the above calculations).

Q. What is the effective *overall* demand ratchet if you consider all three rate components?

A. As I explained, for TODS, TODP, RTS, and FLS, the 100% ratchet would only apply to the Base Demand Charge and the current 50% ratchet would continue to apply to the Peak and Intermediate Demand Charges. Based on a simple analysis, since the 50% ratchet would apply to the demand charge components (Peak and Intermediate Demand Charge) that represent between 71% to 78% of the demand charges, whereas the 100% ratchet would apply to the demand charge component (Base Demand Charge) that represents between 22% and 29% of the cost, the simple weighted effect of both ratchets works out to be equivalent to a demand ratchet of 61% to 65%. [78% x 50% + 22% x 100% = 61% and 71% x 50% + 29% x 100% = 65%.] These effective ratchet percentages are not out of line with demand ratchet percentages typically included in rates applicable to large commercial and industrial customers.

Q. Will changing the demand ratchet for the Base Demand Charge have a large impact on customer's bills?

A. Because the impact will be factored into the determination of the revenue requirement for the rate classes, the change will not result in any more or any less revenue calculated for the class. Specifically, the revenues calculated at the proposed rates are determined by applying the proposed Base Demand Charges for TODS, TODP, RTS and FLS to billing demands for the test year that are reflective of the revised ratchet. In other words, in determining the proposed revenue for the Base Demand Charges the charges are multiplied by billing demands that are higher than what would otherwise be billed during the forecasted test year. Therefore, from the Company's perspective, the change is revenue neutral. The Company is not expected to collect any more revenue from customers as a result of making this change. While the proposed demand ratchet may protect against revenue erosion if customers install distributed generation, it is not anticipated that the Company will collect additional revenues coming out of the rate case as a result of this change. However, on an individual customer basis, the change will affect some customers more than others. Specifically, the change will result in larger increases to customers with large fluctuations in their monthly demands and in smaller increases to customers with steady demands that don't fluctuate from month to month. A number of manufacturing customers on LG&E and KU's system will benefit from the change, particularly high-load-factor manufacturing or commercial customers with relatively constant demands from month to month. Of course, customers with intermittent loads will see a larger increase.

Q. Do you have any other comments about the proposed change in the demand ratchet?

A. Yes. It is important to note that this proposal will create a level playing field for customers who install distributed generation and rely on LG&E for backup service and customers with large fluctuations in their monthly demands. From the utility's perspective there is not much difference between serving either type of customer. Therefore, the proposed rate structure represents a non-discriminatory approach to serving both types of customers while helping to ensure that the utility's other customers are not subsidizing standby customers or customers with large swings in their monthly demands.

G. CURTAILABLE SERVICE RIDER (CSR)

Q. Please describe the proposed changes to CSR.

A. The Curtailable Service Rider is a rider that provides a credit to industrial or commercial customers that will interrupt a portion of their load when called upon by LG&E. Curtailable customers receive a discount in the form of a credit to their demand charges in exchange for their willingness to receive curtailable service on a designated portion of their load. A customer taking service under CSR is subject to a maximum of 375 hours of curtailment (or interruption) during a 12-month period. LG&E is proposing to lower the CSR credit from $6.40 to $3.56 per kVA of curtailable billing demand for transmission voltage service and from $6.50 to $3.67 per kVA for primary voltage service. As also discussed in Mr. Conroy's testimony, the Company is proposing to restrict the rider so that it will only be available to customers served under the schedule as of the date new rates go into effect as a result of this proceeding.

Q. What is the basis for the proposed credit?

A. As also discussed in the Direct Testimony of David S. Sinclair, LG&E is proposing to determine the credit based on the fixed carrying costs of the large-frame combustion turbines jointly owned by LG&E. Specifically, the credit is based on LG&E's portion of the fixed costs of the jointly-owned Brown Units 5, 6, and 7, Trimble County Units 5, 6, 7, 8, 9, and 10, and Paddy's Run Unit 13. These units were installed during the late 1990s and early 2000s and are jointly owned by LG&E and KU. It is appropriate to use the fixed carrying costs of these combustion turbine units because these units would be dispatchable for a similar number of hours as the hours of curtailment set forth in the CSR tariff. These units are typically dispatched after LG&E and KU's base load coal-fired steam units, gas-fired combined cycle facility, solar generation facility, and hydro-electric units. Traditionally, load designated to be served under CSR has been used to avoid or defer the installation of peaking units such as combustion turbines which have been dispatched fewer hours of the year than coal-fired steam generating units or gas-fired combined cycle generating units. In the past, the CSR credit has been based on the avoidance or deferral of a hypothetical combustion turbine unit. The Companies currently expect they will have no need to install peaking or other generation capacity through the end of the forecasted test year. Therefore, instead of using the cost of a hypothetical future combustion turbine unit that may or may not be installed during the next decade or more to establish the credit, the Company is proposing to use the fixed carrying costs of the most-recently installed conventional combustion turbines as the basis for the CSR credits.

Q. What do you mean by a "conventional combustion turbine"?

A. A conventional combustion turbine, as opposed to a combined-cycle combustion turbine, is a single cycle turbine for which there is no heat-recovery system that allows heat from the combustion gas to be reused to operate at higher efficiencies. Combined-cycle units have higher fixed costs but operate at greater capability and higher efficiencies, which allows the units to be operated for more hours during the year. LG&E's combined cycle unit will typically operate for more than 8,000 hours during the year. The operational hours of a combined cycle generating unit or of a coal-fired steam generating unit are in no way comparable to the hours of curtailment set forth in the CSR tariff.

Q. What is a "large-frame combustion turbine"?

A. Beginning in the 1980s, utilities began installing larger combustion turbines that achieved higher efficiencies than their earlier, and typically smaller, counterparts. Large-frame combustion turbines operate at higher capabilities and higher pressures allowing the units to achieve higher efficiencies. All the combustion turbines that LG&E installed since 1999 have been large-frame units.

Q. How many hours are these combustion turbines dispatched during a 12-month period?

A. It varies from year to year, but the Companies' large-frame combustion turbines will typically be dispatched from 200 to 1,500 hours during a 12-month period. The following table shows the number of hours that the large-frame Brown, Trimble and Paddy's Run combustion turbines jointly-owned by LG&E were dispatched during the 12 months ended June 30, 2016:

LG&E's Large-Scale Conventional Combustion Turbine Units	
Generating Unit	**Hours of Operations**
Brown Unit 5	644
Brown Unit 6	270
Brown Unit 7	257
Trimble 5	1614
Trimble 6	982
Trimble 7	1632
Trimble 8	371
Trimble 9	1081
Trimble 10	382
Paddy's Run 13	973

Table 8

These units will typically operate for more hours than the maximum number of hours of annual curtailment under the CSR tariff, and they typically have start-up times that are shorter than the 30-minute period that CSR customers can respond to a curtailment. Because Trimble 8 and 10 are quick-start units that can be brought on line and fully loaded in 10 minutes or less, they are often held in reserve for emergencies. While the combustion turbine units listed in Table 8 have operating characteristics that offer greater flexibility than curtailable load, these are still the generating units in the Companies' fleet that are the most comparable in terms of the hours' use of the units and the startup times to the terms and conditions of the CSR rate schedule. The Companies' combined-cycle and coal-fired base load units will typically operate over 8,000 hours per year and have longer startup times, and the Company's older combustion turbines will typically operate less than 100 hours during a 12-month period. Furthermore, the large-frame units listed in the above table are the most recent combustion turbines installed by the Companies.

Q. How are the fixed carrying costs for the large-frame combustion turbine units calculated?

A. The carrying costs are calculated based on the total fixed cost of the units for the fully-forecasted test-year. The fixed carrying charges for the units include the following standard cost-of-service components: (1) return on net investment (rate base), (2) income taxes, (3) depreciation expenses, (4) operation and maintenance expenses, and (5) property taxes. These are the standard items included in a utility's revenue requirements.

Q. Have you prepared an exhibit showing the derivation of the CSR credits?

A. Yes. Exhibit WSS-3 shows the calculation of the CSR credit based on the fixed carrying costs of the Brown, Trimble County, and Paddy's Run 13 combustion turbines. This analysis shows that the credit should be $3.56/kVA/Month for transmission voltage service and $3.67/kVA/Month for primary voltage service.

Q. Why is LG&E proposing to restrict the CSR schedule so that it will only be available to existing customers after the new rates go into effect?

A. As mentioned earlier, LG&E has no need for additional generation capacity during the next decade or so. The Companies have not issued any curtailments under Rider CSR since January 2015. Because the current generation mix was planned to take into account CSR capacity and its use in avoiding combustion turbine capacity, the Companies believe that it is appropriate to provide *current* CSR customers a credit based on the actual fixed cost of the most recent combustion turbines that were installed by the Companies.

H. LIGHTING RATES

Q. Explain how the rate increases were determined for the lighting rates?

A. LG&E offers two rates that include the lighting fixture along with the delivered energy to operate the lights. Those two rates are Lighting Service (LS) and Restricted Lighting Service (RLS). The Company also offers two types of delivered energy service to customers who own their own lighting fixtures or traffic lights. Those two rates are Lighting Energy Service (LE) and Traffic Lighting Service (TE).

The proposed rates for each type of light under Rate LS and Rate RLS were determined by allocating the revenue requirement for the lighting class to each light type based on the cost of each type of lighting fixture. Those costs include the carrying charges, distribution energy costs, and operation and maintenance expenses. The maximum increase for any type of fixture was capped at 30%. LG&E is not proposing increases for incandescent lights, and the Company is proposing comparatively smaller increases for mercury vapor lights because incandescent and mercury vapor lights are no longer being replaced and, in some cases, they are approaching their depreciable lives. The current unit revenue requirement of fixtures under Rate LS and Rate RLS is shown in Exhibit WSS-4. The proposed charge for each fixture type is shown on pages 17 through 23 of Schedule M-2.3-E of the Filing Requirements.

LG&E is not proposing an increase to Rate LE. Therefore, the Energy Charge for Rate LE remains at $0.06934/kWh. For Rate TE, the Company is not proposing to increase the Basic Service Charge from its current level of $4.00 per delivery point per month; however, LG&E is proposing to increase the Energy Charge from $0.07871/kWh to $0.08533/kWh.

Q. Is LG&E proposing to offer any new types of lights?

A. Yes. LG&E wants to be proactive in encouraging energy efficiency by offering light emitting diode ("LED") lights. The lights being offered correspond to the size and style of the most popular conventional lights offered by the Company. The new lights to be offered are: (1) 50 Watt Open Bottom Overhead Yard Light; (2) 80 Watt Overhead Cobra Head Light; (3) 134 Watt Overhead Cobra Head Light; (4) 228 Watt Overhead Cobra Head Light; (5) 80 Watt Underground Cobra Head Light; (6) 134 Watt Underground Cobra Head Light; (7) 228 Watt Underground Cobra Head Light; and (8) 68 Watt Underground Colonial Light. While LED lights are more energy efficient than traditional lighting fixtures, the cost of an LED fixture tends to be higher than the cost of a conventional fixture, and the average service life ("ASL") for an LED fixture is expected to be lower. This could ultimately result in higher depreciation expenses for all lights.

Q. How did LG&E develop the proposed charges for these new lights?

A. The rates for these lights were determined using a standard revenue requirement approach, with carrying charges, distribution energy costs, and operation and maintenance expenses included as revenue requirements for the monthly rates. The carrying charges include depreciation expenses, return on investment, income taxes and property taxes. The support for the proposed rates for LED lights is included in Exhibit WSS-5.

I. REDUNDANT CAPACITY (RC)

Q. Please describe LG&E's Redundant Capacity rider.

A. The Redundant Capacity rider allows customers that have one or more redundant distribution feeds to reserve back-up capacity on the distribution system. This rider would typically be used by customers who want greater assurance that their service will not be interrupted because of an outage on a distribution line. These customers would want a redundant feed along with automatic relay equipment capable of switching from a principal circuit to a backup circuit if electric service from the primary feed is lost. With the greater use of technology, some customers are finding it increasingly difficult to tolerate electrical outages for even short periods of time.

Q. How is a customer charged for redundant capacity?

A. A customer who wants a second feed must pay the cost of the customer-specific facilities required to provide the feed, including the second distribution line, automatic relay equipment, or other customer-specific facilities that may be required. Customers can pay for the customer-specific facilities by either making a contribution-in-aid-of-construction or by taking service under the Company's Excess Facilities rider. If the customer wants to have full backup capacity on the second feed, there are additional costs incurred by LG&E of ensuring that there is sufficient network distribution capacity to provide full backup if a relay occurs on the automatic switchgear. To ensure that there is sufficient capacity on the redundant feed to serve the load if the primary feed goes down, the utility must plan the distribution facility as if there were two customers placing demands on the system. For this reason, LG&E assesses a demand charge to cover the distribution demand-related cost of providing backup service for new customers with redundant feeds. The demand charge is applied to the customer's monthly billing demand determined under the standard rate schedule under which the customer receives electric service. Rider RC includes a charge for customers taking service at primary voltages and a charge for customers taking service at secondary voltages.

Q. What changes is LG&E proposing to the Redundant Capacity charges?

A. LG&E is proposing to increase the demand charge for primary voltage customers from $1.26 to $1.50 per kW per month and from $1.43 to $1.66 per kW per month for secondary voltage customers. The cost support for the proposed redundant capacity charges is included in Exhibit WSS-6.

IV. GAS RATE DESIGN AND THE ALLOCATION OF THE INCREASE

A. ALLOCATION OF THE GAS REVENUE INCREASE

Q. Please summarize how LG&E proposes to allocate the gas revenue increase to the classes of service?

A. LG&E relied on the results of the gas cost of service study to determine how the revenue increase is allocated to the classes of service. Specifically, larger relative portions of the overall revenue increase are allocated to the rate classes with low rates of return on rate base, and smaller relative portions of the overall increase are allocated to the rate classes with high rates of return. Because of the high rates for return for Industrial Gas Service (IGS), LG&E is not proposing to increases revenues for this rate schedule; however, LG&E is proposing to restructure the rate components while producing the current revenues plus revenues that will be transferred from the Gas Line Tracker (GLT) to base rates, as discussed in Mr. Garrett's testimony. LG&E is proposing a decrease to As-Available Gas Service (AAGS), after taking into consideration the revenues that will be transferred from the GLT to base rates. A comparison of the rate of return at current rates and the percentage revenue increase (decrease) proposed for each rate class is shown below in Table 9:

Rate Class	Rate of Return on Rate Base	Revenue Increase
Residential Gas Service (RGS)	5.08%	4.96%
Commercial Gas Service (CGS)	7.32%	3.48%
Industrial Gas Service (IGS)	21.31%	0.00%
As-Available Gas Service (AAGS)	30.69%	-6.65%
Firm Transportation (FT)	11.00%	2.01%
Total All Classes	6.00%	4.22%

Table 9

In developing the proposed percentage increases, the Company was once again guided by the results of the cost of service studies. In general, the classes with the lower class rates of return were allocated a larger percentage increase, and the classes with the higher rates of return were allocated a smaller percentage increase.

Q. Is LG&E proposing to eliminate all subsidies?

A. No. As with the allocation of the revenue increase for electric service, LG&E is not proposing to eliminate all rate subsidies in this filing but intends to continue to eliminate subsidies gradually over time.

Q. Are there any rate classes that are not shown on the above table?

A. Yes. Distributed Generation Gas Service (Rate DGGS) is a rate class that serves a small number of customers. It is a demand/commodity rate that is derived from unit costs from the cost of service study for Rate IGS. Rate DGGS is not broken out in the cost of service study but is included in Rate IGS in the study. Local Gas Delivery Service (LGDS) is a new rate being proposed by LG&E for the transportation of natural gas produced locally through LG&E's delivery system. There are currently no customers served under the rate schedule. I will discuss the development of Rate LGDS shortly. Substitute Gas Sales Service (Rate SGSS) is a new rate being proposed by LG&E to serve customers that desire substitute sales and delivery service from the Company. LG&E is proposing to move one commercial customer from Rate CGS to Rate SGSS. I will also discuss the development of SGSS and the impact of moving the customer from Rate CGS to Rate SGSS in the section of my testimony dealing with Rate SGSS.

Q. Have you prepared an exhibit showing the proposed gas revenue increase for each rate schedule?

A. Yes. The revenue increase for each rate class is shown on Schedule M-2.1-G of Section 16(8)(m) of the Filing Requirements. The detailed billing calculations for each rate schedule are shown on Schedule M-2.3-G. The proposed unit charges for each rate schedule are shown on Schedule M-2.3-G.

B. RESIDENTIAL GAS SERVICE (RGS)

Q. Please provide a brief description of Rate RGS.

A. Rate RGS is the standard gas rate schedule available to single-family residential service. Approximately 296,000 residential customers are served under this rate schedule. Rate RGS consists of a Basic Service Charge, Distribution Delivery Charge (or "Distribution Cost Component") and Gas Supply Cost Component.

Q. What are the charges that LG&E is proposing for Rate RGS?

A. LG&E is proposing to *increase* the Basic Service Charge from $13.50 per month to $24.00 per month, which corresponds to an increase of $10.50 per month. It should be noted, however, that LG&E is proposing to reset the Gas Line Tracker ("GLT") by removing from the GLT rate base all Gas Line Program projects performed prior to July 1, 2017, the beginning of the forecasted test year, and to place the cost of those projects into base rates. The specifics involved in resetting the GLT is described in greater detail in Mr. Garrett's testimony, but in short, the rate effect of the reset is that the currently filed GLT rate for RGS of $6.33 per customer per month[1] will be included in the proposed $10.50 increase in the Basic Service Charge for Rate RGS. Therefore, after taking into account the resetting of the GLT, the proposed increase in the Basic Service Charge is $4.17 per month ($10.50 - $6.33 = $4.17 per month). The Company is proposing to *decrease* the Distribution Cost Component from $0.28693 per CCF to $0.25385 per CCF. LG&E is not proposing to change the Gas Supply Cost Component in this rate case proceeding or to make any other structural changes to Rate RGS.

Q. What is the basis for the proposed increase in the Basic Service Charge for Rate RGS?

A. The Company is proposing a cost-based Basic Service Charge that reflects the customer-related costs from the Company's cost of service study. The cost-based charge will also appropriately reflect the GLT costs that are being transferred to base rates. As will be explained in greater detail later in my testimony regarding the gas cost of service study, the methodology that is used to classify costs as customer related corresponds to the methodology that has been accepted by the Commission in prior rate case orders.

Q. Have you prepared an exhibit showing the calculation of the rate components for Rate RGS?

A. Yes. Exhibit WSS-7 shows the calculation of the unit customer cost and distribution

[1] As of the date of this testimony, the GLT rate for Rate RGS is $5.14 per customer per month; however, on October 31, 2016, the Company filed in Case No. 2016-00383 a proposal to increase the GLT for Rate RGS from $5.14 to $6.33 per customer per month. The GLT amounts that would be placed into base rates in the general rate case would reflect revenue requirements corresponding to the $6.33 charge.

delivery cost. From this exhibit, the customer cost is calculated to be $24.05 per customer per month; the distribution delivery cost is $0.25288 per CCF. In the proposed rate, LG&E is proposing a Basic Service Charge of $24.00 which is slightly below the unit cost from the cost of service study. LG&E is rounding the Basic Service Charge so that it is simpler and easier to use.

C. COMMERCIAL GAS SERVICE (CGS)

Q. Please provide a brief description of Rate CGS.

A. Rate CGS is the standard gas rate schedule available to commercial customers for gas sales service. Approximately 25,000 commercial customers are served under this rate schedule. Rate CGS consists of a Basic Service Charge, Distribution Cost Component and Gas Supply Cost Component. The Basic Service Charge is differentiated between customers whose meters have a capacity less than 5,000 cubic feet per hour (cf/hr) and customers whose meters have a capacity equal to or greater than 5,000 cf/hr.

Q. What are the charges that LG&E is proposing for Rate CGS?

A. LG&E is proposing to increase the Basic Service Charge from $40.00 per month to $60.00 per month for customers with meter capacity less than 5,000 cf/hr and from $180.00 to $285.00 for customers with mater capacity equal to or greater than 5,000 cf/hr. As mentioned earlier in connection with Rate RGS, LG&E is proposing to reset the GLT by removing all Gas Line Program projects performed prior to July 1, 2017, and to place the cost of those projects in base rates. The Company is proposing to increase the Distribution Cost Component from $0.21504 per CCF to $0.26267 per CCF. The rate includes a $0.05 per CCF discount for off-peak usage from April through October, and the Company is not proposing to change the differential. LG&E is not proposing to change the Gas Supply Cost Component in this rate case proceeding or to make any other structural changes to Rate CGS.

D. INDUSTRIAL GAS SERVICE (IGS)

Q. Please provide a brief description of Rate IGS.

A. Rate IGS is the standard gas rate schedule available to industrial customers for gas sales service. Approximately 260 industrial customers are served under this rate schedule. Rate IGS consists of a Basic Service Charge, Distribution Cost Component and Gas Supply Cost Component. The Basic Service Charge is differentiated between customers whose meters have a capacity less than 5,000 cubic feet per hour (cf/hr) and customers whose meters have a capacity equal to or greater than 5,000 cf/hr.

Q. What are the charges that LG&E is proposing for Rate IGS?

A. As mentioned earlier, LG&E is proposing to reset the GLT by removing all Gas Line Program projects performed prior to July 1, 2017, and to place the cost of those projects in base rates. LG&E is proposing to *increase* the Basic Service Charge from $40.00 per month to $165.00 per month for customers with meter capacity less than 5,000 cf/hr and from $180.00 to $750.00 for customers with mater capacity equal to or greater than 5,000 cf/hr. The Company is proposing to *decrease* the Distribution

Cost Component from $0.22779 per CCF to $0.21929 per CCF. LG&E is not proposing to change the Gas Supply Cost Component in this rate case proceeding or to make any other structural changes to Rate IGS. Overall, the rate adjustments are revenue neutral.

E. AS AVAILABLE GAS SERVICE (AAGS)

Q. Please provide a brief description of Rate AAGS.

A. Rate AAGS is the rate schedule available to commercial and industrial customers that agree to take gas sales service on a non-firm basis. There are currently only 6 customers on this rate schedule. Rate AAGS consists of a Basic Service Charge, Distribution Delivery Charge (Distribution Cost Component) and Gas Supply Cost Component.

Q. What are the charges that LG&E is proposing for Rate AAGS?

A. As mentioned earlier, LG&E is proposing to reset the GLT by removing all Gas Line Program projects performed prior to July 1, 2017, and to place the cost of those projects in base rates. LG&E is proposing to *increase* the Basic Service Charge from $400.00 per month to $500.00 per month. The Company is proposing to *increase* the Distribution Cost Component from $0.7009 per Mcf to $1.06436 per Mcf. LG&E is not proposing to change the Gas Supply Cost Component in this rate case proceeding or to make any other structural changes to Rate AAGS. Overall, after accounting for transferring GLT revenues into base rates, the proposed rate adjustments result in a decrease for Rate AAGS customers. The GLT charge for AAGS is currently

$2,838.87 per customer per month. Although the Company is transferring these revenues in base rates, LG&E is only proposing to increase the Basic Service Charge by $100.00 per month. Consequently, there is an effective decrease in the customer charges billed to the customers under this rate schedule of $2,738.87 (calculated as $100 - $2,838.87 = -$2,737.87.) The proposed increase in the Distribution Cost Component from $0.7009 per Mcf to $1.06436 per Mcf is less than the effective decrease in the customer charge, resulting in an overall decrease in revenue to the class. As mentioned earlier, the Company is proposing a 6.66 percent revenue *decrease* to this rate class because of its extremely high rate of return of 30.69 percent.

Q. Have you prepared an exhibit showing the calculation of the rate components for Rate AAGS?

A. Yes. Exhibit WSS-8 shows the calculation of the unit customer cost and distribution delivery cost. From this exhibit, the customer cost is calculated to be $508.41 per customer per month. In the proposed rate, LG&E is proposing a Basic Service Charge of $500 which is slightly below the unit cost from the cost of service study. Again, LG&E is rounding the Basic Service Charge for ease and simplicity.

F. FIRM TRANSPORTATION SERVICE (FT)

Q. Please provide a brief description of Rate FT.

A. Rate FT is the standard gas rate schedule available to industrial customers for firm transportation service. It is generally available to customers who use at least 50 Mcf per delivery point each month, have purchased gas from a party other than LG&E, and who have obtained all requisite authority to transport gas through Texas Gas Pipeline Company's (LG&E's Pipeline Transporter's) system.

Q. What are the charges that LG&E is proposing for Rate FT?

A. LG&E is proposing to increase the Distribution Charge from $0.4302 per Mcf to $0.4428 per Mcf. The Company is also proposing to increase the Daily Storage Charge component of the Utilization Charge for Daily Imbalances ("UCDI") from $0.1833 per Mcf to $0.2785 per Mcf. The UCDI is a charge that is applied to daily transportation imbalances that exceed ±5%. The cost support for the charge is shown in Exhibit WSS-9. It should also be noted that the Company is proposing that a component of the GLT associated with replacement of transmission facilities would apply to customers taking service under Rate FT. This will be discussed in the portion of my testimony dealing with the proposed changes to the GLT.

G. PROPOSED SUBSTITUTE GAS SALES SERVICE (SGSS)

Q. Please describe LG&E's proposed Rate SGSS.

A. As explained in Mr. Conroy's testimony, Rate SGSS is being proposed to provide substitute gas sales service for any customer who desires to receive firm sales service from LG&E in addition to gas received from other sources with which the customer is physically connected. This rate would therefore apply to customers who normally purchase gas supply directly from a pipeline, from another local distribution company, or from a local producer but desire to rely on LG&E as an alternative or substitute supplier of natural gas. In its role as a substitute supplier, LG&E would maintain sufficient storage and distribution delivery capacity on its system to provide firm service to a customer under Rate SGSS, just as it would any other commercial or industrial customer that receives firm sales service from the Company under either Rate CGS or Rate IGS. As with any sales service, the Company must also secure firm gas supplies and pipeline capacity to serve customers under the rate, and, as with any sales service, gas costs are recovered through the Company's Gas Supply Clause. Because the delivery of natural gas under this rate schedule is expected to be intermittent, it is necessary to implement a rate structure that ensures that the actual cost of providing service is being collected from customers desiring backup service and that customers taking service under Rate SGSS are not being subsidized by LG&E's other customers.

Q. Please describe the rate components for Rate SGSS and the cost basis for the charges.

A. Rate SGSS consists of a Basic Service Charge (customer charge), Demand Charge, and Distribution Charge. The Basic Service Charge will be applied to each customer delivery point. The will be applied to the customer's Monthly Billing Demand. The Customer's Monthly Billing Demand is the greater of the customer's Maximum Daily Quantity ("MDQ") or the highest daily volume of gas delivered to the delivery point during the current or preceding 11 monthly billing periods. The Distribution Charge will be applied to the quantity of gas (Mcf) delivered to the customer.

For commercial customers under Rate SGSS, LG&E is proposing a Basic

Service Charge of $285.00 per month, a Demand Charge of $6.27 per Mcf of Monthly Billing Demand, and a Distribution Charge of $0.3767 per Mcf. For industrial customers under Rate SGSS, LG&E is proposing a Basic Service Charge of $750.00 per month, a Demand Charge of $10.90 per Mcf of Monthly Billing Demand, and a Distribution Charge of $0.2992 per Mcf.

These charges reflect the unbundled unit costs from the Company's gas cost of service study filed in this proceeding for Rate CGS and Rate IGS. Specifically, for commercial customers, the unbundled unit costs are determined based on revenue requirements for Rate CGS, and for industrial customers, the unbundled unit costs are determined based on revenue requirements for Rate IGS.

Q. How does this rate design differ from LG&E's standard rates for sales service?

A. LG&E's standard rates for commercial and industrial gas sales service (Rates CGS and IGS) consist of a Basic Service Charge, Distribution Cost Component, and Gas Supply Cost Component (GSCC). The GSCC provides recovery of the cost of natural gas and pipeline services that LG&E purchases to serve customers. The costs incurred by LG&E to operate its own delivery system are recovered through the Basic Service Charge and the Distribution Cost Component of its rates. For customers substituting LG&E's gas supplies for those from other physical sources, and who might only fall back on LG&E on an *intermittent* basis, a rate that consists of a fixed customer charge and a volumetric distribution delivery charge does not allow the Company to recover the fixed demand costs that such customers place on the system. A customer under Rate SGSS would likely impose a large intermittent and perhaps infrequent daily demand on LG&E's system. Nevertheless, LG&E must have adequate delivery capacity to meet the customer's maximum daily demand whenever the customer calls upon it. With a rate structure that includes only a volumetric charge but no demand charge, it is virtually impossible for the Company to recover the distribution capacity costs necessary to serve the customer. For this reason, LG&E is proposing to incorporate a demand charge for Rate SGSS. A demand charge will help ensure that other customers are not subsidizing those customers who take substitution or backup service from LG&E.

Q. How were the charges for Rate SGSS determined?

A. The unbundled unit costs were determined based on revenue requirements for Rate CGS and Rate IGS. The cost elements included in Rate SGSS include: (1) customer-related costs, (2) demand-related costs associated with LG&E's transmission and distribution delivery system, (3) demand-related underground storage costs, and (4) variable volumetric-related costs.

The customer-related costs included in Rate SGSS are fixed costs that tend to vary according to the number of natural gas customers on the system. These are costs that do not vary with the demand placed on the system or the amount of natural gas throughput. Customer-related costs include items such as operating and maintenance expenses ("O&M"), depreciation, taxes, and return associated with investment in meters, company service lines, a portion of distribution mains, and pressure regulators. These costs also include meter reading and billing, and customer service expenses. Because customer-related costs are fixed, they should be recovered through a fixed monthly charge.

The demand-related transmission and distribution costs included in Rate SGSS are costs associated with having adequate transmission and distribution capacity available on LG&E's delivery system to meet maximum system demands. These costs include O&M, depreciation, taxes, and return associated primarily with the non-customer-related portions of transmission and distribution mains. Because these are capacity-related costs, they should be recovered through a demand charge. Demand-related underground storage costs are costs related to peak day deliveries required from storage to meet winter season customer demands. Because these costs are capacity-related, the appropriate means for recovering these costs is through a demand charge. Demand-related distribution costs and demand-related underground storage costs will be recovered through the Demand Charge for Rate SGSS.

Variable volumetric-related costs are those costs that vary with the volume of natural gas that flows through the system. This cost element is best recovered through a volumetric distribution charge.

Q. Is LG&E proposing a demand charge to recover fixed costs associated with reserving pipeline capacity and securing firm gas supplies to serve customers under Rate SGSS?

A. No. As mentioned earlier, the Company must secure firm gas supplies and pipeline capacity to serve customers under this rate. While an argument can be made to recover fixed pipeline and gas supply costs through a demand charge that is applicable to the customer's maximum daily requirement, LG&E is not proposing to recover these costs through a demand charge but through the Gas Supply Cost Component ("GSCC") of the Company's Gas Supply Clause ("GSC"), which is billed as a commodity charge. Recovering pipeline demand charges through a demand charge would result in an even larger percentage increase to a customer that LG&E is proposing to transfer to Rate SGSS, as will be discussed below.

Q. Have you prepared a schedule showing the calculation of the unbundled unit costs for commercial customers served under Rate SGSS?

A. Yes. The calculation supporting the unit charges for the rate is shown in Exhibit WSS-10. The costs shown in this exhibit are derived from the Company's gas cost of service study discussed later in my testimony. Specifically, Exhibit WSS-10 reflects cost elements from the cost of service study for Rates CGS and IGS. The cost components applicable to commercial customers under Rate SGSS consist of the following unit costs:

Cost Component/Charge	Commercial Customers	Industrial Customers
Basic Service Charge	$285	$750
Monthly Demand Charge	$6.27/Mcf	$10.90/Mcf
Distribution Charge	$0.3767/Mcf	$0.2992 /Mcf

Table 10

Q. Are there any customers currently taking substitute/backup service from LG&E?

A. Yes, there is currently one customer that calls LG&E from time to time to act as a substitute supplier in lieu of taking natural gas from other sources with which the customer is physically connected. The customer is a *commercial customer* that is currently served under Rate CGS. LG&E is proposing to serve this customer under Rate SGSS.

Q. Was this customer shown as an SGSS customer in the consumption analysis for the proposed rates?

A. Yes. The customer was shown as an SGSS customer on page 9 of Schedule M-2.3-G of the Company's Filing Requirements.

Q. What is the percentage increase for this customer?

A. The percentage increase is 215%.

Q. Why is this revenue increase so high?

A. As I mentioned earlier, customers taking service under Rate SGSS will only use gas service from LG&E *intermittently*. The customer that LG&E is proposing to move to Rate SGSS only falls back on LG&E for natural gas sale service from time to time. The customer has a high daily demand but purchases very little gas from the Company. Under Rate CGS, which does not include a demand charge, the customer pays a very low charge to receive full backup service. However, the Company must maintain adequate delivery capacity to serve the customer's large demand. The volumetric charge in Rate CGS does not allow the Company to recover the high demand costs incurred to serve this customer. By serving this customer under Rate CGS, which does not include a demand charge, costs incurred to serve this customer are being unfairly shifted to LG&E's other customers. When the service is billed under a rate structure that includes a demand charge, the actual cost of serving the customer is collected. This results in a large percentage increase for this customer, but the amount billed is appropriate given the kind of firm service that is provided. ***Ultimately, customers desiring this service have a choice whether to receive or not to receive substitute sales service from LG&E.*** Customers desiring service under Rate SGSS would already have the capability to receive gas supply from another source or provider. In this instance, LG&E is not the customer's primary supplier. Therefore, the customer must perform its own economic evaluation to determine whether it wants to be connected to LG&E to receive substitute gas service from the Company.

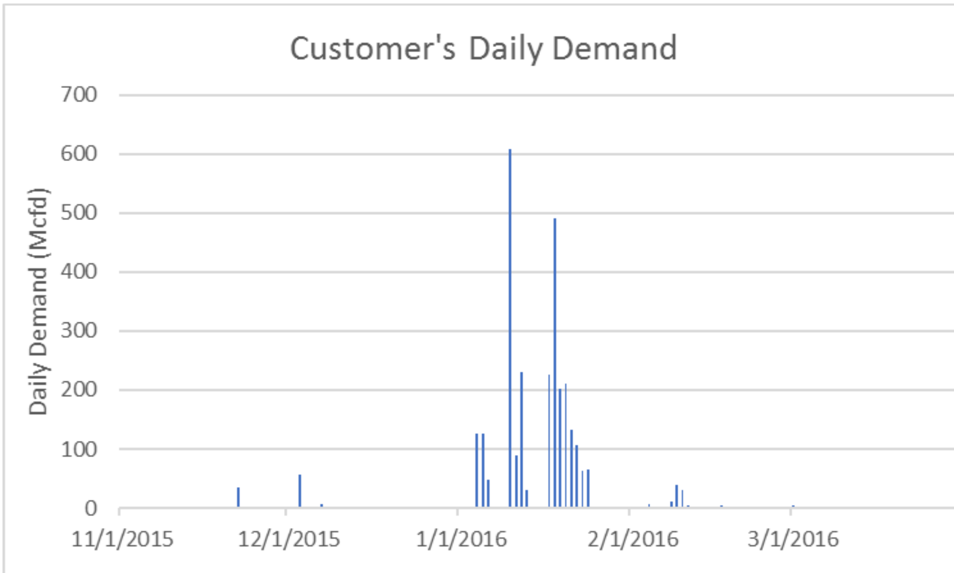
Q. Please discuss the usage pattern for the commercial customer that LG&E is proposing to move to Rate SGSS?

A. During this past winter (November 2015 through March 2016), the customer purchased 2,968.5 Mcf of natural gas from the Company. The customer's average demand during this period was 19.5 Mcf per day [2,968.5 Mcf ÷ 152 days = 19.5 Mcf per day]. But the customer's maximum daily demand during this five-month period was 608.6 Mcf. Therefore, the customer's purchased load factor was only 3.2% [196 Mcf/day ÷ 608.6 Mcf/day = 3.2%].

The following table (Table 11) and graph (Graph 3) show how sporadic the customer's daily demands from this past winter were:

Customer's Daily Demands (Mcfd)					
Day of Month	November	December	January	February	March
1	0	0.1	0	0	3.6
2	0	0	0	0	0.2
3	0	56.3	0	0	0
4	0	0	127	6.1	0
5	0	0	127.1	0	0
6	0	0	47.5	0	0
7	0	6.3	0	0	0
8	0	0.1	0	10.5	0
9	0	0	0	39.4	0
10	0	0	**608.6**	31.5	0
11	0	0	88.2	4.3	0
12	0	0	231.2	3.4	0
13	0	0	30	2	0
14	0.7	0	0	3.2	0
15	0	0.1	0	0	0
16	0	0	0	0.3	0
17	0	0	226.1	4.2	0
18	0	0.1	490.1	0	0
19	0	0	201	0	0
20	0	0	210.2	0	0
21	0	0	132.3	0	0
22	35.2	0.4	106.6	0	0
23	0	0.3	64.1	0	0
24	0.2	0	64.6	0.1	0
25	0	0	0	0	0
26	0	0	2.2	0	0
27	0	0	2.7	0	0
28	0	0.4	0	0	0
29	0	0	0	0	0
30	0	0	0	0	0
31	0	0	0	0	0
Total	36.1	64.1	2759.5	105	3.8
			Gas consumption (Mcf)		2,968.5
			Average Demand (Mcfd)		19.5
			Maximum Demand (Mcfd)		608.6
			Load Factor		3.2%

Table 11



Graph 3

Q. Does the above table and graph illustrate the problem with using a rate structure that does not include a demand charge?

A. Yes. Based on the customer's daily usage pattern this past winter, it is evident that the Company must stand ready to deliver a maximum daily quantity of *at least* 608.6 Mcf. But the customer only paid for an average daily quantity of 19.5 Mcf. Therefore, under Rate CGS, which does not include a demand charge, the customer is grossly undercharged for the service that is being provided. Under LG&E's proposed Rate SGSS, the customer would be billed based on the 608.6 Mcf of daily demand that the customer imposes on the system.

H. PROPOSED LOCAL GAS DELIVERY SERVICE (LGDS)

Q. Please describe LG&E's proposed Rate LGDS.

A. Rate LGDS is a rate schedule that is available to parties who contract with LG&E to provide firm transportation service of locally produced gas. The rate schedule is described in more detail in Mr. Conroy's testimony.

Q. Please describe the rate components for Rate LGDS and cost basis for the charges.

A. Rate LGDS consists of an Administrative Charge, Basic Service Charge (customer charge), Demand Charge, and Distribution Charge. The Basic Service Charge will be applied to each customer receipt point. The Demand Charge will be applied to the customer's monthly billing demand, which is the greater of the Maximum Daily Quantity ("MDQ") or the highest daily volume of gas delivered to the delivery point during the current or preceding 11 monthly billing periods. The Distribution Charge will be applied to the net nominated volumes of gas (Mcf) at the delivery point.

LG&E is proposing the same Administrative Charge for Rate LGDS as Firm Transportation Service (Rate FT). The Demand Charge is designed to recover demand-related transmission and distribution costs on LG&E's system. The Distribution Charge is designed to recover variable costs on LG&E's transmission and distribution delivery system. The cost support for these charges is based on the cost of providing service to customers served under Rate FT. Like Rate FT, Rate LGDS would also include a Utilization Charges for Daily Imbalances ("UCDI") consisting of (i) a Daily Storage Charge component of $0.2785 per Mcf, and (ii) a

Daily Demand Charge, currently $0.1673 per Mcf, designed to recover pipeline demand costs on imbalances, which would change with each GSCC filing. The UCDI is a charge that is applied to daily transportation imbalances that exceed ±5%.

Q. Have you prepared a schedule showing the calculation of the unbundled unit costs?

A. Yes. The calculation supporting the unit charges for Rate LGDS is shown in Exhibit WSS-11. This exhibit reflects cost elements from the cost of service study for Rate FT. The proposed Rate LGDS consists of the following unit charges:

Cost Component/Charge	Unit Cost
Administrative Charge	$550.00
Basic Service Charge	$1,310.00
Demand Charge	$2.57/Mcfd
Distribution Charge	$0.0388/Mcf

Table 12

I. MODIFICATIONS TO THE GAS LINE TRACKER (GLT)

Q. Please describe the changes proposed to the GLT.

A. The Company is proposing three modifications to its GLT mechanism. The first modification would move the GLT rate base as of June 30, 2017, from the GLT mechanism into general rate base to be recovered through base rates. The second modification is to combine the application of the GLT for a number of rate schedules. Specifically, the GLT charge for Rate IGS will be combined with Rate AAGS and Rate DGGS customers. The GLT for Rate SGSS will be combined with CGS or IGS, as appropriate. The GLT for Rate FT and LGDS will also be combined. The third modification is a change in the rate design. As discussed in Mr. Bellar's testimony, the Company is proposing two additional programs to be included in the GLT mechanism. In the first program, LG&E will implement a systematic replacement of steel gas distribution customer service lines and the targeted removal of county loops and steel curbed services. In the second program, LG&E will modernize its transmission pipeline. I discuss below the rate design modifications to the GLT mechanism that the Company is proposing to properly recover these costs.

Q. What pricing structure is currently used in the GLT to recover Gas Line Program Costs?

A. Under the GLT mechanism, program costs for distribution line replacements are recovered through a flat charge per customer. This is the same approach used by other utilities in Kentucky for their trackers.

Q. What changes in its pricing structure is the Company proposing?

A. For future expenditures, LG&E is proposing to continue to recover program costs of the distribution line replacement program as a customer charge. It is appropriate to recover distribution replacement costs as a customer charge because the majority of the costs of distribution services and mains are classified as customer-related costs in a cost of service study. For the transmission pipeline modernization program discussed in Mr. Bellar's testimony, the Company is proposing to recover the cost of the project through a delivery charge priced on a per Ccf basis. Because no portion of transmission costs are classified as customer-related in the cost of service study, it is appropriate to recover these costs through a delivery charge applied to both sales and transportation customers. Because transportation customers served under Rate FT and Rate LGDS would utilize the transmission lines that are being modernized, these customers should be allocated a portion of these costs.

V. MISCELLANEOUS SERVICE CHARGES

A. POLE AND STRUCTURE ATTACHMENTS (RATE PSA)

Q. Is the Company proposing to adjust the pole attachment charge?

A. Yes. Changes to the tariff language are discussed in Mr. Conroy's testimony. As described in Mr. Conroy's testimony, the Company is broadening the tariff to include not only charges for cable television attachments but also charges for telecommunication wireline and wireless facilities that are attached to LG&E's poles and cable television and telecommunications wireline facilities utilizing the Company's underground electric infrastructure. In the proposed schedule, the Company is proposing three charges: (1) an annual charge per standard pole attachment which is based on one foot of the usable space on the pole; (2) an annual charge per attachment for wireless telecommunication facilities such as antennas, risers, transmitters, and receivers when they are attached to the Company's poles; (3) an annual charge per linear foot of duct that will be applicable when the Company's underground electric infrastructure is utilized for cable television or telecommunication wireline facilities. Cable television companies are currently covered by the Company's rate schedule, but other telecommunication attachments are billed pursuant to individual contracts with the companies or organizations that attach to LG&E's poles. LG&E is proposing that as these individual contracts expire then the attachments would be transitioned to and covered by Rate PSA. I will address the derivation of the charges for the rate schedule in my testimony below.

Q. Is LG&E proposing any increases to the attachment charges that would be applicable to cable television companies?

A. No. The Company is proposing to maintain the pole attachment charge applicable to cable television companies at the current level of $7.25 per attachment. When I calculated the attachment charges using forecasted costs based on a revenue requirements reflecting net cost plant (net cost rate base), the analysis resulted in a unit cost for LG&E and KU of $7.45 per attachment. Because the current charge reasonably reflects the updated cost based on forecasted net plant, the Company decided not to propose a change in the rate at this time.

Q. Is the Company proposing to apply this same rate to other wireline attachments?

A. Yes.

Q. Please describe the methodology used to calculate the charges.

A. In its Order in Administrative Case No. 251, the Commission prescribed a methodology for determining the attachment charges. The calculations set forth in Exhibit WSS-12 follow the guidelines established in Administrative Case No. 251. In this exhibit, the weighted average carrying costs are calculated for 35, 40 and 45 foot poles. The charge is calculated by multiplying a usage factor of 0.0759 by the annual carrying costs of a bare pole. The 0.0759 usage factor was the prescribed percentage for a three-user pole set forth in the Commission's Order in Administrative Case No. 251 dated September 17, 1982, and assumes that a cable television attachment would utilize one foot of the usable space on the pole. In calculating bare pole costs, 15% of the pole costs have been removed from plant in service costs for 35, 40 and 45 foot poles to reflect the elimination of appurtenances.

The calculations set forth in Exhibit WSS-13 for the duct attachment charge follow the same carrying charge methodology except the cost of conduit investment is utilized. In calculating the cost per foot of duct, the methodology for determining the applicable linear feet of duct is consistent with the methodology described in the *Report and Order* issued in CS Docket No. 97-98 by the Federal Communications Commission on April 3, 2000.

Q. How are the carrying charges calculated?

A. They are calculated using a standard revenue requirement (cost of service) methodology. The carrying charges include the following cost-of-service components: (1) return on net investment (rate base), (2) income taxes, (3) depreciation expenses, (4) O&M expenses, and (5) property taxes. These are the standard items included in a utility's revenue requirements.

Q. Are the charges based on net depreciated plant?

A. Yes. Net depreciated plant (or rate base), along with straight line depreciation, is used in the carrying charge calculation. This approach is consistent with the way that all other revenue requirements are determined in this proceeding. Therefore, the charges shown in Exhibits WSS-12 and WSS-13 are reflective of current revenue requirements associated with the cost of providing attachment service.

Q. What is the proposed charge for attaching wireless facilities to a pole?

A. The proposed charge for attaching a wireless facility is $84.00 per year per attachment. This charge was determined by multiplying the annual charge for a standard attachment by 11.585 feet, which corresponds to the average space currently used for each wireless facility.

Q. What is the proposed duct attachment charge?

A. The proposed charge for a duct attachment is $0.81 per year per linear foot of duct.

Q. Is there a revenue impact for these changes?

A. Yes. There is a small revenue impact. While LG&E is not proposing to change the rate applicable to cable television companies, the Company will apply the rate to all other wireline attachments as the contracts that are currently in place for such attachments expire. For purposes of calculating the impact on miscellaneous revenues in this proceeding, the Company assumes that all wireline contracts will expire during the test year, resulting in a reduction in miscellaneous revenue of $22,391. (For KU, there is a revenue increase that is approximately equal to this amount.) The support for the change in miscellaneous revenues is shown in Exhibit

WSS-14.

B. UNAUTHORIZED RECONNECTION CHARGE

Q. Is LG&E proposing an Unauthorized Reconnection Charge and what is it?

A. Yes. LG&E is proposing to add an Unauthorized Reconnection Charge to the electric and gas tariffs that will allow the Company to recover the cost of addressing theft of service in excess of any back-billing of energy and/or demand charges for stolen service. Specifically, the Unauthorized Reconnection Charge is a set of charges that would apply when a customer either connects or reconnects to the Company's service without authorization. Because these reconnects will typically involve some type of meter tampering, the charge will vary depending on whether the Company's metering equipment has been damaged and needs to be replaced. The need for the charge is discussed in Mr. Conroy's testimony. I will discuss the calculation of the standard charges that would apply.

Q. Please describe the various Unauthorized Reconnection Charges that LG&E is proposing and how they are calculated?

A. The Company is proposing the following charges: (1) an Unauthorized Reconnection Charge of $70.00 for an unauthorized connection or reconnection that does not require the replacement of the electric meter; (2) an Unauthorized Reconnection Charge of $90.00 for an unauthorized connection or reconnection that requires the replacement of a single-phase standard electric meter; (3) an Unauthorized Reconnection Charge of $110.00 for an unauthorized connection or reconnection that requires the replacement of a single-phase Automatic Meter Reading ("AMR") electric meter; (4) an Unauthorized Reconnection Charge of $174.00 for an unauthorized connection or reconnection that requires the replacement of a single-phase Automatic Metering System ("AMS") electric meter; (5) an Unauthorized Reconnection Charge of $177.00 for an unauthorized connection or reconnection that requires the replacement of a three-phase electric meter; (6) an Unauthorized Reconnection Charge of $70.00 for an unauthorized connection or reconnection that does not require the replacement of the gas meter; and (7) an Unauthorized Reconnection Charge of $132.00 for an unauthorized connection or reconnection that requires the replacement of a gas meter. The cost support for these charges is included in Exhibit WSS-15. The charge includes the labor cost of a field investigator and back-office support, transportation costs, cost associated with the installation of a locking device to prevent future meter tampering, and the cost of replacing the meter if necessary.

Q. Will implementing this rate result in increased miscellaneous revenues?

A. No. The Company has been recovering the costs from customers who have tampered with their meter based on the out-of-pocket expenses incurred by the Company. Since the proposed rate is determined on the same basis (i.e., on the basis of average out-of-pocket expenses), there will be no difference between the forecasted charges reflected in the determination of revenue requirements and the revenues that would be collected from the implementation of a standard charge in the tariff.

VI. ELECTRIC COST OF SERVICE STUDY

Q. Did The Prime Group prepare a cost of service study for LG&E's electric operations based on forecasted financial and operating results for the 12 months beginning July 1, 2017?

A. Yes. The Prime Group prepared a fully allocated embedded cost of service study based on a forecasted test year beginning July 1, 2017. The cost of service study corresponds to the pro-forma financial exhibits that the Company has provided to meet the requirements of Section 16(8). The objective in performing the electric cost of service study is to allocate LG&E's revenue requirement as fairly as possible to all of the classes of customers that LG&E serves, to determine the rate of return on rate base that LG&E is earning from each customer class, and to provide the data necessary to develop rate components that more accurately reflect cost causation.

The Prime Group prepared two versions of the cost of service study using alternative methodologies to time-differentiate and allocate fixed production costs. In the first version of the cost of service study, the modified Base-Intermediate-Peak ("BIP") methodology used in prior LG&E and KU cost of service studies was utilized. In the second version of the study, a Loss-of-Load-Probability ("LOLP") methodology was utilized. I will describe the two methodologies later in my testimony. All other costs, including variable production costs, transmission costs, and general plant are handled the same way in both versions of the study.

Q. What model was used to perform the cost of service study?

A. The cost of service study was performed using an EXCEL™ spreadsheet model that was developed by The Prime Group and that has been utilized in previous filings by LG&E to support requests for adjustments in its rates.

Q. What procedure was used in performing the cost of service study?

A. Regardless of whether a historic test year or a forecasted test year is used to develop a cost of service study, the methodology for developing a cost of service study is basically the same. The three traditional steps of an embedded cost of service study – functional assignment, classification, and allocation – were augmented to include a fourth step, assigning costs to costing periods which time differentiates the costs. The cost of service study was therefore prepared using the following procedure: (1) costs were functionally assigned (*functionalized*) to the major functional groups; (2) costs were then *classified* as commodity-related, demand-related, or customer-related; (3) costs were assigned to the costing periods; and then finally (4) costs were allocated to the rate classes. These steps are depicted in the following diagram (Figure 1).

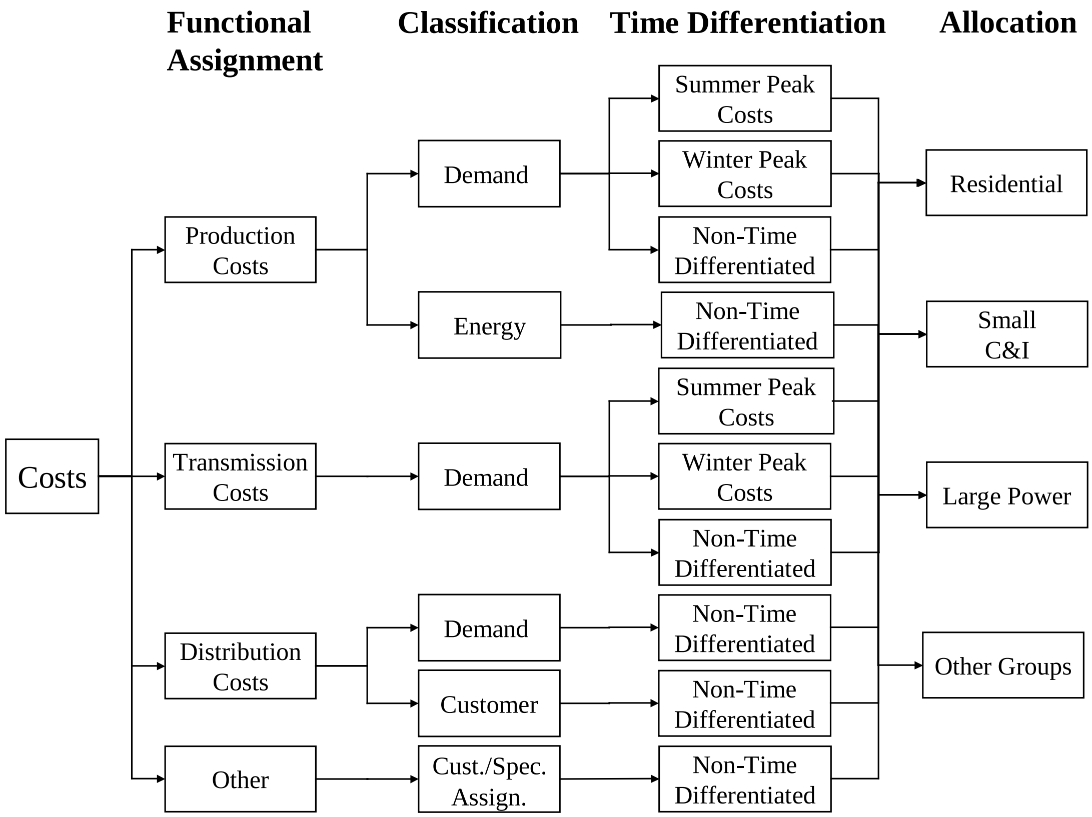


Figure 1

The following functional groups were identified in the cost of service study: (1) Production, (2) Transmission, (3) Distribution Substation (4) Distribution Primary Lines, (5) Distribution Secondary Lines (6) Distribution Line Transformers, (7) Distribution Services, (8) Distribution Meters, (9) Distribution Street and Customer Lighting, (10) Customer Accounts Expense, (11) Customer Service and Information, and (12) Sales Expense.

Q. How were costs time differentiated and allocated in the version of the study that utilized the BIP methodology?

A. The BIP method is used to assign production costs to the relevant costing periods.[2] Using this methodology, production demand-related costs (fixed costs) were assigned to three categories of capacity – base, intermediate, and peak. The percentages of production fixed cost that were assigned to the base period were determined by dividing the minimum system demand by the maximum demand. The percentages of production fixed cost that were assigned to the intermediate period were calculated by dividing the winter peak demand by the summer peak demand and subtracting the base component. Peak costs included all costs not assigned to base and intermediate components.

Costs that were assigned as base, intermediate, and peak were then either assigned to the summer or winter peak periods or assigned as non-time-differentiated. Base costs were assigned as non-time-differentiated. Intermediate costs were pro-rated to the winter and summer peak periods in the same ratio as the number of hours contained in each costing period to the total. Peak costs are assigned to the summer peak period.

Q. In applying the modified BIP methodology, what demands were used?

A Demands for the combined LG&E and KU systems were used to determine the costing periods and in determining the percentages of production fixed cost assigned to the costing periods. Since the two systems are planned and operated jointly, developing costing periods and assigning costs to the costing periods based on the

[2] In Case No. 90-158, the Commission found LG&E's cost of service study, which utilized the modified BIP methodology, to be "acceptable and suitable for use as a starting point for electric rate design." (Order in Case No. 90-158, dated December 21, 1990, at 58.)

combined loads for LG&E and KU accurately reflects cost causation. Developing the costing periods and allocation factors in the cost of service study based on the combined loads for LG&E and KU does not result in any shifting of booked expenses from one utility to the other. LG&E's cost of service study relied on LG&E's accounting costs, and KU's cost of service study relied on KU's accounting costs. The modified BIP methodology simply affects how costs are assigned to the costing periods within the LG&E and KU cost of service studies.

Q. What percentages were assigned to the costing periods using the BIP methodology?

A. Exhibit WSS-16 shows the application of the BIP methodology. Using this methodology 34.38% of LG&E's production and transmission fixed costs were assigned to the winter peak period, 36.02% to the summer peak period, and 29.60% as base period costs that are non-time-differentiated.

Q. How were costs time differentiated and allocated in the version of the study that utilized the LOLP?

A. LOLP represents the probability that a utility system's total demand will exceed its generation capacity during a given hour. Loss of load probability therefore takes into consideration the magnitude of the load, installed generation capacity, forced outage rates, maintenance schedules, and ramp-up rates of generating units. LOLP can be calculated for any period – an hour, a day, a week, etc. LOLP is a critical measurement used by LG&E and KU in planning its generation resources. Specifically, it is used to evaluate the level of reserve margins that the Companies target. Therefore, LOLP can serve as a foundation for allocating fixed production costs to the classes of customers. In other words, allocating fixed production costs on the basis of LOLP links the cost-of-service allocation methodology to a key measurement used by LG&E and KU to plan the system.

For the cost of service study, LOLP was calculated for each hour of the test year based on the hourly loads for the test year and the characteristics of LG&E and KU's generating facilities, including capacity, forced outage rates, and maintenance schedules. Hourly loads for each rate class were then weighted by the LOLP for each hour to determine LOLP weighted hourly load for each rate class. The weighted loads for each rate class are then summed for the test year to determine a production fixed cost allocator. Mathematically, this is equivalent to calculating an allocation vector for fixed production costs using the following formula:

$$\overline{PROD\ ALLOCATOR} = \sum_{i=1}^{8760} LOLP_i * \overline{LOAD_i}$$

Where: $\overline{PROD\ ALLOCATOR}$ is the allocation vector for production fixed costs in the cost of service study;

$LOLP_i$ is the Loss of Load Probability for hour i;

$\overline{LOAD_i}$ is a vector of hourly load (in kW) for each rate class at hour i; for example, $\overline{LOAD_i}$ = (load for Rate RS at hour i, load for Rate GS for hour i, load for Rate PS at hour i, …);

i is the hour of the year;

The allocation vector $\overline{PROD\ ALLOCATOR}$ is then used to allocate fixed production costs to the customer classes in the cost of service study.

Q. But is the LOLP approach a time-differentiated methodology?

A. Yes, and at a fine level of granularity. With the LOLP methodology, costs are differentiated for each hour of the test year. The approach can also be adapted to calculate costs for any set of time periods during the test year, including the base, intermediate and off-peak periods used in the BIP, or the approach can be adapted to calculate costs for other time periods that may be more appropriate for rate design. Exhibit WSS-17 is a summary of the production fixed cost allocators used in the LOLP version of the study.

Q. Why are you presenting an alternative methodology for allocating fixed production costs?

A. While the BIP methodology has been accepted by the Commission as a basis of developing rates in prior rate cases, the LOLP methodology more closely reflects how LG&E and KU's generation resources have been planned over the past 30 years or so and how the Companies' generation resources are currently planned. Therefore, the LOLP version of the study provides useful information for the development of rates.

Q. How were costs classified as energy-related, demand-related or customer-related?

A. Classification involves utilizing the appropriate cost driver for each functionally assigned cost which provides a method of arranging costs so that the service characteristics that give rise to the costs can serve as a basis for allocation. For costs classified as *energy-related*, the appropriate cost driver is the amount of kilowatt-hours consumed. Fuel and purchased power expenses are examples of costs typically classified as energy costs. Costs classified as *demand-related* tend to vary with the capacity needs of customers, such as the amount of generation, transmission or distribution equipment necessary to meet a customer's needs. The costs of production plant and transmission lines are examples of costs typically classified as demand-related costs. Costs classified as *customer-related* include costs incurred to serve customers regardless of the quantity of electric energy purchased or the peak requirements of the customers and include the cost of the minimum system necessary to provide a customer with access to the electric grid. As will be discussed later in my testimony, a portion of the costs related to Distribution Primary Lines, Distribution Secondary Lines and Distribution Line Transformers were classified as demand-related and customer-related using the zero-intercept methodology. Distribution Services, Distribution Meters, Distribution Street and Customer Lighting, Customer Accounts Expense, Customer Service and Information and Sales Expense were classified as customer-related because these costs do not vary with customers' capacity or energy usage.

Q. What methodologies are commonly used to classify distribution plant between customer-related and demand-related components?

A. Two commonly used methodologies for determining demand/customer splits of distribution plant are the "minimum system" methodology and the "zero-intercept" methodology. In the minimum system approach, "minimum" standard poles, conductor, and line transformers are selected and the minimum system is obtained by pricing all of the applicable distribution facilities at the unit cost of the minimum size plant. The minimum system determined in this manner is then classified as customer-related and allocated on the basis of the average number of customers in each rate class. All costs in excess of the minimum system are classified as demand-related. The theory supporting this approach maintains that in order for a utility to serve even the smallest customer, it would have to install a minimum size system. Therefore, the costs associated with the minimum system are related to the number of customers that are served, instead of the demand imposed by the customers on the system.

In preparing this study, the "zero-intercept" methodology was used to determine the customer components of overhead conductor, underground conductor, and line transformers. Because the zero-intercept methodology is less subjective than the minimum system approach, the zero-intercept methodology is preferred over the minimum system methodology when the necessary data is available. Additionally, LG&E has utilized the zero-intercept methodology in determining customer-related costs in prior rate case filings before this Commission. With the zero-intercept methodology, we are not forced to choose a minimum size conductor or line transformer to determine the customer-related component of distribution costs. In the zero-intercept methodology, the estimated cost of a zero-size conductor or line transformer is the absolute minimum system for determining customer-related costs.

Q. What is the theory behind the zero-intercept methodology?

A. The theory behind the zero-intercept methodology is that there is a linear relationship between the unit cost of conductor ($/ft) or line transformers ($/kVA of transformer size) and the load flow capability of the plant measured as the cross-sectional area of the conductor or the kVA rating of the transformer. After establishing a linear relation, which is given by the equation:

$$y = a + bx$$

where:

y is the unit cost of the conductor or transformer,

x is the size of the conductor (MCM) or transformer (kVA), and

a, **b** are the coefficients representing the intercept and slope, respectively

it can be determined that, theoretically, the unit cost of a foot of conductor or transformer with zero size (or conductor or transformer with zero load carrying capability) is **a**, the zero-intercept. The zero-intercept is essentially the cost component of conductor or transformers that is invariant to the size and load carrying capability of the plant.

Like most electric utilities, the feet of conductor and the number of transformers on LG&E's system are not uniformly distributed over all sizes of wire and transformer. For this reason, it was necessary to use a weighted linear regression analysis, instead of a standard least-squares analysis, in the determination of the zero intercept. Without performing a weighted linear regression analysis all types of conductor and transformers would have the same impact on the analyses, even though the quantity of conductor and transformers are not the same for each size and type.

Using a weighted linear regression analysis, the cost and size of each type of conductor or transformer is weighted by the number of feet of installed conductor or the number of transformers. In a weighted linear regression analysis, the following weighted sum of squared differences

$$\sum_i w_i (y_i - \hat{y}_i)^2$$

is minimized, where **w** is the weighting factor for each size of conductor or transformer, and **y** is the observed value and **ŷ** is the predicted value of the dependent variable.

Q. Has the Commission accepted the use of the zero-intercept methodology?

A. Yes. The Commission found LG&E's cost of service studies (both electric and gas) submitted in Case No. 2000-080 and Case No. 90-158 to be reasonable, thus providing a means of measuring class rates of return that are suitable for use as a guide in developing appropriate revenue allocations and rate design. The cost of service studies in both proceedings utilized a zero-intercept methodology to calculate the splits between demand-related and customer-related distribution costs. The Commission also found the embedded cost of service study submitted by Union Light Heat and Power in Case No. 2001-00092, which utilized a zero-intercept methodology, to be reasonable. Furthermore, the zero-intercept methodology has been used in every cost of service study filed by both LG&E and KU since the early

1980s, including the cost of service studies filed in Case Nos. 2014-00371 and 2014-00372, the Companies' last general rate case filings.

Q. Have you prepared exhibits showing the results of the zero-intercept analysis?

A. Yes. The zero-intercept analysis for overhead conductor, underground conductor, and line transformers are included in Exhibits WSS-18, WSS-19 and WSS-20, respectively.

Q. Have you prepared an exhibit showing the results of the functional assignment, time-differentiation and classification steps of the electric cost of service study?

A. Yes. Exhibit WSS-21 shows the results of the first three steps of the electric cost of service study for the BIP version of the study, namely functional assignment, classification, and time differentiation. Exhibit WSS-22 shows the same three steps for the LOLP version of the study. In the cost of service model used in this study, the calculations for functionally assigning, classifying and time differentiating LG&E's accounting costs are made using what are referred to in the model as "functional vectors". These vectors are multiplied (using *scalar multiplication*[3]) by the dollar amount in the various accounts to simultaneously functionally assign, classify and time differentiate LG&E's accounting costs. These calculations are made in the portion of the cost of service model included in Exhibits WSS-21 and WSS-22. In these exhibits, LG&E's accounting costs are functionally assigned, classified and time differentiated using explicitly determined functional vectors and using internally

[3] "Scalar multiplication" is the multiplication of each element of a vector by a constant (scalar). Scalar multiplication is different from "vector multiplication," in which one vector is multiplied by another vector either as a dot product (whose product is a scalar) or as a cross product (whose product is another vector).

generated functional vectors. The explicitly determined functional vectors, which are primarily used to direct where costs are functionally assigned, classified, and time differentiated, are shown on pages 43 through 45 of Exhibits WSS-21 and WSS-22. Internally generated functional vectors are utilized throughout the study to functionally assign, classify and time differentiate costs on the basis of similar costs or on the basis of internal cost drivers. The internally generated functional vectors are also shown on pages 46 through 48 of Exhibits WSS-21 and WSS-22. An example of this process is the use of total O&M expenses less purchased power ("OMLPP") to allocate cash working capital included in rate base. Because cash working capital is determined on the basis of 12.5% of operation and maintenance expenses, exclusive of purchased power expenses, it is appropriate to functionally assign, classify and time differentiate these costs on the same basis. (See Exhibits WSS-21 and WSS-22, pages 7 through 9, for the functional assignment, classification and time differentiation of cash working capital on the basis of OMLPP shown on pages 22 through 24.) The functional vector used to allocate a specific cost is identified in the column of the model labeled "Vector" and refers to a vector identified elsewhere in the analysis by the column labeled "Name".

Q. Please describe how the functionally assigned, classified and time differentiated costs were allocated to the various classes of customers that LG&E serves.

A. Exhibits WSS-23 and WSS-24 show the allocation of the functionally assigned, classified and time differentiated costs to the various classes of customers that LG&E serves using the BIP methodology and the LOLP methodology, respectively. For a forecasted test year, the average number of customers is used for allocating customer-related costs rather than the year end number of customers that is used for a historic test year. The following allocation factors were used in the electric cost of service study to allocate the functionally assigned, classified and time differentiated costs:

- **E01 –** The energy cost component of purchased power costs was allocated on the basis of the loss adjusted kWh sales to each class of customers during the test year.
- **PPWDA and PPSDA –** The winter demand and summer demand cost components of production fixed costs were allocated on the basis of each class's contribution to the coincident peak demand during the winter and summer peak hour of the test year.
- **NCPT –** The demand cost component is allocated based on the maximum class demands for transmission, primary and secondary voltage customers. This allocation vector is used to allocate transmission costs.
- **NCPP –** The demand cost component is allocated on the basis of the maximum class demands for primary and secondary voltage customers. This allocation vector is used to allocate distribution substations and primary distribution demand-related costs.

- **SICD –** The demand cost component is allocated on the basis of the sum of individual customer demands for secondary voltage customers.
- **C02 –** The customer cost component of customer services is allocated on the basis of the average number of customers for the test year.
- **C03 –** Meter costs were specifically assigned by relating the costs associated with various types of meters to the class of customers for whom these meters were installed.
- **Cust04 –** Customer-related costs associated with lighting systems were specifically assigned to the lighting class of customers.
- **Cust05 and Cust06 –** Meter reading, billing costs and customer service expenses were allocated on the basis of a customer weighting factor calculated using the average number of customers for the test year based on discussions with LG&E's meter reading, billing and customer service departments.
- **Cust07 –** Customer-related costs are allocated on the basis of the average number of customers using line transformers and secondary voltage conductor.

- **Cust08** – Customer-related costs are allocated on the basis of the average number of customers using primary voltage conductor.

Q. Once costs are functionally assigned, classified and time differentiated, what calculations are used to allocate these costs to the various customer classes that LG&E serves?

A. Once costs for all of the major accounts are functionally assigned, classified, and time differentiated, the resultant cost matrix for the major cost groupings (e.g., Plant in Service, Rate Base, O&M Expenses) is then transposed and allocated to the customer classes using "allocation vectors" or "allocation factors". A transpose of a matrix is formed by turning all the rows of a given matrix into columns and vice-versa. This process results in the columns of functionally assigned, classified and time differentiated costs becoming rows in the transposed matrix which then can be allocated to the various classes of customers that LG&E serves. This process is illustrated in Figure 2 below.

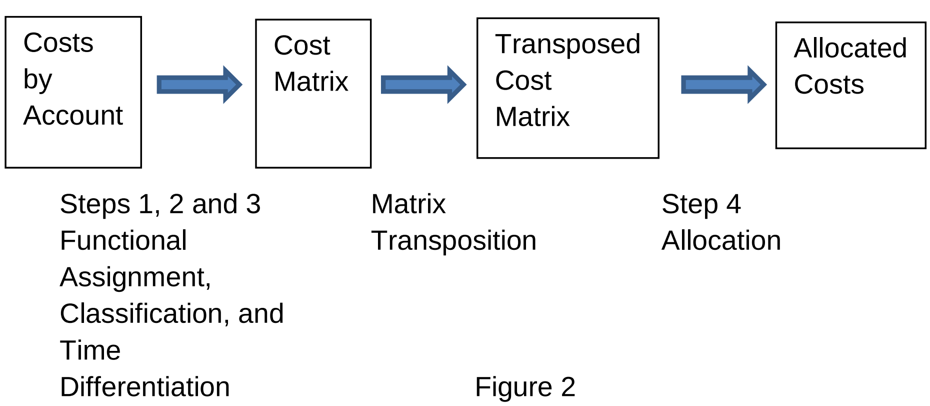


Figure 2

The results of the class allocation step of the cost of service study are included in Exhibits WSS-23 and WSS-24. The costs shown in the column labeled "Total System" in Exhibits WSS-23 and WSS-24 were carried forward from the functionally assigned, classified and time differentiated costs shown in Exhibits WSS-21 and WSS-22, respectively. The column labeled "Ref" in Exhibits WSS-23 and WSS-24 provides a reference to the results included in Exhibits WSS-21 and WSS-22.

Q. Please summarize the results of the electric cost of service study.

A. The following table (Table 13) summarizes the rates of return for each customer class after reflecting the rate adjustments proposed by LG&E under the BIP version of the study and the LOLP version of the study. The Actual Adjusted Rate of Return was calculated by dividing the adjusted net operating income by the adjusted net cost rate base for each customer class. The adjusted net operating income and rate base reflect the rate base, income and expenses discussed in the testimony of Mr. Garrett. The Proposed Rates of Return were calculated by dividing the net operating income adjusted for the proposed rate increase by the adjusted net cost rate base.

	Rate of Return on Rate Base at Current Rates		Rate of Return on Rate Base at Proposed Rates	
Rate Class	BIP Version	LOLP Version	BIP Version	LOLP Version
Residential Service	2.65%	2.04%	4.92%	4.17%
General Service	7.34%	8.65%	9.86%	11.37%
Primary Service-Secondary	8.84%	9.70%	11.35%	12.34%
Primary Service-Primary	6.49%	7.03%	9.35%	10.00%
Time-of-Day Secondary Service	11.92%	11.90%	14.41%	14.39%
Time-of-Day Primary Service	4.57%	5.39%	7.25%	8.25%
Retail Transmission Service	3.48%	4.83%	6.34%	8.05%
Lighting Energy Service	8.01%	17.55%	7.98%	17.50%
Traffic Energy Service	7.62%	10.39%	10.24%	13.48%
Lighting Service & Restricted Lighting Service	5.39%	6.01%	6.85%	7.54%
Special Contracts	1.94%	2.47%	4.45%	5.13%
Total All Classes	4.92%	4.92%	7.31%	7.31%

Table 13

The determination of the actual adjusted and proposed rates of return are detailed on pages 43 through 30 and pages 49 through 51, respectively, of Exhibits WSS-23 and WSS-24.

VII. GAS COST OF SERVICE STUDY

Q. Did you prepare a cost of service study for LG&E's gas operations based on financial and operating results for the 12 months ended June 30, 2018?

A. Yes. I supervised the preparation of a fully allocated, embedded cost of service study for gas operations for the 12 months ended June 30, 2018, based on LG&E's forecasted accounting costs. The cost of service study corresponds to the pro-forma financial exhibits included in the testimony of Mr. Garrett. As with the electric cost of service study, the objective in performing the gas cost of service study is to allocate LG&E's natural gas revenue requirement as fairly as possible to the various classes of customers that LG&E serves, to determine the rate of return on rate base that LG&E is earning from each customer class, and to provide the data necessary to develop rate components that more accurately reflect cost causation.

Q. Generally, were the procedures used in performing the gas cost of service study the same as those that you described above for the electric cost of service study?

A. Yes, with the exception that the study was not time differentiated. The cost of service study was prepared using the following procedure: (1) costs were functionally assigned (*functionalized*) to the major functional groups, (2) costs were then *classified* as commodity-related, demand-related, or customer-related; and then finally (3) costs were allocated to the various natural gas rate classes that LG&E serves. These steps are depicted in the following diagram (Figure 3). This is a standard approach utilized in the preparation of embedded cost of service studies for natural gas utilities.

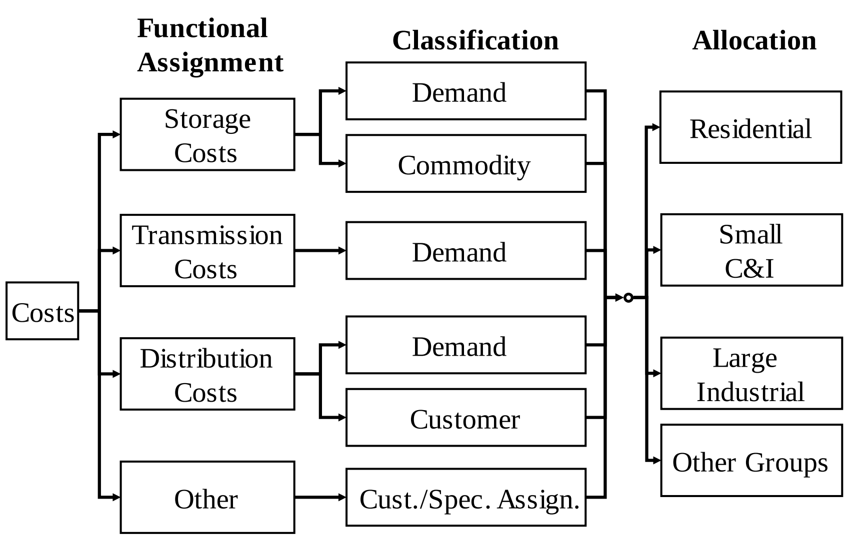


Figure 3

Q. What functional groups were used in the natural gas cost of service study?

A. The following functional groups were identified in the cost of service study: (1) Procurement, (2) Storage, (3) Storage-Related Transmission, (4) Non-Storage-Related Transmission; (5) Distribution Commodity, (6) Distribution Structures and Equipment, (7) Distribution Mains – Low- and Medium-Pressure, (8) Distribution Mains – High-Pressure, (9) Services, (10) Meters, (11) Customer Accounts, and (12) Customer Service Expense.

Q. Is a change being made to the functional groups in the cost of service study?

A. Yes. A change was made in this study to separate out transmission costs between storage-related transmission costs and non-storage-related transmission costs. In previous cost of service studies there was just one functional group for transmission costs but there are now two functional groups – Storage-Related Transmission and Non-Storage-Related Transmission. Storage-Related Transmission costs represent the transmission facilities that are used to deliver natural gas from LG&E's storage fields to the distribution system. The Non-Storage-Related Transmission functional group represents costs of transmission facilities used to deliver gas from interstate pipelines both to the distribution system and directly to customers. It is important to distinguish between the two types of costs because the Non-Storage-Related Transmission facilities are used to serve all customer classes, including both sales and transportation customers, by delivering gas to the distribution system and directly to individual customers; whereas, the use of Storage-Related Transmission facilities is limited to delivering storage gas to sales customers and to serving daily imbalances created by transportation customers. Therefore, the use of Storage-Related Transmission facilities to serve customers under Rate FT, and any other firm transportation-only service, would be limited to their use of daily imbalance service facilitated through storage. Exhibit WSS-25 shows the derivation of the functional assignment for transmission plant.

Q. How were costs classified as commodity-related, demand-related or customer-related?

A. Classification involves identifying the appropriate cost driver for each account which provides a method of arranging costs so that the service characteristics that give rise to the costs can serve as a basis for allocation. Costs classified as *commodity-related* tend to vary with the quantity of gas delivered, such as gas supply and the operation of compressors. Since gas supply costs were removed from the cost of service study, it was not necessary to classify gas supply costs. Costs classified as *demand-related* are costs related to facilities installed to meet design-day usage requirements. Costs classified as *customer-related* include non-volumetric costs incurred to serve customers regardless of the quantity of gas purchased or the peak requirements of the customers. All transmission plant costs were classified as demand-related. The transmission plant used to deliver natural gas from and to storage is allocated on the same basis as storage. The transmission plant used to deliver gas from the pipelines service LG&E into the Company's distribution system was allocated on design-day demands. Distribution Structures and Equipment costs were classified as demand-related. Costs related to Distribution Mains were functionally assigned as either low-and medium-pressure mains or high-pressure mains and then classified as demand-related and customer-related using the zero-intercept methodology. Services, Meters, Customer Accounts, and Customer Service Expenses were classified as customer-related.

Q. Explain the zero-intercept methodology that you used to classify the costs of mains between demand-related and customer-related costs.

A. A portion of the cost of mains was classified as demand-related, and a portion was classified as customer-related using the zero-intercept methodology, which was described above in connection with the electric cost of service study. The zero-intercept analysis is included in Exhibit WSS-26.

Q. How were distribution mains functionally separated between high-, low- and medium-pressure categories?

A. The feet of high-pressure mains by size of pipe were identified from LG&E's maps and records. The feet of low- and medium-pressure pipe were determined residually by subtracting the specifically identified high-pressure mains from the total feet for each pipe size. The zero-intercept unit cost of $7.87 was then applied to the high-pressure mains and to the low- and medium-pressure mains to determine the customer-related portion of the mains.[4] By identifying high-pressure mains from LG&E's maps and records, it was determined that LG&E's high-pressure distribution mains represent 9.89% of the total installed cost, with 4.11% corresponding to customer-related costs and 5.78% corresponding to demand-related costs. The low-

[4] The cost of service study used the zero intercept results from the detailed analysis that was performed based on plant records as of June 30, 2016.

and medium-pressure pipe comprises the remaining 90.11% of installed cost, with 55.81% classified as customer-related and 34.30% classified as demand-related. The breakdown is shown on Exhibit WSS-27.

Q. Was a similar separation made in the electric cost of service study?

A. Yes. The electric cost of service study separates distribution conductor between primary voltage conductor and secondary voltage conductor. The functional separation in the gas cost of service study between high-pressure and low- and medium-pressure pipe is analogous to the primary and secondary splits determined in the electric cost of service study. Differences in the pressure in a pipe are often used as an analogy to differences in voltages.

Q. Have you prepared an exhibit showing the results of the functional assignment and classification steps of the cost of service study?

A. Yes. Exhibit WSS-28 shows the results of the first two steps of the natural gas cost of service study, functional assignment and classification.

Q. Please describe the allocation factors used in the gas cost of service study.

A. The results of allocating LG&E's functionally assigned and classified costs to the various classes of customers that LG&E serves are provided in Exhibit WSS-29. The following allocation factors were used in the gas cost of service study:

- **DEM01** is used to allocate procurement demand-related costs; these costs are the procurement-related expenses that are not recovered through LG&E's Gas Supply

Clause.

- **DEM02** is used to allocate Storage demand-related costs and represents a composite allocation based on extreme winter season requirements and design day demands. The class allocation factor is the sum of (a) the volumes (commodity) withdrawn from storage during the design winter season and (b) the volumes needed in storage to meet the design-day demands. Rate FT is assigned an allocation based on its utilization of balancing service in accordance with the provision set forth in the rate schedule to allow imbalances that do not exceed ± 5% of delivered volumes when an Operational Flow Order ("OFO") has not been issued. The calculation of this allocation factor is shown in Exhibit WSS-30.

- **DEM03** is used to allocate Transmission demand-related costs for the portion of the transmission system that is used to move gas to and from storage. Because this portion of LG&E's transmission lines is used to either fill the storage fields or remove gas from storage, transmission demand-related costs are allocated on the same basis as storage demand-related costs.

- **DEM04** is used to allocate Distribution Structures and Equipment demand-related costs and represents forecasted maximum class demands determined at LG&E's -12° F design day mean temperature.

- **DEM05** is used to allocate the demand-related portion of the cost of high-pressure distribution mains and the cost of transmission lines used to move gas from the pipelines to LG&E's distribution system. It represents maximum class demands determined at the design day mean temperature of customers served at high-pressure or below. The high-pressure system consists of pipe pressured above 60 psi. All of the gas delivered into the low- and medium-pressure system must first pass through the high-pressure system. Consequently, all customers utilize the high-pressure system.

- **DEM05a** is used to allocate the demand-related portion of the cost of low- and medium-pressure distribution mains and represents maximum class demands determined at the design day mean temperature of customers served at medium pressure or low pressure. The low- and medium- pressure system consists of pipe pressured at 60 psi and below. The demands of customers served at high pressure are not included in the determination of this allocation factor. The low- and medium-pressure system is not used to provide distribution delivery service to customers served at high pressure.

- **COM01** is used to allocate commodity-related procurement expenses and represents annual throughput volumes (including both sales and transportation). Procurement expenses correspond to expenses incurred by LG&E's gas supply department (including labor), which are not recovered through the Gas Supply Clause. This department not only purchases gas for sales customers but also administers LG&E's transportation service schedules.

- **COM02** is used to allocate Storage commodity-related costs and represents forecasted customer class deliveries during the winter withdrawal season (defined as the months of November through March.)

- **COM03** is used to allocate Transmission commodity-related costs and represents forecasted customer class deliveries during the winter withdrawal season (defined as the months of November through March.)

- **COM04** is used to allocate Distribution commodity-related costs and represents annual throughput volumes (including both sales and transportation.)

- **CUST01** is used to allocate the customer-related portion of LG&E’s high-pressure distribution mains and represents the average number of customers served at high pressure and below.

- **CUST01a** is used to allocate the customer-related portion of LG&E’s low- and medium-pressure distribution mains and represents the average number of customers at low and medium pressure. The customers served at high pressure are not included in the determination of this allocation factor because the low- and medium-pressure system is not used to provide distribution delivery service to customers served at high pressure.

- **CUST02** is used to allocate Services and is based on the total estimated cost of installing a service line per customer in each customer class weighted by the average number of customers in each class.

- **CUST03** is used to allocate Meters and is based on the total cost of meters and meter installation costs per customer in each customer class weighted by the average number of customers in each class.

- **CUST04** is used to allocate customer accounts expenses (Accounts 901 through 905) and represents a composite allocation factor.[5]

- **CUST05** is used to allocate customer service expenses using the same customer-weighting factor used to allocate Accounts 901, 902, 903, and 905 as in the calculation of CUST04.

Q. Summarize the results of the gas cost of service study.

A. Table 14 summarizes the rates of return on net cost rate base for natural gas service for each customer class before and after reflecting the rate adjustments proposed by LG&E. The rates of return shown in Table 14 can be found on pages 12 and 13 of Exhibit WSS-29.

	Rate of Return on Rate Base	
Rate Class	**Current Rates**	**Proposed Rates**
Residential Gas Service (RGS)	5.08%	6.32%
Commercial Gas Service (CGS)	7.32%	8.48%
Industrial Gas Service (IGS)	21.31%	21.29%
As-Available Gas Service (AAGS)	30.69%	25.05%
Firm Transportation (FT)	11.00%	11.56%
Total All Classes	6.00%	7.19%

Table 14

[5] This allocation factor is determined as follows: First, customer accounts supervision (Account 901), meter reading (Account 902), customer records and collections (Account 903), and miscellaneous customer account expenses (Account 905) were allocated to each customer class using a customer weighting factor based on discussions with LG&E's meter reading, billing and customer service departments. A cost weighting factor of 1.0 was utilized for Residential Gas Service, a cost weighting factor of 1.1 was utilized for Commercial Gas Service, a cost weighting factor of 10 was utilized for Industrial Gas Service, Rate AAGS, and a customer weighting factor of 20 was utilized for Firm Transportation Service Rate FT and special contracts. Using a cost weighting factor of 20 for Rate FT and special contracts, for example, means that the cost of performing the meter reading, billing and customer service functions for customers served under Rate FT is 20 times more than the cost of performing these same services for customers served under Rate RGS.

The Actual Adjusted Rate of Return was calculated by dividing the adjusted net operating income by the adjusted net cost rate base for each customer class. The adjusted net operating income and rate base reflect the forecasted amounts discussed in the testimony of Mr. Garrett. The Proposed Rate of Return was calculated by dividing the net operating income adjusted for the proposed rate increase by the adjusted net cost rate base.

Q. Does this conclude your testimony?

A. Yes, it does.

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **William Steven Seelye**, being duly sworn, deposes and states that he is the Managing Partner with The Prime Group, LLC, and that he has personal knowledge of the matters set forth in the foregoing testimony and exhibits, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

William Steven Seelye

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 1st day of November 2016.

Notary Public (SEAL)

My Commission Expires:
JUDY SCHOOLER
Notary Public, State at Large, KY
My commission expires July 11, 2018
Notary ID # 512743

Exhibit WSS-1

Qualifications

WILLIAM STEVEN SEELYE

Summary of Qualifications

Provides consulting services to numerous investor-owned utilities, rural electric cooperatives, and municipal utilities regarding utility rate and regulatory filings, cost of service and wholesale and retail rate designs; and develops revenue requirements for utilities in general rate cases, including the preparation of analyses supporting pro-forma adjustments and the development of rate base.

Employment

Principal and Managing Partner
The Prime Group, LLC
(1996 to 2012) (2015-Present)
(Associate Member 2012-2015)

Provides consulting services in the areas of tariff development, regulatory analysis, revenue requirements, cost of service studies, rate design, fuel and power procurement, depreciation studies, lead-lag studies, and mathematical modeling.

Assists utilities with developing strategic resource and marketing plans. Assist with resource planning and cost benefit analyses for generation investment projects. Performs economic analyses evaluating the costs and benefits of an electric generation projects; performs business practice audits for electric utilities, gas utilities, and independent transmission organizations, including audits of production cost modeling, fuel procurement practices and controls, and wholesale marketing procedures. Assists investor-owned utilities in the development of testimony regarding the prudence of power supply decisions and of investments in specific generation and distribution assets.

Provides utility clients assistance regarding regulatory policy and strategy; project management support for utilities involved in complex regulatory proceedings; process audits; state and federal regulatory filing development; cost of service development and support; the development of innovative rates to achieve strategic objectives; unbundling of rates and the development of menus

	of rate alternatives for use with customers; performance-based rate development. Prepared retail and wholesale rate schedules and filings submitted to the Federal Energy Regulatory Commission (FERC) and state regulatory commissions for numerous of electric and gas utilities. Performed cost of service or rate studies for over 150 utilities throughout North America. Prepared market power analyses in support of market-based rate filings submitted to the FERC for utilities and their marketing affiliates. Performed business practice audits for electric utilities, gas utilities, and independent transmission organizations (ISOs), including audits of production cost modeling, retail utility tariffs, retail utility billing practices, and ISO billing processes and procedures.
Instructor in Mathematics Walden School and Private Instruction (2012-2015)	Taught advanced placement calculus, linear algebra, pre-calculus, college algebra and differential equations.
Manager of Rates and Other Positions Louisville Gas & Electric Co. (May 1979 to July 1996)	Held various positions in the Rate Department of LG&E. In December 1990, promoted to Manager of Rates and Regulatory Analysis. In May 1994, given additional responsibilities in the marketing area and promoted to Manager of Market Management and Rates.

Education

Bachelor of Science Degree in Mathematics, University of Louisville, 1979
66 Hours of Graduate Level Course Work in Electrical and Industrial Engineering and Physics.

Associations

Member of the Society for Industrial and Applied Mathematics

Expert Witness Testimony

Alabama: Testified in Docket 28101 on behalf of Mobile Gas Service Corporation concerning rate design and pro-forma revenue adjustments.

Colorado: Testified in Consolidated Docket Nos. 01F-530E and 01A-531E on behalf of Intermountain Rural Electric Association in a territory dispute case.

Submitted expert report in No. 14-CV-30031 before District Court, Prowers County, State of Colorado, on behalf of Arkansas River Power Authority in the *City of Lamar et al v. Arkansas River Power Authority* regarding power planning and operations.

FERC: Submitted direct and rebuttal testimony in Docket No. EL02-25-000 et al. concerning Public Service of Colorado's fuel cost adjustment.

Submitted direct and responsive testimony in Docket No. ER05-522-001 concerning a rate filing by Bluegrass Generation Company, LLC to charge reactive power service to LG&E Energy, LLC.

Submitted testimony in Docket Nos. ER07-1383-000 and ER08-05-000 concerning Duke Energy Shared Services, Inc.'s charges for reactive power service.

Submitted testimony in Docket No. ER08-1468-000 concerning changes to Vectren Energy's transmission formula rate.

Submitted testimony in Docket No. ER08-1588-000 concerning a generation formula rate for Kentucky Utilities Company.

Submitted testimony in Docket No. ER09-180-000 concerning changes to Vectren Energy's transmission formula rate.

Submitted testimony in Docket No. ER11-2127-000 concerning transmission rates proposed by Terra-Gen Dixie Valley, LLC.

Submitted testimony in Docket No. ER11-2779 on behalf of Southern Illinois Power Cooperative concerning wholesale distribution service charges proposed by Ameren Services Company.

Submitted testimony in Docket No. ER11-2786 on behalf of Norris Electric Cooperative concerning wholesale distribution service charges proposed by Ameren Services Company.

Florida: Testified in Docket No. 981827 on behalf of Lee County Electric Cooperative, Inc. concerning Seminole Electric Cooperative Inc.'s wholesale rates and cost of service.

Illinois: Submitted direct, rebuttal, and surrebuttal testimony in Docket No. 01-0637 on behalf of Central Illinois Light Company ("CILCO") concerning the modification of interim supply service and the implementation of black start service in connection with providing unbundled electric service.

Indiana: Submitted direct testimony and testimony in support of a settlement agreement in Cause No. 42713 on behalf of Richmond Power & Light regarding revenue requirements, class cost of service studies, fuel adjustment clause and rate design.

Submitted direct and rebuttal testimony in Cause No. 43111 on behalf of Vectren Energy in support of a transmission cost recovery adjustment.

Submitted direct testimony in Cause No. 43773 on behalf of Crawfordsville Electric Light & Power regarding revenue requirements, class cost of service studies, fuel adjustment clause and rate design.

Kansas: Submitted direct and rebuttal testimony in Docket No. 05-WSEE-981-RTS on behalf of Westar Energy, Inc. and Kansas Gas and Electric Company regarding transmission delivery revenue requirements, energy cost adjustment clauses, fuel normalization, and class cost of service studies.

Kentucky: Testified in Administrative Case No. 244 regarding rates for cogenerators and small power producers, Case No. 8924 regarding marginal cost of service, and in numerous 6-month and 2-year fuel adjustment clause proceedings.

Submitted direct and rebuttal testimony in Case No. 96-161 and Case No. 96-362 regarding Prestonsburg Utilities' rates.

Submitted direct and rebuttal testimony in Case No. 99-046 on behalf of Delta Natural Gas Company, Inc. concerning its rate stabilization plan.

Submitted direct and rebuttal testimony in Case No. 99-176 on behalf of Delta Natural Gas Company, Inc. concerning cost of service, rate design and expense adjustments in connection with Delta's rate case.

Submitted direct and rebuttal testimony in Case No. 2000-080, testified on behalf of Louisville Gas and Electric Company concerning cost of service, rate design, and pro-forma adjustments to revenues and expenses.

Submitted rebuttal testimony in Case No. 2000-548 on behalf of Louisville Gas and Electric Company regarding the company's prepaid metering program.

Testified on behalf of Louisville Gas and Electric Company in Case No. 2002-00430 and on behalf of Kentucky Utilities Company in Case No. 2002-00429 regarding the calculation of merger savings.

Submitted direct and rebuttal testimony in Case No. 2003-00433 on behalf of Louisville Gas and Electric Company and in Case No. 2003-00434 on behalf of Kentucky Utilities Company regarding pro-forma revenue, expense and plant adjustments, class cost of service studies, and rate design.

Submitted direct and rebuttal testimony in Case No. 2004-00067 on behalf of Delta Natural Gas Company regarding pro-forma adjustments, depreciation rates, class cost of service studies, and rate design.

Testified on behalf of Kentucky Utilities Company in Case No. 2006-00129 and on behalf of Louisville Gas and electric Company in Case No. 2006-00130 concerning methodologies for recovering environmental costs through base electric rates.

Testified on behalf of Delta Natural Gas Company in Case No. 2007-00089 concerning cost of service, temperature normalization, year-end normalization, depreciation expenses, allocation of the rate increase, and rate design.

Submitted testimony on behalf of Big Rivers Electric Corporation and E.ON U.S. LLC in Case No 2007-00455 and Case No. 2007-00460 regarding the design and implementation of a Fuel Adjustment Clause, Environmental Surcharge, Unwind Surcredit, Rebate Adjustment, and Member Rate Stability Mechanism for Big Rivers Electric Corporation in connection with the unwind of a lease and purchase power transaction with E.ON U.S. LLC.

Submitted testimony in Case No. 2008-00251 on behalf of Kentucky Utilities Company and in Case No. 2008-00252 on behalf of Louisville Gas and Electric Company regarding pro-forma revenue and expense adjustments, electric and gas temperature normalization, jurisdictional separation, class cost of service studies, and rate design.

Submitted testimony in Case No. 2008-00409 on behalf of East Kentucky Power Cooperative, Inc., concerning revenue requirements, pro-forma adjustments, cost of service, and rate design.

Submitted testimony in Case No. 2009-00040 on behalf of Big Rivers Electric Corporation regarding revenue requirements and rate design.

Submitted testimony on behalf of Columbia Gas Company of Kentucky in Case No. 2009-00141 regarding the demand side management program costs and cost recovery mechanism.

Submitted testimony in Case No. 2009-00548 on behalf of Kentucky Utilities Company and in Case No. 2009-00549 on behalf of Louisville Gas and Electric

Company regarding pro-forma revenue and expense adjustments, electric and gas temperature normalization, jurisdictional separation, class cost of service studies, and rate design.

Submitted testimony in Case No. 2010-00116 on behalf of Delta Natural Gas Company concerning cost of service, temperature normalization, year-end normalization, depreciation expenses, allocation of the rate increase, and rate design.

Submitted testimony in Case No. 2011-00036 on behalf of Big Rivers Electric Cooperative concerning cost of service, rate design, pro-forma TIER adjustments, temperature normalization, and support of MISO Attachment O.

Submitted testimony in Case No. 2016-00107 on behalf of Columbia Gas Company of Kentucky regarding a tariff application to the continue its energy efficiency and conservation rider and programs.

Submitted testimony in Case No. 2016-00274 on behalf of Kentucky Utilities Company and Louisville Gas and Electric Company in support of community solar rates.

Maryland Submitted direct testimony in PSC Case No. 9234 on behalf of Southern Maryland Electric Cooperative regarding a class cost of service study.

Nevada: Submitted direct and rebuttal testimony in Case No. 03-10001 on behalf of Nevada Power Company regarding cash working capital and rate base adjustments.

Submitted direct and rebuttal testimony in Case No. 03-12002 on behalf of Sierra Pacific Power Company regarding cash working capital.

Submitted direct and rebuttal testimony in Case No. 05-10003 on behalf of Nevada Power Company regarding cash working capital for an electric general rate case.

Submitted direct and rebuttal testimony in Case No. 05-10005 on behalf of Sierra Pacific Power Company regarding cash working capital for a gas general rate case.

Submitted direct and rebuttal testimony in Case Nos. 06-11022 and 06-11023 on behalf of Nevada Power Company regarding cash working capital for a gas general rate case.

Submitted direct and rebuttal testimony in Case No. 07-12001 on behalf of Sierra Pacific Power Company regarding cash working capital for an electric general rate case.

Submitted direct testimony in Case No. Docket No. 08-12002 on behalf of Nevada Power Company regarding cash working capital for an electric general rate case.

Submitted direct testimony in Case No. Docket No. 10-06001 on behalf of Sierra Pacific Power Company regarding cash working capital for an electric general rate cases.

Submitted direct testimony in Case No. Docket No. 11-06006 on behalf of Nevada Power Company regarding cash working capital for an electric general rate case.

New Mexico Submitted testimony in support of filing of Advice Notice No. 60 on behalf of Kit Carson Electric Cooperative, Inc.

Submitted direct testimony in Case No. 15-00375-UT on behalf of Kit Carson Electric Cooperative, Inc. regarding revenue requirements, the need for a rate increase, class cost of service study, apportionment of the revenue increase to the classes of service, and rate design.

Submitted testimony in Advice Notices in Case No. 15-00087-UT on behalf of Jemez Mountain Electric Cooperative in support of tribal right of way cost recovery surcharge mechanisms.

Submitted direct testimony in Case. No. 16-00065-UT on behalf of Kit Carson Electric Cooperative in support of an application for continuation of its fuel and purchased power cost adjustment clause.

Nova Scotia: Testified on behalf of Nova Scotia Power Company in NSUARB – NSPI – P-887 regarding the development and implementation of a fuel adjustment mechanism.

Submitted testimony in NSUARB – NSPI – P-884 regarding Nova Scotia Power Company’s application to approve a demand-side management plan and cost recovery mechanism.

Submitted testimony in NSUARB – NSPI – P-888 regarding a general rate application filed by Nova Scotia Power Company.

Submitted testimony on behalf of Nova Scotia Power Company in the matter of the approval of backup, top-up and spill service for use in the Wholesale Open Access Market in Nova Scotia.

Submitted testimony in NSUARB – NSPI – P-884 (2) on behalf of Nova Scotia Power Company's regarding a demand-side management cost recovery mechanism.

Virginia: Submitted testimony in Case No. PUE-2008-00076 on behalf of Northern Neck Electric Cooperative regarding revenue requirements, class cost of service, jurisdictional separation and an excess facilities charge rider.

Submitted testimony in Case No. PUE-2009-00029 on behalf of Old Dominion Power Company regarding class cost of service, jurisdictional separation, allocation of the revenue increase, general rate design, time of use rates, and excess facilities charge rider.

Submitted testimony in Case No. PUE-2009-00065 on behalf of Craig-Botetourt Electric Cooperative regarding revenue requirements, class cost of service, jurisdictional separation and an excess facilities charge rider.

Submitted testimony in Case No. PUE-2011-00013 on behalf of Old Dominion Power Company regarding class cost of service, jurisdictional separation, allocation of the revenue increase, and rate design.

Exhibit WSS-2

Cost Components for
Residential Service Rate RS

Louisville Gas and Electric Company

Unit Cost of Service Based on the Cost of Service Study
For the 12 Months Ended June 30, 2018

Rate RS

		Production		Transmission	Distribution		Customer Service Expenses	
Description	**Amount**	**Demand-Related**	**Energy-Related**	**Demand-Related**	**Demand-Related**	**Customer-Related**	**Customer-Related**	**Total**
(1) Rate Base	$ 1,151,746,077	$ 515,004,027	$ 18,583,062	$ 111,943,212	$ 184,388,867	$ 319,519,898	$ 2,307,010	$ 1,151,746,077
(2) Rate Base Adjustments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3) Rate Base as Adjusted	$ 1,151,746,077	$ 515,004,027	$ 18,583,062	$ 111,943,212	$ 184,388,867	$ 319,519,898	$ 2,307,010	$ 1,151,746,077
(4) Rate of Return	4.92%	4.92%	4.92%	4.92%	4.92%	4.92%	4.92%	
(5) Return	$ 56,611,233	$ 25,313,751	$ 913,404	$ 5,502,292	$ 9,063,179	$ 15,705,211	$ 113,395	$ 56,611,233
(6) Interest Expenses	$ 30,245,175	$ 13,524,150	$ 487,996	$ 2,939,660	$ 4,842,103	$ 8,390,682	$ 60,583	$ 30,245,175
(7) Net Income	$ 26,366,058	$ 11,789,600	$ 425,408	$ 2,562,632	$ 4,221,076	$ 7,314,529	$ 52,813	$ 26,366,058
(8) Income Taxes	$ 19,030,527	$ 8,509,513	$ 307,052	$ 1,849,660	$ 3,046,693	$ 5,279,490	$ 38,119	$ 19,030,527
(9) Operation and Maintenance Expenses	$ 287,977,479	$ 38,079,049	$ 168,422,502	$ 9,843,945	$ 15,549,877	$ 37,393,231	$ 18,688,875	$ 287,977,479
(10) Depreciation Expenses	66,956,529	32,589,862	-	5,230,792	10,666,047	18,469,829	-	$ 66,956,529
(11) Other Taxes	15,333,622	6,986,847	-	1,492,321	2,509,275	4,345,179	-	$ 15,333,622
(12) Other Depreciation Expenses	-	-	-	-	-	-	-	$ -
(13) Expense Adjustments - Prod. Demand	-	-	-	-	-	-	-	$ -
(14) Expense Adjustments - Energy	-	-	-	-	-	-	-	$ -
(15) Expense Adjustments - Trans. Demand	-	-	-	-	-	-	-	$ -
(16) Expense Adjustments - Distribution	-	-	-	-	-	-	-	$ -
(17) Expense Adjustments - Other	(297,350)	(132,960)	(4,798)	(28,901)	(47,604)	(82,492)	(596)	$ (297,350)
(18) Revenue Adjustments - Prod Demand	2,508,690	2,508,690	-	-	-	-	-	$ 2,508,690
(19) Proforma Adjustments - Total	$ 2,211,340	$ 2,375,730	$ (4,798)	$ (28,901)	$ (47,604)	$ (82,492)	$ (596)	$ 2,211,340
(20) Total Cost of Service	$ 448,120,729	$ 113,854,751	$ 169,638,161	$ 23,890,108	$ 40,787,467	$ 81,110,448	$ 18,839,794	$ 448,120,729
(21) Less: Misc Revenue - Prod Demand	$ 1,781,297	$ 1,781,297						$ 1,781,297
(22) Less: Misc Revenue - Energy	(15,545,980)	-	(15,545,980)	-	-	-	-	$ (15,545,980)
(23) Less: Misc Revenue - Other	(13,024,238)	(5,823,797)	(210,142)	(1,265,882)	(2,085,116)	(3,613,212)	(26,088)	$ (13,024,238)
(24) Less: Misc Revenue - Total	(26,788,921)	(4,042,500)	(15,756,122)	(1,265,882)	(2,085,116)	(3,613,212)	(26,088)	$ (26,788,921)
(25) Net Cost of Service	$ 421,331,808	$ 109,812,251	$ 153,882,039	$ 22,624,226	$ 38,702,350	$ 77,497,236	$ 18,813,706	$ 421,331,808
(26) Billing Units		4,180,088,831	4,180,088,831	4,180,088,831	4,180,088,831	4,369,310	4,369,310	
(27) Unit Costs		$ 0.02627	$ 0.03681	$ 0.00541	$ 0.00926	$ 17.74	$ 4.31	$ 22.04

Customer Cost	22.04
Infrastructure Energy Cost	0.04094
ECR in Base Rates	0.00691
Total Infrastructure Energy Cost	0.04785
Variable Energy Cost	0.03681

Exhibit WSS-3

Cost Support for CSR Credits

Louisville Gas & Electric Company
Fixed Cost of Large-Frame Combustion Turbines
Based on 12 Months Ended June 30, 2018

Description		Brown CTs	Trimble County CTs	Paddys Run 13 CTs	Total
Plant		$ 84,366,777	$ 130,992,227	$ 44,779,461	$ 260,138,465
Accumulated Depreciation		$ 39,753,883	$ 58,228,903	$ 18,010,212	$ 115,992,998
Net Plant		$ 44,612,894	$ 72,763,324	$ 26,769,249	$ 144,145,467
Accumulated Deferred Income Taxes		12,875,811	24,015,326	9,124,081	$ 46,015,218
Net Cost Rate Base		$ 31,737,083	$ 48,747,998	$ 17,645,168	$ 98,130,249
Rate of Return		7.23%	7.23%	7.23%	7.23%
Return		$ 2,294,741	$ 3,524,711	$ 1,275,829	$ 7,095,281
Depreciation Expenses		$ 3,853,798	$ 5,368,005	$ 2,176,201	$ 11,398,004
Non-Burdened Non-Fuel Operation and Maintenance Expenses		$ 962,488	$ 953,783	$ 414,082	$ 2,330,353
Burdened Non-Fuel Operation and Maintenance Expenses		$ 200,083	$ (251,785)	$ (45,732)	$ (97,434)
Income Taxes	0.3864	$ 1,091,539	$ 1,676,598	$ 606,873	$ 3,366,771
Property Taxes		$ 68,035	$ 113,803	$ 43,219	$ 225,057
Revenue Requirement		$ 8,470,684	$ 11,385,115	$ 4,470,472	$ 24,318,033
Nameplate Capacity		199,869	409,734	94,446	704,049
Cost per kW per Month (Nameplate Capacity)		$ 3.53	$ 2.32	$ 3.94	$ 2.88
Net Peak Demand on Plant		179,860	327,540	77,910	585,310
Cost per kW per Month (Net Peak Demand on Plant)		$ 3.92	$ 2.90	$ 4.78	$ 3.46
Loss Factor (Transmission)		0.0285	0.0285	0.0285	0.0285
Cost per kW per Month (Transmission)		$ 4.04	$ 2.98	$ 4.92	**$ 3.56**
Loss Factor (Primary)		0.0559	0.0559	0.0559	0.0559
Cost per kW per Month (Primary)		$ 4.16	$ 3.07	$ 5.06	**$ 3.67**

Exhibit WSS-4

Cost Support for
Lighting Rates LS and RLS

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	Carry Charge	LS	LS	LS
		422	441	421
		Decorative Smooth	Fixture Only	Decorative Smooth
		Contemporary	Contemporary	Contemporary
	Watt	471	471	294
		50,000	50,000	28,500
Estimated Investment per Unit ($)		$3,236.83	$749.89	$3,236.39
Fixed Charges ($ / yr)	16.80%	$543.79	$125.98	$543.71
Distribution Energy per kWh ($ / yr)	$0.06934	$130.64	$130.64	$81.54
Operation and Maintenance ($ / yr)		$22.24	$22.24	$22.19
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)		$58.06	$23.24	$53.95

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	LS	LS	LS	LS
	440 Fixture Only Contemporary 294 28,500	420 Decorative Smooth Contemporary 181 16,000	439 Fixture Only Contemporary 181 16,000	425 Decorative Smooth Cobra Head 471 50,000
Estimated Investment per Unit ($)	$749.45	$3,181.22	$694.29	$4,105.94
Fixed Charges ($ / yr)	$125.91	$534.45	$116.64	$689.80
Distribution Energy per kWh ($ / yr)	$81.54	$50.20	$50.20	$130.64
Operation and Maintenance ($ / yr)	$22.19	$22.35	$22.35	$22.24
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	$19.14	$50.58	$15.77	$70.22

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	LS	LS	LS	LS
	424 Decorative Smooth Cobra Head 294 28,500	423 Decorative Smooth Cobra Head 181 16,000	956 Historic Fluted Westchester/Norfolk Bases N/A N/A	401 Decorative Smooth Dark Sky 117 9,500
Estimated Investment per Unit ($)	$4,048.87	$4,015.09	$589.97	$2,077.21
Fixed Charges ($ / yr)	$680.21	$674.54	$99.11	$348.97
Distribution Energy per kWh ($ / yr)	$81.54	$50.20		$32.45
Operation and Maintenance ($ / yr)	$22.19	$22.35		$22.10
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	$65.33	$62.26	$8.26	$33.63

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	LS	LS	LS	LS
	400 Decorative Smooth Dark Sky 60 4,000	433 Historic Fluted Victorian (On Fluted pole) 117 9,500	431 Historic Fluted Victorian (On Fluted pole) 83 5,800	429 Historic Fluted London (On Fluted pole) 117 9,500
Estimated Investment per Unit ($)	$2,055.29	$3,206.17	$3,232.86	$3,159.16
Fixed Charges ($ / yr)	$345.29	$538.64	$543.12	$530.74
Distribution Energy per kWh ($ / yr)	$16.64	$32.45	$23.02	$32.45
Operation and Maintenance ($ / yr)	$22.10	$22.10	$22.02	$22.10
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	$32.00	$49.43	$49.01	$48.77

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	LS	LS	LS	LS
	427 Historic Fluted London (On Fluted pole) 83 5,800	445 Decorative Smooth Acorn 181 16,000	416 Decorative Smooth Acorn 117 9,500	415 Decorative Smooth Acorn 83 5,800
Estimated Investment per Unit ($)	$3,266.88	$2,034.27	$2,023.60	$2,085.35
Fixed Charges ($ / yr)	$548.84	$341.76	$339.96	$350.34
Distribution Energy per kWh ($ / yr)	$23.02	$50.20	$32.45	$23.02
Operation and Maintenance ($ / yr)	$22.02	$22.35	$22.10	$22.02
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	$49.49	$34.53	$32.88	$32.95

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	LS	LS	LS	LS
	444 Decorative Smooth Coach 181 16,000	413 Decorative Smooth Coach 117 9,500	412 Decorative Smooth Coach 83 5,800	457 Fixture Only Open Bottom 117 9,500
Estimated Investment per Unit ($)	$1,882.34	$1,872.71	$1,876.71	$473.72
Fixed Charges ($ / yr)	$316.23	$314.62	$315.29	$79.59
Distribution Energy per kWh ($ / yr)	$50.20	$32.45	$23.02	$32.45
Operation and Maintenance ($ / yr)	$22.35	$22.10	$22.02	$22.10
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	$32.40	$30.76	$30.03	$11.18

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	LS	LS	LS	LS
	456 Fixture Only Directional 471 50,000	455 Fixture Only Directional 181 16,000	454 Fixture Only Cobra Head 471 50,000	453 Fixture Only Cobra Head 294 28,500
Estimated Investment per Unit ($)	$612.21	$564.92	$615.60	$558.53
Fixed Charges ($ / yr)	$102.85	$94.91	$103.42	$93.83
Distribution Energy per kWh ($ / yr)	$130.64	$50.20	$130.64	$81.54
Operation and Maintenance ($ / yr)	$22.24	$22.35	$22.24	$22.19
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	$21.31	$13.96	$21.36	$16.46

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	LS	LS	LS	LS
	452 Fixture Only Cobra Head 181 16,000	470 Fixture Only Directional 150 12,000	473 Fixture Only Directional 350 32,000	476 Fixture Only Directional 1080 107,800
Estimated Investment per Unit ($)	$524.75	$700.78	$683.31	$775.38
Fixed Charges ($ / yr)	$88.16	$117.73	$114.80	$130.26
Distribution Energy per kWh ($ / yr)	$50.20	$41.60	$97.08	$299.55
Operation and Maintenance ($ / yr)	$22.35	$24.14	$24.71	$24.67
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	$13.39	$15.29	$19.72	$37.87

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	LS	LS	LS	LS
	479 Fixture Only Contemporary 150 12,000	481 Fixture Only Contemporary 350 32,000	483 Fixture Only Contemporary 1080 107,800	480 Decorative Smooth Contemporary 150 12,000
Estimated Investment per Unit ($)	$835.56	$746.29	$1,194.62	$3,322.50
Fixed Charges ($ / yr)	$140.37	$125.38	$200.70	$558.18
Distribution Energy per kWh ($ / yr)	$41.60	$97.08	$299.55	$41.60
Operation and Maintenance ($ / yr)	$24.14	$24.71	$24.67	$24.14
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	$17.18	$20.60	$43.74	$51.99

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	LS	LS	RLS	RLS
	482 Decorative Smooth Contemporary 350 32,000	484 Decorative Smooth Contemporary 1080 107,800	201 Fixture Only Open Bottom 100 4,000	252-1 Fixture Only Open Bottom 210 8,000
Estimated Investment per Unit ($)	$3,203.94	$3,681.56	$544.71	$462.74
Fixed Charges ($ / yr)	$538.26	$618.50	$91.51	$77.74
Distribution Energy per kWh ($ / yr)	$97.08	$299.55	$27.74	$58.25
Operation and Maintenance ($ / yr)	$20.84	$24.67	$21.76	$21.76
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	$54.68	$78.56	$11.75	$13.15

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	RLS	RLS	RLS	RLS
	252-2 Fixture Only Cobra Head 210 8,000	203 Fixture Only Cobra Head 298 13,000	204 Fixture Only Cobra Head 462 25,000	207 Fixture Only Directional 462 25,000
Estimated Investment per Unit ($)	$492.52	$545.81	$548.66	$555.21
Fixed Charges ($ / yr)	$82.74	$91.70	$92.17	$93.27
Distribution Energy per kWh ($ / yr)	$58.25	$82.65	$128.14	$128.14
Operation and Maintenance ($ / yr)	$21.76	$21.91	$22.06	$22.06
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	$13.56	$16.35	$20.20	$20.29

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	RLS	RLS	RLS	RLS
	210 Fixture Only Directional 1180 60,000	279 Fixture Only Contemporary 1000 120,000	471 Fixture & Wood Pole Directional 150 12,000	474 Fixture & Wood Pole Directional 350 32,000
Estimated Investment per Unit ($)	$705.37	$1,253.83	$700.78	$683.31
Fixed Charges ($ / yr)	$118.50	$210.64	$117.73	$114.80
Distribution Energy per kWh ($ / yr)	$327.28	$277.36	$41.60	$97.08
Operation and Maintenance ($ / yr)	$26.36	$26.52	$24.14	$24.71
Excess Facilities ($ / yr)			$7.00	$7.00
Monthly Unit Cost ($ / mo)	$39.35	$42.88	$22.29	$26.72

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	RLS	RLS	RLS	RLS
	475 Fixture & Orn. Pole Directional 350 32,000	477 Fixture & Wood Pole Directional 1080 107,800	275-1 Decorative Smooth Cobra Head 181 16,000	266-1 Decorative Smooth Cobra Head 294 28,500
Estimated Investment per Unit ($)	$683.31	$775.38	$4,015.09	$4,048.87
Fixed Charges ($ / yr)	$114.80	$130.26	$674.54	$680.21
Distribution Energy per kWh ($ / yr)	$97.08	$299.55	$50.20	$81.54
Operation and Maintenance ($ / yr)	$24.71	$24.67	$22.35	$22.19
Excess Facilities ($ / yr)	$13.06	$7.00	$0.00	$0.00
Monthly Unit Cost ($ / mo)	$32.78	$44.87	$62.26	$65.33

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	RLS	RLS	RLS	RLS
	267-1 Decorative Smooth Cobra Head 471 50,000	318 Decorative Smooth Cobra Head 210 8,000	314 Decorative Smooth Cobra Head 298 13,000	315 Decorative Smooth Cobra Head 462 25,000
Estimated Investment per Unit ($)	$4,105.94	$3,982.86	$4,036.15	$4,038.99
Fixed Charges ($ / yr)	$689.80	$669.12	$678.07	$678.55
Distribution Energy per kWh ($ / yr)	$130.64	$58.25	$82.65	$128.14
Operation and Maintenance ($ / yr)	$22.24	$21.76	$21.91	$22.06
Excess Facilities ($ / yr)	$0.00	$0.00	$0.00	$0.00
Monthly Unit Cost ($ / mo)	$70.22	$62.43	$65.22	$69.06

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	RLS	RLS	RLS	RLS
	275-2 Decorative Smooth Contemporary 181 16,000	266-2 Decorative Smooth Contemporary 294 28,500	267-2 Decorative Smooth Contemporary 471 50,000	278 Decorative Smooth Contemporary 1000 120,000
Estimated Investment per Unit ($)	$3,181.22	$3,236.39	$3,236.83	$3,740.77
Fixed Charges ($ / yr)	$534.45	$543.71	$543.79	$628.45
Distribution Energy per kWh ($ / yr)	$50.20	$81.54	$130.64	$277.36
Operation and Maintenance ($ / yr)	$22.35	$22.19	$22.24	$26.52
Excess Facilities ($ / yr)	$0.00	$0.00	$0.00	$0.00
Monthly Unit Cost ($ / mo)	$50.58	$53.95	$58.06	$77.69

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	RLS	RLS	RLS	RLS
	276-1 Decorative Smooth Coach 83 5,800	274-1 Decorative Smooth Coach 117 9,500	277-1 Decorative Smooth Coach 181 16,000	206 Decorative Smooth Coach 100 4,000
Estimated Investment per Unit ($)	$1,876.71	$1,872.71	$1,882.34	$1,841.41
Fixed Charges ($ / yr)	$315.29	$314.62	$316.23	$309.36
Distribution Energy per kWh ($ / yr)	$23.02	$32.45	$50.20	$27.74
Operation and Maintenance ($ / yr)	$22.02	$22.10	$22.35	$21.76
Excess Facilities ($ / yr)	$0.00	$0.00	$0.00	$0.00
Monthly Unit Cost ($ / mo)	$30.03	$30.76	$32.40	$29.90

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	RLS	RLS	RLS	RLS
	208 Decorative Smooth Coach 210 8,000	276-2 Decorative Smooth Acorn 83 5,800	274-2 Decorative Smooth Acorn 117 9,500	277-2 Decorative Smooth Acorn 181 16,000
Estimated Investment per Unit ($)	$1,838.74	$2,085.35	$2,023.60	$2,034.27
Fixed Charges ($ / yr)	$308.91	$350.34	$339.96	$341.76
Distribution Energy per kWh ($ / yr)	$58.25	$23.02	$32.45	$50.20
Operation and Maintenance ($ / yr)	$21.76	$22.02	$22.10	$22.35
Excess Facilities ($ / yr)	$0.00	$0.00	$0.00	$0.00
Monthly Unit Cost ($ / mo)	$32.41	$32.95	$32.88	$34.53

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	RLS	RLS	RLS	RLS
	417 Decorative Smooth Acorn (Bronze) 117 9,500	419 Decorative Smooth Acorn (Bronze) 180 16,000	426 Decorative Smooth London (On Smooth pole) 83 5,800	428 Decorative Smooth London (On Smooth pole) 117 9,500
Estimated Investment per Unit ($)	$2,111.13	$2,115.94	$3,229.08	$3,121.36
Fixed Charges ($ / yr)	$354.67	$355.48	$542.48	$524.39
Distribution Energy per kWh ($ / yr)	$32.45	$49.92	$23.02	$32.45
Operation and Maintenance ($ / yr)	$22.10	$22.35	$22.02	$22.10
Excess Facilities ($ / yr)	$0.00	$0.00	$0.00	$0.00
Monthly Unit Cost ($ / mo)	$34.10	$35.65	$48.96	$48.25

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	RLS	RLS	RLS	RLS
	430 Decorative Smooth Victorian (On Smooth pole) 83 5,800	432 Decorative Smooth Victorian (On Smooth pole) 117 9,500	950 Decorative Smooth Old Town Base N/A N/A	951 Decorative Smooth Chesapeake Base N/A N/A
Estimated Investment per Unit ($)	$3,195.06	$3,168.37	$350.50	$303.16
Fixed Charges ($ / yr)	$536.77	$532.29	$58.88	$50.93
Distribution Energy per kWh ($ / yr)	$23.02	$32.45		
Operation and Maintenance ($ / yr)	$22.02	$22.10		
Excess Facilities ($ / yr)	$0.00	$0.00		
Monthly Unit Cost ($ / mo)	$48.48	$48.90	$4.91	$4.24

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	RLS	RLS	RLS	RLS
	958 Fixture Only Wd Pl Inst before 3/1/2010 N/A N/A	900 Fixture Only Wd Pl Inst before 7/1/2004 N/A N/A	280 Fixture Only Victorian 83 5,800	281 Fixture Only Victorian 117 9,500
Estimated Investment per Unit ($)	$543.64	$543.64	$2,824.88	$2,798.20
Fixed Charges ($ / yr)	$91.33	$91.33	$474.58	$470.10
Distribution Energy per kWh ($ / yr)	$0.00	$0.00	$23.02	$32.45
Operation and Maintenance ($ / yr)	$0.00	$0.00	$22.02	$22.10
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	$7.61	$7.61	$43.30	$43.72

LOUISVILLE GAS AND ELECTRIC COMPANY

Estimated Unit Cost of Lighting Fixtures
Rate LS and Rate RLS

Description	RLS	RLS	RLS	RLS
	282 Fixture Only London 83 5,800	283 Fixture Only London 117 9,500	901 Decorative Smooth 10" Smooth Pole N/A N/A	902 Decorative Smooth 10" Fluted Pole N/A N/A
Estimated Investment per Unit ($)	$2,858.90	$2,751.19	$370.17	$407.97
Fixed Charges ($ / yr)	$480.30	$462.20	$62.19	$68.54
Distribution Energy per kWh ($ / yr)	$23.02	$32.45		
Operation and Maintenance ($ / yr)	$22.02	$22.10		
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	$43.78	$43.06	$5.18	$5.71

Exhibit WSS-5

Cost Support for
LED Lighting Rates

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost Support for LED Lighting Charges

Description	Carry Charge	LED	LED	LED	LED
		Overhead			
	Watt	Open Bottom Yard Light **50 WATT** 5,007 Lumen **493** Fixture, Arm & Wire	Cobra **80 WATT** 8,179 Lumen **490** Fixture, Arm & Wire	Cobra **134 WATT** 14,166 Lumen **491** Fixture, Arm & Wire	Cobra **228 WATT** 23,214 lumen **492** Fixture, Arm & Wire
Estimated Investment per Unit ($)		$493.08	$759.11	$856.57	$1,238.06
Fixed Charges ($ / yr)	**16.80%**	$82.84	$127.53	$143.90	$208.00
Distribution Energy per kWh ($ / yr)	**$0.06934**	$13.87	$22.19	$37.17	$63.24
Operation and Maintenance ($ / yr)		$19.08	$25.73	$31.68	$54.97
Excess Facilities ($ / yr)					
Monthly Unit Cost ($ / mo)		**$9.65**	**$14.62**	**$17.73**	**$27.18**

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost Support for LED Lighting Charges

Description	LED	LED	LED	LED
	Underground			Underground Decorative
	Cobra **80 WATT** 8,179 Lumen **496** Pole, Fixture, Arm & Wire	**Cobra** **134 WATT** 14,166 Lumen **497** Pole, Fixture, Arm & Wire	**Cobra** **228 WATT** 23,214 lumen **498** Pole, Fixture, Arm & Wire	**Colonial** **68 WATT** 5,665 Lumen **499** Fixture, Pole & Wire
Estimated Investment per Unit ($)	$3,564.69	$3,662.16	$4,043.65	$2,832.50
Fixed Charges ($ / yr)	$598.87	$615.24	$679.33	$475.86
Distribution Energy per kWh ($ / yr)	$22.19	$37.17	$63.24	$18.86
Operation and Maintenance ($ / yr)	$25.73	$31.68	$54.97	$62.62
Excess Facilities ($ / yr)				
Monthly Unit Cost ($ / mo)	**$53.90**	**$57.01**	**$66.46**	**$46.45**

Exhibit WSS-6

Cost Support for
Redundant Capacity Charge

Louisville Gas and Electric Company
Derivation of Distribution Demand-Related Cost for
Redundant Capacity
Based on the 12 Months Ended June 30, 2018

Secondary Service

Distribution Demand Costs				
	PSS	$ 5,641,581		
	TODS	3,062,438		
	Total Cost	$ 8,704,019		
Billing Demand				
	PSS	4,877,440		
	TODS	3,038,571		
	Total Cost	7,916,011		
Unit Cost			$ 1.10	
Rate Base				
	PSS	$ 39,432,704		
	TODS	21,357,683		
	Total Cost	$ 60,790,387		
Return		$ 4,449,856		
Unit Return			$ 0.56	
Capacity Charge			$ 1.66	/ KW

Louisville Gas and Electric Company
Derivation of Distribution Demand-Related Cost for Redundant Capacity
Based on the 12 Months Ended June 30, 2018

Primary Service

Distribution Demand Costs			
PSP	$ 441,839		
TODP	4,667,092		
Total Cost	$ 5,108,931		
Billing Demand			
PSP	386,443		
TODP	4,637,616		
Total Cost	5,024,059		
Unit Cost		$ 1.02	
Rate Base			
PSP	$ 2,859,351		
TODP	30,190,373		
Total Cost	$ 33,049,724		
Return	$ 2,419,240		
Unit Return		$ 0.48	
Capacity Charge		$ 1.50	/ KW

Exhibit WSS-7

Cost Components for
Residential Gas Service Rate RGS

Louisville Gas and Electric Company

Unit Cost of Service Based on the Cost of Service Study
For the 12 Months Ended June 30, 2018

Rate RGS

Description	Customer Costs: Cust-Related Low Pressure Mains Costs	Customer Costs: Cust-Related High Pressure Main Costs	Customer Costs: Cust-Related Direct Costs	Customer Costs: Total Cust-Related Costs	Storage/Trans Demand-Related Costs	Storage Compressor Costs	Other Procurement Costs	Demand Related Low Pressure Mains Costs	Transmission and Demand Related High Pressure Mains Costs	Total Costs
(1) Rate Base	$ 117,517,386	$ 9,486,636	$ 201,074,216	$ 328,078,239	$ 112,132,808	$ 907,417	$ 180,464	$ 51,197,869	$ 26,950,150	$ 519,446,947
(2) Rate Base Adjustments	-	-	-	-	-	-	-	-	-	-
(3) Rate Base as Adjusted	$ 117,517,386	$ 9,486,636	$ 201,074,216	$ 328,078,239	$ 112,132,808	$ 907,417	$ 180,464	$ 51,197,869	$ 26,950,150	$ 519,446,947
(4) Rate of Return	6.32%	6.32%	6.32%	6.32%	6.32%	6.32%	6.32%	6.32%	6.32%	6.32%
(5) Return [(3) x (4)]	$ 7,430,083	$ 599,796	$ 12,712,996	$ 20,742,876	$ 7,089,641	$ 57,372	$ 11,410	$ 3,237,005	$ 1,703,934	$ 32,842,237
(6) Interest Expenses	$ 2,444,281	$ 180,050	$ 3,705,638	$ 6,329,968	$ 1,590,301	$ -	$ -	$ 1,046,192	$ 434,920	$ 9,401,382
(7) Net Income [(5) - (6)]	$ 4,985,802	$ 419,747	$ 9,007,359	$ 14,412,908	$ 5,499,340	$ 57,372	$ 11,410	$ 2,190,814	$ 1,269,013	$ 23,440,856
(8) Income Taxes	$ 3,163,391	$ 266,321	$ 5,714,988	$ 9,144,700	$ 3,489,221	$ 36,401	$ 7,239	$ 1,390,027	$ 805,164	$ 14,872,752
(9) Operation and Maintenance Expenses	$ 10,475,178	$ 771,619	$ 19,995,643	$ 31,242,440	$ 6,258,442	$ 6,622,766	$ 1,317,112	$ 4,483,547	$ 3,173,104	$ 53,097,411
(10) Depreciation Expenses	6,098,587	449,232	13,956,402	20,504,221	4,007,383	-	-	2,610,295	1,297,378	28,419,277
(11) Other Taxes	2,132,771	157,103	3,233,375	5,523,249	1,387,626	-	-	912,861	379,492	8,203,228
(12) Other Expenses	(6,959)	(513)	(10,678)	(18,150)	(4,161)	-	-	(2,979)	(1,229)	(26,518)
(13) Expense Adjustments (Non-Income Tax)	8,747	644	16,698	26,089	5,226	5,530	1,100	3,744	2,650	44,340
(14) Total Cost of Service	$ 29,301,798	$ 2,244,204	$ 55,619,424	$ 87,165,426	$ 22,233,379	$ 6,722,069	$ 1,336,861	$ 12,634,500	$ 7,360,492	$ 137,452,727
(15) Less: Misc Revenue	544,514	41,704	1,033,574	1,619,792	413,162	124,916	24,843	234,786	136,780	$ 2,554,279
(16) Net Cost of Service	$ 28,757,284	$ 2,202,500	$ 54,585,850	$ 85,545,634	$ 21,820,217	$ 6,597,153	$ 1,312,018	$ 12,399,713	$ 7,223,712	$ 134,898,448
(17) Billing Units	3,556,511	3,556,511	3,556,511	3,556,511	7,885,866	19,516,322	19,516,322	308,337	308,337	
(18) Unit Costs	$8.09/Cust/Mo	$0.62/Cust/Mo	$15.35/Cust/Mo	$24.05/Cust/Mo	$2.7670/Mcf	$0.3380/Mcf	$0.0672/Mcf	$40.2148/Mcf	$23.4280/Mcf	

Exhibit WSS-8

Cost Components for
As Available Gas Service Rate AAGS

Louisville Gas and Electric Company

Unit Cost of Service Based on the Cost of Service Study
For the 12 Months Ended June 30, 2018

Rate AAGS

Description	Customer Costs: Cust-Related Low Pressure Mains Costs	Customer Costs: Cust-Related High Pressure Main Costs	Customer Costs: Cust-Related Direct Costs	Customer Costs: Total Cust-Related Costs	Storage/Tran Demand-Related Costs	Storage Compressor Costs	Other Procurement Costs	Demand Related Low Pressure Mains Costs	Transmission and Demand Related High Pressure Mains Costs	Total Costs
(1) Rate Base	$ -	$ 192	$ 67,476	$ 67,668	$ -	$ -	$ 3,552	$ 439,147	$ 272,378	$ 782,745
(2) Rate Base Adjustments	-	-	-	-	-	-	-	-	-	-
(3) Rate Base as Adjusted	$ -	$ 192	$ 67,476	$ 67,668	$ -	$ -	$ 3,552	$ 439,147	$ 272,378	$ 782,745
(4) Rate of Return	25.05%	25.05%	25.05%	25.05%	25.05%	25.05%	25.05%	25.05%	25.05%	25.05%
(5) Return	$ -	$ 48	$ 16,905	$ 16,953	$ -	$ -	$ 890	$ 110,024	$ 68,242	$ 196,109
(6) Interest Expenses	$ -	$ 4	$ 1,230	$ 1,234	$ -	$ -	$ -	$ 8,974	$ 4,396	$ 14,603
(7) Net Income	$ -	$ 44	$ 15,675	$ 15,719	$ -	$ -	$ 890	$ 101,050	$ 63,846	$ 181,506
(8) Income Taxes	$ -	$ 28	$ 9,972	$ 10,000	$ -	$ -	$ 566	$ 64,285	$ 40,617	$ 115,468
(9) Operation and Maintenance Expenses	$ -	$ 16	$ 4,346	$ 4,362	$ -	$ -	$ 25,923	$ 38,457	$ 32,070	$ 100,812
(10) Depreciation Expenses	-	9	4,800	4,809	-	-	-	22,390	13,112	40,311
(11) Other Taxes	-	3	1,074	1,077	-	-	-	7,830	3,835	12,742
(12) Other Expenses	-	(0)	(4)	(4)	-	-	-	(26)	(12)	(42)
(13) Expense Adjustments (Non-Income Tax)	-	0	4	4	-	-	23	34	29	90
(14) Total Cost of Service	$ -	$ 104	$ 37,097	$ 37,201	$ -	$ -	$ 27,402	$ 242,995	$ 157,892	$ 465,490
(15) Less: Misc Revenue	-	2	594	595	-	-	439	3,890	2,527	$ 7,451
(16) Net Cost of Service	$ -	$ 103	$ 36,503	$ 36,606	$ -	$ -	$ 26,964	$ 239,106	$ 155,365	$ 458,039
(17) Billing Units	72	72	72	72	-	384,116	384,116	2,645	3,116	
(18) Unit Costs	$0.00/Cust/Mo	$1.42/Cust/Mo	$506.99/Cust/Mo	$508.41/Cust/Mo		$0.0000/Mcf	$0.0702/Mcf	$90.4078/Mcf	$49.8559/Mcf	

Exhibit WSS-9

Cost Support for Utilization Charge for Daily Imbalances

Louisville Gas and Electric Company
Daily Utilization Charges Under Rate FT and LGDS

		LG&E System Storage Costs Firm Rate Classes		**Total**
Rate Base		166,889,448		166,889,448
Return (at Rate FT ROR)	11.6%	19,300,386		19,300,386
O&M Expenses		9,314,562		9,314,562
Depreciation		5,964,267		5,964,267
Taxes (Other than Income)		2,065,231		2,065,231
Accretion Expenses		-		-
Regulatory Credits		-		-
Income Taxes	54.12%	10,445,464		10,445,464
Total		47,089,910		47,089,910
Design-Day Demands				463,195
Annual Cost			$	101.66
Monthly Cost			$	8.47
Unit Cost at 100 Percent Load Factor			$	0.2785

Exhibit WSS-10

Cost Support for
Substitute Gas Sales Service Rate SGSS

Louisville Gas and Electric Company

Unit Cost of Service Based on the Cost of Service Study
For the 12 Months Ended June 30, 2018

Cost Support for Rate SGSS Based on Unit Costs for Rate CGS

Description	Customer Costs: Cust-Related Low Pressure Mains Costs	Customer Costs: Cust-Related High Pressure Main Costs	Customer Costs: Cust-Related Direct Costs	Customer Costs: Total Cust-Related Costs	Storage/Trans Demand-Related Costs	Storage Compressor Costs	Other Procurement Costs	Demand Related Low Pressure Mains Costs	Transmission and Demand Related High Pressure Mains Costs	Total Costs
(1) Rate Base	$ 9,803,255	$ 791,372	$ 67,822,888	$ 78,417,515	$ 50,462,483	$ 431,830	$ 93,743	$ 23,398,539	$ 12,316,804	$ 165,120,915
(2) Rate Base Adjustments	-	-	-	-	-	-	-	-	-	-
(3) Rate Base as Adjusted	$ 9,803,255	$ 791,372	$ 67,822,888	$ 78,417,515	$ 50,462,483	$ 431,830	$ 93,743	$ 23,398,539	$ 12,316,804	$ 165,120,915
(4) Rate of Return	8.48%	8.48%	8.48%	8.48%	8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
(5) Return	$ 831,732	$ 67,142	$ 5,754,258	$ 6,653,132	$ 4,281,359	$ 36,637	$ 7,953	$ 1,985,189	$ 1,044,987	$ 14,009,258
(6) Interest Expenses	$ 203,901	$ 15,020	$ 1,252,455	$ 1,471,375	$ 715,674	$ -	$ -	$ 478,132	$ 198,768	$ 2,863,950
(7) Net Income	$ 627,831	$ 52,122	$ 4,501,803	$ 5,181,756	$ 3,565,685	$ 36,637	$ 7,953	$ 1,507,056	$ 846,219	$ 11,145,308
(8) Income Taxes	$ 398,339	$ 33,070	$ 2,856,254	$ 3,287,663	$ 2,262,316	$ 23,245	$ 5,046	$ 956,180	$ 536,900	$ 7,071,350
(9) Operation and Maintenance Expenses	$ 873,835	$ 64,368	$ 4,877,346	$ 5,815,550	$ 2,816,451	$ 3,151,699	$ 684,184	$ 2,049,078	$ 1,450,178	$ 15,967,139
(10) Depreciation Expenses	508,742	37,475	4,736,473	5,282,690	1,803,420	-	-	1,192,961	592,930	8,872,001
(11) Other Taxes	177,915	13,106	1,092,836	1,283,857	624,465	-	-	417,197	173,436	2,498,956
(12) Other Expenses	(581)	(43)	(3,609)	(4,232)	(1,872)	-	-	(1,361)	(562)	(8,028)
(13) Expense Adjustments (Non-Income Tax)	653	48	3,647	4,349	2,106	2,357	512	1,532	1,084	11,940
(14) Total Cost of Service	$ 2,790,636	$ 215,166	$ 19,317,206	$ 22,323,007	$ 11,788,245	$ 3,213,938	$ 697,695	$ 6,600,777	$ 3,798,954	$ 48,422,616
(15) Less: Misc Revenue	66,398	5,119	459,617	531,134	280,479	76,470	16,600	157,053	90,389	$ 1,152,126
(16) Net Cost of Service	$ 2,724,238	$ 210,046	$ 18,857,589	$ 21,791,873	$ 11,507,765	$ 3,137,468	$ 681,095	$ 6,443,723	$ 3,708,565	$ 47,270,490
(17) Billing Units	299,360	299,360	299,360	299,360	3,548,831	10,137,906	10,137,906	140,917	140,917	
(18) Unit Costs	$9.10/Cust/Mo	$0.70/Cust/Mo	$62.99/Cust/Mo	$72.79/Cust/Mo	$ 3.2427	$ 0.3095	$ 0.0672	$ 45.7272	$ 26.3174	
									Demand	$ 6.27
									Commodity	$ 0.3767

Louisville Gas and Electric Company

Unit Cost of Service Based on the Cost of Service Study
For the 12 Months Ended June 30, 2018

Cost Support for Rate SGSS Based on Unit Costs for Rate IGS

Description	Customer Costs: Cust-Related Low Pressure Mains Costs	Customer Costs: Cust-Related High Pressure Main Costs	Customer Costs: Cust-Related Direct Costs	Customer Costs: Total Cust-Related Costs	Storage/Trans Demand-Related Costs	Storage Compressor Costs	Other Procurement Costs	Demand Related Low Pressure Mains Costs	Transmission and Demand Related High Pressure Mains Costs	Total Costs
(1) Rate Base	$ 104,631	$ 8,638	$ 2,693,394	$ 2,806,663	$ 4,294,157	$ 59,569	$ 18,020	$ 2,164,099	$ 1,218,584	$ 10,561,092
(2) Rate Base Adjustments	-	-	-	-	-	-	-	-	-	-
(3) Rate Base as Adjusted	$ 104,631	$ 8,638	$ 2,693,394	$ 2,806,663	$ 4,294,157	$ 59,569	$ 18,020	$ 2,164,099	$ 1,218,584	$ 10,561,092
(4) Rate of Return	21.29%	21.29%	21.29%	21.29%	21.29%	21.29%	21.29%	21.29%	21.29%	21.29%
(5) Return	$ 22,278	$ 1,839	$ 573,470	$ 597,588	$ 914,301	$ 12,683	$ 3,837	$ 460,774	$ 259,458	$ 2,248,640
(6) Interest Expenses	$ 2,176	$ 164	$ 49,261	$ 51,601	$ 60,901	$ -	$ -	$ 44,222	$ 19,665	$ 176,389
(7) Net Income	$ 20,102	$ 1,675	$ 524,210	$ 545,986	$ 853,400	$ 12,683	$ 3,837	$ 416,553	$ 239,792	$ 2,072,251
(8) Income Taxes	$ 12,764	$ 1,064	$ 332,854	$ 346,682	$ 541,878	$ 8,053	$ 2,436	$ 264,496	$ 152,259	$ 1,315,804
(9) Operation and Maintenance Expenses	$ 9,327	$ 703	$ 167,876	$ 177,905	$ 239,669	$ 434,764	$ 131,516	$ 189,516	$ 143,476	$ 1,316,846
(10) Depreciation Expenses	5,430	409	190,987	196,826	153,464	-	-	110,335	58,663	519,288
(11) Other Taxes	1,899	143	42,983	45,025	53,140	-	-	38,586	17,159	153,910
(12) Other Expenses	(6)	(0)	(142)	(149)	(159)	-	-	(126)	(56)	(489)
(13) Expense Adjustments (Non-Income Tax)	7	1	130	137	185	335	101	146	111	1,016
(14) Total Cost of Service	$ 51,698	$ 4,158	$ 1,308,157	$ 1,364,013	$ 1,902,476	$ 455,837	$ 137,890	$ 1,063,728	$ 631,070	$ 5,555,015
(15) Less: Misc Revenue	934	75	23,633	24,642	34,370	8,235	2,491	19,217	11,401	$ 100,355
(16) Net Cost of Service	$ 50,764	$ 4,083	$ 1,284,525	$ 1,339,372	$ 1,868,107	$ 447,602	$ 135,399	$ 1,044,511	$ 619,669	$ 5,454,660
(17) Billing Units	3,210	3,210	3,210	3,210	301,991	1,948,741	1,948,741	13,033	13,942	
(18) Unit Costs	$15.81/Cust/Mo	$1.27/Cust/Mo	400.16/Cust/Mo	$417.25/Cust/Mo	$ 6.1860	$ 0.2297	$ 0.0695	$ 80.1425	$ 44.4468	
									Demand	$ 10.90
									Commodity	$ 0.2992

Exhibit WSS-11

Cost Support for
Local Gas Delivery Service LGDS

Louisville Gas and Electric Company

Unit Cost of Service Based on the Cost of Service Study
For the 12 Months Ended June 30, 2018

Cost Support for Rate LGDS Based on Unit Costs for Rate FT

Description	Customer Costs: Cust-Related Low Pressure Mains Costs	Customer Costs: Cust-Related High Pressure Main Costs	Customer Costs: Cust-Related Direct Costs	Customer Costs: Total Cust-Related Costs	Storage/Trans Demand-Related Costs	Storage Compressor Costs	Other Procurement Costs	Demand Related Low Pressure Mains Costs	Transmission and Demand Related High Pressure Mains Costs	Total Costs
(1) Rate Base	$ 793	$ 2,336	$ 3,550,559	$ 3,553,687	$ 1,469,039	$ -	$ 64,397	$ 2,507,228	$ 8,878,679	$ 16,473,029
(2) Rate Base Adjustments	-	-	-	-	-	-	-	-	-	-
(3) Rate Base as Adjusted	$ 793	$ 2,336	$ 3,550,559	$ 3,553,687	$ 1,469,039	$ -	$ 64,397	$ 2,507,228	$ 8,878,679	$ 16,473,029
(4) Rate of Return	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%
(5) Return	$ 92	$ 270	$ 410,614	$ 410,976	$ 169,891	$ -	$ 7,447	$ 289,955	$ 1,026,799	$ 1,905,068
(6) Interest Expenses	$ 16	$ 44	$ 65,003	$ 65,064	$ 20,834	$ -	$ -	$ 51,233	$ 143,344	$ 280,476
(7) Net Income	$ 75	$ 226	$ 345,611	$ 345,912	$ 149,057	$ -	$ 7,447	$ 238,722	$ 883,455	$ 1,624,593
(8) Income Taxes	$ 48	$ 143	$ 219,339	$ 219,530	$ 94,597	$ -	$ 4,726	$ 151,503	$ 560,676	$ 1,031,032
(9) Operation and Maintenance Expenses	$ 71	$ 190	$ 218,828	$ 219,088	$ 81,991	$ -	$ 469,997	$ 219,565	$ 1,018,625	$ 2,009,268
(10) Depreciation Expenses	41	111	251,506	251,657	52,500	-	-	127,830	427,598	859,585
(11) Other Taxes	14	39	56,719	56,772	18,179	-	-	44,704	125,075	244,731
(12) Other Expenses	(0)	(0)	(187)	(187)	(55)	-	-	(146)	(405)	(793)
(13) Expense Adjustments (Non-Income Tax)	0	0	77	77	29	-	165	77	359	708
(14) Total Cost of Service	$ 266	$ 753	$ 1,156,895	$ 1,157,913	$ 417,133	$ -	$ 482,337	$ 833,488	$ 3,158,728	$ 6,049,599
(15) Less: Misc Revenue	2	7	10,156	10,165	3,662	-	4,234	7,317	27,730	$ 53,109
(16) Net Cost of Service	$ 263	$ 746	$ 1,146,738	$ 1,147,748	$ 413,471	$ -	$ 478,102	$ 826,171	$ 3,130,998	$ 5,996,490
(17) Billing Units	876	876	876	876	103,312	-	12,313,888	15,100	101,624	
(18) Unit Costs	$0.30/Cust/Mo	$0.85/Cust/Mo	$1309.06/Cust/Mo	$1310.21/Cust/Mo	$ 4.0022		$ 0.0388	$ 54.7145	$ 30.8097	
									Demand	$ 2.57
									Commodity	$ 0.0388

Exhibit WSS-12

Cost Support for
Pole Attachment Charge

Kentucky Utilities Company and Louisvillle Gas & Electric Company
Cost Support for Attachment Charges for Wireline Pole Attachments
Based on 12 Months Ended June 30, 2018

Pole Description		35'	40'	45'	Total
Gross Plant		$ 36,350,278	$ 128,380,719	$ 112,705,295	$ 277,436,291
Remove Appurtenances		15%	15%	15%	
Gross Plant less Appurtenances		$ 30,897,736	$ 109,123,611	$ 95,799,500	$ 235,820,847
Accumulated Depreciation		(14,287,553)	(50,460,312)	(44,299,054)	(109,046,920)
Remove Appurtenances		15%	15%	15%	
Accumulated Depreciation less Appurtenances		$ (12,144,420)	$ (42,891,266)	$ (37,654,196)	$ (92,689,882)
Net Plant		$ 18,753,316	$ 66,232,345	$ 58,145,305	$ 143,130,966
Accumulated Deferred Income Taxes		$ (4,870,028)	$ (17,199,804)	$ (15,099,689)	$ (37,169,520)
Cash Working Capital		284,427	1,004,530	881,876	2,170,833
Common Plant		1,053,963	3,722,352	3,267,849	8,044,164
Net Cost Rate Base		$ 15,221,678	$ 53,759,424	$ 47,195,340	$ 116,176,442
Rate of Return		7.27%	7.27%	7.27%	
Return		$ 1,106,082	$ 3,906,424	$ 3,429,445	$ 8,441,951
Income Taxes	38.59%	$ 521,284	$ 1,841,055	$ 1,616,260	$ 3,978,599
Property Taxes		$ 213,257	$ 753,175	$ 661,212	$ 1,627,644
Depreciation Expenses		$ 857,942	$ 3,030,050	$ 2,660,078	$ 6,548,069
Maintenance of Poles		$ 458,229	$ 1,618,358	$ 1,420,754	$ 3,497,341
Tree Trimming of Poles		1,497,833	5,289,996	4,644,082	$ 11,431,911
A&G Expense Allocation to Poles		297,181	1,049,573	921,419	$ 2,268,173
Revenue Requirement		$ 4,951,807	$ 17,488,631	$ 15,353,250	$ 37,793,688
Quantity		103,454	192,111	89,471	385,036
Average Installed Cost		$ 47.86	$ 91.03	$ 171.60	$ 98.16
Space Usage Factor		0.0759	0.0759	0.0759	0.0759
Pole Attachment Rate		$ 3.63	$ 6.91	$ 13.02	**$ 7.45**

Exhibit WSS-13

Cost Support for
Duct Attachment Charge

Kentucky Utilities Company and Louisvillle Gas & Electric Company
Calculation Of Attachment Charges for Underground Conduit
Based on 12 Months Ended June 30, 2018

Pole Description			**Total**
Gross Plant		$	79,957,770
Remove Appurtenances			15%
Gross Plant less Appurtenances		$	67,964,105
Accumulated Depreciation			(23,190,169)
Remove Appurtenances			15%
Accumulated Depreciation less Appurtenances		$	(19,711,644)
Net Plant		$	48,252,461
Accumulated Deferred Income Taxes		$	(11,956,770)
Cash Working Capital			673,647
Common Plant			5,747,707
Net Cost Rate Base		$	42,717,045
Rate of Return			7.27%
Return		$	3,104,030
Income Taxes	38.59%	$	1,462,896
Property Taxes		$	498,222
Depreciation Expenses		$	1,061,872
Maintenance of UG Lines		$	694,791
A&G Expense Allocation to UG Lines			580,351
Revenue Requirement		$	7,402,163
Quantity			4,557,311
Average Installed Cost		$	1.62
Space Usage Factor			0.50
Underground Conduit Attachment Rate		**$**	**0.81**

Exhibit WSS-14

Change in Miscellaneous Revenues
for Attachment Charges

Kentucky Utilities Company and Louisville Gas and Electric Company
Forecasted Miscellaneous Revenue at Proposed Attachment Charges
For the 12 Months Ended June 30, 2018

Attachment Type	Total Attachments	Annual Revenue	Current Rate	Proposed Rate	Annual Revenue at Proposed Rate	Increase (Decrease) in Revenue
Telecom Wireline						
Telecom Wireline (KU)	11,067	$ 61,750.83	$ 5.58	$ 7.25	$ 80,236	$ 18,485
Telecom Wireline (LG&E)	4,344	$ 54,201.15	$ 12.48	$ 7.25	$ 31,494	$ (22,707)
	$ 15,411.00	$ 115,951.98				
Total CATV						
CATV (KU)	149,547	$ 1,083,117.44	$ 7.25	$ 7.25		
CATV (LG&E)	88,362	$ 639,921.25	$ 7.25	$ 7.25		
	$ 237,909.00	$ 1,723,038.69				
Wireless						
Telecom Wireless (KU)				$ 84.00	$ 1,235	$ 1,235
Telecom Wireless (LG&E)				$ 84.00	$ 317	$ 317
Total KU						**$ 19,720**
Total LG&E						**$ (22,391)**

Exhibit WSS-15

Cost Support for Unauthorized Reconnection Charge

Louisville Gas and Electric Company
Unauthorized Meter Reconnect Charges
Cost Justification

Charge Description	Cost
Electric Charges	
Field Investigator - (1/2 hour)	$ 34.39
Transportation - (1/2 hour)	3.15
Back Office Admin Labor - (1/2 hour)	21.04
Lock Costs	11.82
Total Charge without meter replacement at August 31, 2016	$ 70.41
Total Charge if meter replacement necessary:	
UAR Charge for 1/0 Standard Meter Replacement	
Charge without meter replacement	$ 70.41
Charge for 1/0 Standard Meter Replacement	19.18
	$ 89.59
UAR Charge for 1/0 AMR Meter Replacement	
Charge without meter replacement	$ 70.41
Charge for 1/0 AMR Meter Replacement	40.01
	$ 110.41
UAR Charge for 1/0 AMS Meter Replacement	
Charge without meter replacement	$ 70.41
Charge for 1/0 AMS Meter Replacement	103.70
	$ 174.10
UAR Charge for 3/0 Standard Meter Replacement	
Charge without meter replacement	$ 70.41
Charge for 3/0 Standard Meter Replacement	106.73
	$ 177.13
Gas Charge	
Field Investigator - (1/2 hour)	$ 34.39
Transportation - (1/2 hour)	3.15
Back Office Admin Labor - (1/2 hour)	21.04
Lock Costs	11.82
Total Charge without meter replacement at August 31, 2016	$ 70.41
Total Charge if meter replacement necessary:	
UAR Charge for Standard Meter Replacement	
Charge without meter replacement	$ 70.41
Charge for Standard Meter Replacement	62.00
	$ 132.41

Exhibit WSS-16

BIP Analysis
for Electric Cost of Service Study

LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES
Assignment of Production and Transmission Demand-Related Costs
Based on Forecasted 12 Months Ended June 30, 2018

Minimum System Demand	2,303
Winter System Peak Demand	6,021
Summer System Peak Demand	6,698

Assignment of Production and Transmission
Demand-Related Costs to the Costing Periods

Non-Time-Differentiated Capacity Costs

1. Minimum System Demand	2,303	
2. Maximum System Demand	6,698	
3. Non-Time-Differentiated Capacity Factor (Line 1/Line 2)	0.3438	
4. Non-Time-Differentiated Cost (Line 3)		34.38%

Winter Peak Period Costs

5. Maximum Winter System Demand	6,021	
6. Intermediate Peak Period Capacity Factor (Line 5/Line2 - Line 3)	0.5551	
7. Winter Peak Period Hours	2,416	
8. Summer Peak Period Hours	1,308	
9. Total Summer and Winter Peak Period Hours (Line 7 + Line 8)	3,724	
10. Winter Peak Period Costs (Line 8/Line 9 x Line 6)		36.02%

Summer Peak Period Costs

11. Peak Capacity Factor (1.0000 - Line 3 - Line 6)	0.1011	
12. Summer Peak Period Costs (Line 11 + Line 7/Line 9 x Line 6)		29.60%

Exhibit WSS-17

LOLP Analysis
for Electric Cost of Service Study

Louisville Gas and Electric Company
LOLP Fixed Production Cost Allocation Factor
For the 12 Months Ended June 30, 2018

Rate Class	**Weighted LOLP**
	$\sum_{i=1}^{8760} LOLP_i * \overline{LOAD_i}$
Residential	15,474.68
General Service	3,909.82
PS Primary	395.56
PS Secondary	5,008.72
TOD Primary	4,137.47
TOD Secondary	2,636.21
RTS	2,345.00
Special Contract -- Cust 2	115.79
Special Contract -- Cust 1	268.03
Unmetered Lighting	8.26
Traffic Energy Svc	5.22
Lighting Energy Svc	0.27
Total	34,305.02

Exhibit WSS-18

Zero Intercept
Overhead Conductor

Louisville Gas and Electric Company

Zero Intercept Analysis
Account 365 -- Overhead Conductor

Weighted Linear Regression Statistics

	Estimate	Standard Error	LINEST ARRAY	
Size Coefficient ($ per MCM)	0.0042381	0.0007242	0.004238076	1.148169
Zero Intercept ($ per Unit)	1.1481694	0.2165379	0.000724158	0.216538
			0.8382354	1682.393
R-Square	0.8382354		82.90915541	32
			469339999.2	90574315

Plant Classification

Total Number of Units		98,977,688
Zero Intercept		1.1481694
Zero Intercept Cost	$	113,643,149
Total Cost of Sample	$	191,986,396
Percentage of Total		0.591933343
Percentage Classified as Customer-Related		59.19%
Percentage Classified as Demand-Related		40.81%

Louisville Gas and Electric Company

Zero Intercept Analysis
Account 365 -- Overhead Conductor

Description	Size	Cost	Quantity	Avg Cost
#2 Triplex	66.369	12,049,980.44	9,444,024.00	1.275937
#4 Aluminum Poly	41.74	107,147.80	24,198.00	4.427961
1 CONDUCTOR	83.69	1,411,598.65	182,059.00	7.753523
1/0 CONDUCTOR	105.6	4,290,230.09	690,429.00	6.213861
1/0 Triplex	105.6	4,992.80	1,000.00	4.9928
1/0 Aluminum	105.6	19,519.07	5,787.00	3.372917
123,270 ACAR WIRE	123.27	16,001,355.25	9,030,733.00	1.771878
195,700 ACAR WIRE	195.7	2,350,342.57	1,867,358.00	1.258646
2/0 COPPER CONDUCTOR	133.1	814,744.67	619,229.00	1.31574
20 M.A.W. MESSENGER WIRE	20	2,835,873.99	1,331,916.00	2.129169
336,400 19 STR. ALL ALUMINUM	336.4	8,877,286.87	5,632,629.00	1.576047
350 MCM COPPER CONDUCTOR	350	1,343,426.45	74,915.00	17.93268
392,500 24/13 ACAR WIRE	392.5	1,018,369.50	863,538.00	1.179299
4 COPPER CONDUCTOR	41.74	17,171,210.51	11,636,815.00	1.475594
4A COPPER CONDUCTOR	41.74	619,277.91	70,532.00	8.780099
6 COPPER CONDUCTOR	26.25	9,672,518.55	15,184,951.00	0.636981
6A COPPER CONDUCTOR	26.25	752,935.77	101,691.00	7.404153
750 MCM COPPER CONDUCTOR	750	854,930.69	26,529.00	32.22627
795 MCM ALUMINUM CONDUCTOR	795	50,420,186.86	10,820,405.00	4.659732
8 COPPER CONDUCTOR	16.51	692,062.17	334,246.00	2.070517
840,200 24/13 ACAR WIRE	840.2	580,130.00	211,997.00	2.736501
1/0 CABLE	105.6	40,927,306.48	22,040,786.00	1.85689
101 MCM ACSR CONDUCTOR	101	1,181.18	250.00	4.72472
1272 MCM ACSR CONDUCTOR	1272	80,155.38	31,063.00	2.580413
200 MCM CABLE	200	3,238.76	500.00	6.47752
3/0 CONDUCTOR	167.8	5,943,955.85	2,037,913.00	2.916688
300 MCM COPPER CONDUCTOR	300	3,564.60	260.00	13.71
4/0 CONDUCTOR	211.6	12,422,874.97	6,559,680.00	1.893823
520 MCM CONDUCTOR	520	688.25	112.00	6.145089
600 MCM CONDUCTOR	600	105,138.81	15,810.00	6.650146
636 MCM ALUMINUM CONDUCTOR	636	21,911.09	3,040.00	7.207595
7/C CONDUCTOR	20.92	18,059.98	4,050.00	4.459254
80 MCM ACSR CONDUCTOR	80	16,623.99	7,500.00	2.216532
954 MCM ACSR CONDUCTOR	954	553,575.80	121,743.00	4.547085

Louisville Gas and Electric Company

Zero Intercept Analysis
Account 365 -- Overhead Conductor

n	y	x	est y	y*n^.5	n^.5	xn^.5
9,444,024	1.27594	66.37	1.429	3921.09894	3,073.11	203959.4
24,198	4.42796	41.74	1.325	688.8006086	155.56	6492.952
182,059	7.75352	83.69	1.503	3308.302079	426.68	35709.16
690,429	6.21386	105.60	1.596	5163.225253	830.92	87745.21
1,000	4.99280	105.60	1.596	157.886199	31.62	3339.365
5,787	3.37292	105.60	1.596	256.5856596	76.07	8033.238
9,030,733	1.77188	123.27	1.671	5324.701495	3,005.12	370440.9
1,867,358	1.25865	195.70	1.978	1719.956145	1,366.51	267426.6
619,229	1.31574	133.10	1.712	1035.370733	786.91	104737.9
1,331,916	2.12917	20.00	1.233	2457.24529	1,154.09	23081.73
5,632,629	1.57605	336.40	2.574	3740.457124	2,373.32	798383.5
74,915	17.93268	350.00	2.631	4908.281955	273.71	95797.12
863,538	1.17930	392.50	2.812	1095.884179	929.27	364737.5
11,636,815	1.47559	41.74	1.325	5033.65965	3,411.28	142386.7
70,532	8.78010	41.74	1.325	2331.806397	265.58	11085.25
15,184,951	0.63698	26.25	1.259	2482.177725	3,896.79	102290.7
101,691	7.40415	26.25	1.259	2361.112448	318.89	8370.869
26,529	32.22627	750.00	4.327	5248.926212	162.88	122157.9
10,820,405	4.65973	795.00	4.517	15327.90121	3,289.44	2615104
334,246	2.07052	16.51	1.218	1197.0492	578.14	9545.093
211,997	2.73650	840.20	4.709	1259.970761	460.43	386854.4
22,040,786	1.85689	105.60	1.596	8717.653933	4,694.76	495766.8
250	4.72472	101.00	1.576	74.70438253	15.81	1596.95
31,063	2.58041	1,272.00	6.539	454.7900756	176.25	224186.2
500	6.47752	200.00	1.996	144.8417505	22.36	4472.136
2,037,913	2.91669	167.80	1.859	4163.731874	1,427.55	239543.7
260	13.71000	300.00	2.420	221.0671075	16.12	4837.355
6,559,680	1.89382	211.60	2.045	4850.436099	2,561.19	541947.2
112	6.14509	520.00	3.352	65.03351214	10.58	5503.163
15,810	6.65015	600.00	3.691	836.174891	125.74	75442.69
3,040	7.20760	636.00	3.844	397.3993852	55.14	35066.62
4,050	4.45925	20.92	1.237	283.7852072	63.64	1331.341
7,500	2.21653	80.00	1.487	191.957302	86.60	6928.203
121,743	4.54709	954.00	5.191	1586.55487	348.92	332866.7

Louisville Gas & Electric Company
Pri/Sec Splits for Overhead Conductor

		Customer	Demand
Overhead		59.19%	40.81%
Primary	73.18%	0.433152	0.298648
Secondary	26.82%	0.158748	0.109452

Exhibit WSS-19

Zero Intercept
Underground Conductor

Louisville Gas and Electric Company

Zero Intercept Analysis
Account 367 -- Underground Conductor

Weighted Linear Regression Statistics

	Estimate	Standard Error	LINEST ARRAY	
			0.009226863	3.398647368
Size Coefficient ($ per MCM)	0.0092269	0.0017924	0.00179235	0.577593983
Zero Intercept ($ per Unit)	3.3986474	0.5775940	0.887568642	2342.223904
			82.89031589	21
R-Square	0.8875686		909474670.5	115206269.1

Plant Classification

Total Number of Units	27,413,053
Zero Intercept	3.3986474
Zero Intercept Cost	$93,167,300
Total Cost of Sample	144,727,446
Percentage of Total	0.643743138
Percentage Classified as Customer-Related	64.37%
Percentage Classified as Demand-Related	35.63%

Louisville Gas and Electric Company

Zero Intercept Analysis
Account 367 -- Underground Conductor

	Size	Cost	Quantity	Avg Cost
#12 CABLE	13.12	1,081,345.75	280,834	3.850480177
1 CONDUCTOR	83.69	1,546,022.61	156,438	9.882653895
1/0 CONDUCTOR	105.6	6,044,157.92	488,240	12.37948124
1000 MCM CONDUCTOR	1000	25,683,630.16	2,126,583	12.07741723
2/0 COPPER CONDUCTOR	133.1	1,844,499.63	557,414	3.309029967
200 MCM 1/C 500/600V CABLE	200	28,562.39	1,550	18.42734839
250 MCM COPPER CONDUCTOR	250	235,557.28	175,014	1.345933925
350 MCM COPPER CONDUCTOR	350	13,760,841.68	979,059	14.05517102
4 COPPER CONDUCTOR	41.74	817,127.43	653,992	1.249445605
6 COPPER CONDUCTOR	26.25	1,123,954.76	421,411	2.6671225
750 MCM COPPER CONDUCTOR	750	2,773,925.55	265,617	10.44332836
795 MCM ALUMINUM CONDUCTOR	795	502,850.86	53,029	9.482563503
8 COPPER CONDUCTOR	16.51	34,590.47	23,274	1.48622798
#2 Triplex	66.36	17,345,221.60	3,597,812	4.821047236
1/0 CABLE	105.6	48,980,377.75	12,334,000	3.971167322
123,270 ACAR WIRE	123.27	7,397.12	496	14.91354839
195,700 ACAR WIRE	195.7	10,289.60	7,611	1.351937984
3/0 CONDUCTOR	167.8	327,842.85	31,894	10.27913871
336,400 19 STR. ALL ALUMINUM	336.4	95,736.62	2,289	41.82464832
4/0 CONDUCTOR	211.6	22,154,469.14	5,201,977	4.25885565
600 MCM CONDUCTOR	600	21,636.43	1,634	13.24138923
6A COPPER CONDUCTOR	26.25	307,231.56	52,777	5.821315346
840,200 24/13 ACAR WIRE	840.2	177.03	108	1.639166667

Louisville Gas and Electric Company

Zero Intercept Analysis
Account 367 -- Underground Conductor

n	y	x	est y	y*n^.5	n^.5	xn^.5
280,834	3.85048	13.12	3.520	2040.514733	529.94	6952.783046
156,438	9.88265	83.69	4.171	3908.811375	395.52	33101.27295
488,240	12.37948	105.60	4.373	8650.060091	698.74	73787.12629
2,126,583	12.07742	1,000.00	12.626	17612.26611	1,458.28	1458280.837
557,414	3.30903	133.10	4.627	2470.527181	746.60	99372.6775
1,550	18.42735	200.00	5.244	725.4854315	39.37	7874.007874
175,014	1.34593	250.00	5.705	563.0670782	418.35	104586.6865
979,059	14.05517	350.00	6.628	13907.22773	989.47	346315.936
653,992	1.24945	41.74	3.784	1010.42381	808.70	33755.04277
421,411	2.66712	26.25	3.641	1731.393956	649.16	17040.49639
265,617	10.44333	750.00	10.319	5382.287188	515.38	386535.3315
53,029	9.48256	795.00	10.734	2183.647227	230.28	183072.8099
23,274	1.48623	16.51	3.551	226.736244	152.56	2518.735645
3,597,812	4.82105	66.36	4.011	9144.513801	1,896.79	125870.9791
12,334,000	3.97117	105.60	4.373	13946.65822	3,511.98	370865.0351
496	14.91355	123.27	4.536	332.1404929	22.27	2745.353252
7,611	1.35194	195.70	5.204	117.9444831	87.24	17073.07258
31,894	10.27914	167.80	4.947	1835.740213	178.59	29967.21967
2,289	41.82465	336.40	6.503	2001.037347	47.84	16094.55167
5,201,977	4.25886	211.60	5.351	9713.531082	2,280.78	482613.9568
1,634	13.24139	600.00	8.935	535.2535765	40.42	24253.65952
52,777	5.82132	26.25	3.641	1337.345055	229.73	6030.476893
108	1.63917	840.20	11.151	17.03471969	10.39	8731.614531

Louisville Gas & Electric Company
Pri/Sec Splits for Underground Conductor

		Customer	Demand
Underground		64.37%	35.63%
Primary	88.10%	0.567100	0.313900
Secondary	11.90%	0.076600	0.042400

Exhibit WSS-20

Zero Intercept
Line Transformers

LOUISVILLE GAS AND ELECTRIC COMPANY

Zero Intercept Analysis
Account 368 - Line Transformers

Weighted Linear Regression Statistics

	Estimate	Standard Error	LINEST ARRAY	
			15.12052704	804.7315813
Size Coefficient ($ per kVA)	15.1205270	0.8084628	0.808462805	160.9792737
Zero Intercept ($ per Unit)	804.73	160.9792737	0.937229105	27317.72973
			261.291629	35
R-Square	0.9372291		3.89982E+11	26119042509

Plant Classification

Total Number of Units		33,723
Zero Intercept	$	804.73
Zero Intercept Cost	$	27,137,963
Total Cost of Sample	$	65,942,384
Percentage of Total		0.411540522
Percentage Classified as Customer-Related		41.15%
Percentage Classified as Demand-Related		58.85%

LOUISVILLE GAS AND ELECTRIC COMPANY

Zero Intercept Analysis
Account 368 - Line Transformers

	Size	Cost	Quantity	Avg Cost
TRANSFORMERS - OH 1P - 100 KVA	100	1,318,285.94	578	2280.77
TRANSFORMERS - OH 1P - 1 KVA	1	90,092.52	163	552.71
TRANSFORMERS - OH 1P - 15 KVA	15	2,693,406.67	3,676	732.70
TRANSFORMERS - OH 1P - 150 KVA	150	239,101.48	64	3735.96
TRANSFORMERS - OH 1P - 167 KVA	167	753,682.14	325	2319.02
TRANSFORMERS - OH 1P - 25 KVA	25	5,705,480.52	5,637	1012.15
TRANSFORMERS - OH 1P - 250 KVA	250	105,545.90	36	2931.83
TRANSFORMERS - OH 1P - 3 KVA	3	16,304.27	16	1019.02
TRANSFORMERS - OH 1P - 333 KVA	333	26,809.90	3	8936.63
TRANSFORMERS - OH 1P - 37.5 KVA	37.5	6,056,949.07	5,452	1110.96
TRANSFORMERS - OH 1P - 50 KVA	50	5,070,025.96	3,371	1504.01
TRANSFORMERS - OH 1P - 500 KVA	500	381,419.35	98	3892.03
TRANSFORMERS - OH 1P - 75 KVA	75	1,852,640.35	969	1911.91
TRANSFORMERS - PM 1P - 100 KVA	100	1,982,206.46	804	2465.43
TRANSFORMERS - PM 1P - 150 KVA	150	583,737.81	175	3335.64
TRANSFORMERS - PM 1P - 225 KVA	225	540,183.84	104	5194.08
TRANSFORMERS - PM 1P - 25 KVA	25	1,928,855.74	1,919	1005.14
TRANSFORMERS - PM 1P - 37.5 KVA	37.5	3,038,316.77	2,332	1302.88
TRANSFORMERS - PM 1P - 50 KVA	50	5,658,194.12	3,183	1777.63
TRANSFORMERS - PM 1P - 75 KVA	75	5,120,702.73	2,571	1991.72
TRANSFORMERS - PM 3P - 1000 KVA	1000	3,617,531.17	176	20554.15
TRANSFORMERS - PM 3P - 150 KVA	150	1,137,721.34	202	5632.28
TRANSFORMERS - PM 3P - 1500 KVA	1500	1,957,162.39	95	20601.71
TRANSFORMERS - PM 3P - 2000 KVA	2000	1,510,446.74	54	27971.24
TRANSFORMERS - PM 3P - 225 KVA	225	607,029.03	81	7494.19
TRANSFORMERS - PM 3P - 2500 KVA	2500	1,171,905.55	41	28583.06
TRANSFORMERS - PM 3P - 300 KVA	300	3,143,129.68	386	8142.82
TRANSFORMERS - PM 3P - 3000 KVA	3000	479,602.96	11	43600.27
TRANSFORMERS - PM 3P - 500 KVA	500	3,026,510.95	260	11640.43
TRANSFORMERS - OH 1P - 7.5 KVA	7.5	2,397.60	1	2397.60
TRANSFORMERS - PM 3P - 75 KVA	75	595,709.62	85	7008.35
TRANSFORMERS - PM 3P - 750 KVA	750	3,192,655.31	236	13528.20
TRANSFORMERS - OH 1P - 10 KVA	10	193,616.12	209	926.39
TRANSFORMERS - PM 1P - 15 KVA	15	1,495.78	2	747.89
TRANSFORMERS - PM 1P - 167 KVA	167	1,150,599.98	314	3664.33
TRANSFORMERS - PM 1P - 250 KVA	250	450,730.40	60	7512.17
TRANSFORMERS - PM 1P - 500 KVA	500	542,197.87	34	15947.00

LOUISVILLE GAS AND ELECTRIC COMPANY

Zero Intercept Analysis
Account 368 - Line Transformers

n	y	x	est y	y*n^.5	n^.5	xn^.5
578	2,281	100.00	80,488	54833.46634	24.04	2404.163056
163	553	1.00	820	7056.590776	12.77	12.76714533
3,676	733	15.00	12,086	44423.64398	60.63	909.4503835
64	3,736	150.00	120,725	29887.685	8.00	1200
325	2,319	167.00	134,405	41806.76309	18.03	3010.635315
5,637	1,012	25.00	20,133	75992.05859	75.08	1876.998934
36	2,932	250.00	201,198	17590.98333	6.00	1500
16	1,019	3.00	2,429	4076.0675	4.00	12
3	8,937	333.00	267,991	15478.70298	1.73	576.7729189
5,452	1,111	37.50	30,193	82030.62081	73.84	2768.912241
3,371	1,504	50.00	40,252	87323.43415	58.06	2903.015673
98	3,892	500.00	402,381	38529.17269	9.90	4949.747468
969	1,912	75.00	60,370	59515.38264	31.13	2334.657362
804	2,465	100.00	80,488	69907.03181	28.35	2835.489376
175	3,336	150.00	120,725	44126.43075	13.23	1984.313483
104	5,194	225.00	181,080	52969.38348	10.20	2294.558781
1,919	1,005	25.00	20,133	44031.37629	43.81	1095.159806
2,332	1,303	37.50	30,193	62917.11173	48.29	1810.90447
3,183	1,778	50.00	40,252	100290.437	56.42	2820.90411
2,571	1,992	75.00	60,370	100990.0358	50.71	3802.8772
176	20,554	1,000.00	804,747	272681.6718	13.27	13266.49916
202	5,632	150.00	120,725	80049.79414	14.21	2131.900561
95	20,602	1,500.00	1,207,112	200800.6244	9.75	14620.19152
54	27,971	2,000.00	1,609,478	205545.7665	7.35	14696.93846
81	7,494	225.00	181,080	67447.67	9.00	2025
41	28,583	2,500.00	2,011,844	183020.8983	6.40	16007.81059
386	8,143	300.00	241,435	159981.0885	19.65	5894.064811
11	43,600	3,000.00	2,414,210	144605.7333	3.32	9949.874371
260	11,640	500.00	402,381	187696.2412	16.12	8062.257748
1	2,398	7.50	6,051	2397.6	1.00	7.5
85	7,008	75.00	60,370	64613.7803	9.22	691.4658343
236	13,528	750.00	603,564	207824.159	15.36	11521.71862
209	926	10.00	8,062	13392.70706	14.46	144.5683229
2	748	15.00	12,086	1057.676181	1.41	21.21320344
314	3,664	167.00	134,405	64932.11335	17.72	2959.247539
60	7,512	250.00	201,198	58189.04443	7.75	1936.491673
34	15,947	500.00	402,381	92986.16757	5.83	2915.475947

Exhibit WSS-21

Electric Cost of Service Study
Functional Assignment and Classification
BIP Methodology

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector		Total System		Production Demand Base		Production Demand Winter Peak		Production Demand Summer Peak		Production Energy		Transmission Demand Demand
Plant in Service														
Intangible Plant														
301.00 ORGANIZATION	P301	PT&D	$	2,240		432		453		372		-		241
302.00 FRANCHISE AND CONSENTS	P301	PT&D				-		-		-		-		-
303.00 SOFTWARE - COMMON	P302	PT&D				-		-		-		-		-
301.00 ORGANIZATION - COMMON	P301	PT&D				-		-		-		-		-
302.00 FRANCHISE AND CONSENTS - COMMON	P301	PT&D				-		-		-		-		-
Total Intangible Plant	PINT		$	2,240	$	432	$	453	$	372	$	-	$	241
Steam Production Plant														
Total Steam Production Plant	PSTPR	F017	$	1,762,102,621		605,813,181		634,627,651		521,661,789		-		-
Hydraulic Production Plant														
Total Hydraulic Production Plant	PHDPR	F017	$	146,463,608		50,354,379		52,749,400		43,359,829		-		-
Other Production Plant														
Total Other Production Plant	POTPR	F017	$	396,983,699		136,483,514		142,975,119		117,525,066		-		-
Total Production Plant	PPRTL		$	2,305,549,928	$	792,651,074	$	830,352,170	$	682,546,684	$	-	$	-
Transmission														
Total Transmission Plant	PTRAN	F011	$	442,223,222		-		-		-		-		442,223,222
Total Transmission Plant	PTRTL		$	442,223,222	$	-	$	-	$	-	$	-	$	442,223,222
Distribution														
TOTAL ACCTS 360-362	P362	F001	$	152,675,045		-		-		-		-		-
364 & 365-OVERHEAD LINES	P365	F003		528,239,740		-		-		-		-		-
366 & 367-UNDERGROUND LINES	P367	F004		329,188,953		-		-		-		-		-
368-TRANSFORMERS	P368	F005		168,599,875		-		-		-		-		-
369-SERVICES	P369	F006		34,458,226		-		-		-		-		-
370-METERS	P370	F007		39,970,580		-		-		-		-		-
371-CUSTOMER INSTALLATION	P371	F008				-		-		-		-		-
373-STREET LIGHTING	P373	F008		109,522,342		-		-		-		-		-
374-ASSET RETIRE OBLIGATIONS DIST PLANT	P374	F003		-		-		-		-		-		-
Total Distribution Plant	PDIST		$	1,362,654,761	$	-	$	-	$	-	$	-	$	-
Total Prod, Trans, and Dist Plant	PT&D		$	4,110,427,912	$	792,651,074	$	830,352,170	$	682,546,684	$	-	$	442,223,222

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Plant in Service								
Intangible Plant								
301.00 ORGANIZATION	P301	PT&D	83	-	142	226	39	59
302.00 FRANCHISE AND CONSENTS	P301	PT&D	-	-	-	-	-	-
303.00 SOFTWARE - COMMON	P302	PT&D	-	-	-	-	-	-
301.00 ORGANIZATION - COMMON	P301	PT&D	-	-	-	-	-	-
302.00 FRANCHISE AND CONSENTS - COMMON	P301	PT&D	-	-	-	-	-	-
Total Intangible Plant	PINT		$ 83	$ -	$ 142	$ 226	$ 39	$ 59
Steam Production Plant								
Total Steam Production Plant	PSTPR	F017	-	-	-	-	-	-
Hydraulic Production Plant								
Total Hydraulic Production Plant	PHDPR	F017	-	-	-	-	-	-
Other Production Plant								
Total Other Production Plant	POTPR	F017	-	-	-	-	-	-
Total Production Plant	PPRTL			$ -	$ -			
Transmission								
Total Transmission Plant	PTRAN	F011	-	-	-	-	-	-
Total Transmission Plant	PTRTL		$ -	$ -	$ -	$ -	$ -	$ -
Distribution								
TOTAL ACCTS 360-362	P362	F001	152,675,045	-	-	-	-	-
364 & 365-OVERHEAD LINES	P365	F003	-	-	157,757,520	228,808,322	57,817,118	83,856,780
366 & 367-UNDERGROUND LINES	P367	F004	-	-	103,332,511	186,682,956	13,957,513	25,215,973
368-TRANSFORMERS	P368	F005	-	-	-	-	-	-
369-SERVICES	P369	F006	-	-	-	-	-	-
370-METERS	P370	F007	-	-	-	-	-	-
371-CUSTOMER INSTALLATION	P371	F008	-	-	-	-	-	-
373-STREET LIGHTING	P373	F008	-	-	-	-	-	-
374-ASSET RETIRE OBLIGATIONS DIST PLANT	P374	F003	-	-	-	-	-	-
Total Distribution Plant	PDIST		$ 152,675,045	$ -	$ 261,090,031	$ 415,491,278	$ 71,774,631	$ 109,072,753
Total Prod, Trans, and Dist Plant	PT&D		$ 152,675,045	$ -	$ 261,090,031	$ 415,491,278	$ 71,774,631	$ 109,072,753

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Plant in Service										
Intangible Plant										
301.00 ORGANIZATION	P301	PT&D	54	38	19	22	60	-	-	-
302.00 FRANCHISE AND CONSENTS	P301	PT&D	-	-	-	-	-	-	-	-
303.00 SOFTWARE - COMMON	P302	PT&D	-	-	-	-	-	-	-	-
301.00 ORGANIZATION - COMMON	P301	PT&D	-	-	-	-	-	-	-	-
302.00 FRANCHISE AND CONSENTS - COMMON	P301	PT&D	-	-	-	-	-	-	-	-
Total Intangible Plant	PINT		$ 54	$ 38	$ 19	$ 22	$ 60	$ -	$ -	$ -
Steam Production Plant										
Total Steam Production Plant	PSTPR	F017	-	-	-	-	-	-	-	-
Hydraulic Production Plant										
Total Hydraulic Production Plant	PHDPR	F017	-	-	-	-	-	-	-	-
Other Production Plant										
Total Other Production Plant	POTPR	F017	-	-	-	-	-	-	-	-
Total Production Plant	PPRTL		$ -	$ -			$ -	$ -	$ -	$ -
Transmission										
Total Transmission Plant	PTRAN	F011	-	-	-	-	-	-	-	-
Total Transmission Plant	PTRTL		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Distribution										
TOTAL ACCTS 360-362	P362	F001	-	-	-	-	-	-	-	-
364 & 365-OVERHEAD LINES	P365	F003	-	-	-	-	-	-	-	-
366 & 367-UNDERGROUND LINES	P367	F004	-	-	-	-	-	-	-	-
368-TRANSFORMERS	P368	F005	99,214,195	69,385,680	-	-	-	-	-	-
369-SERVICES	P369	F006	-	-	34,458,226	-	-	-	-	-
370-METERS	P370	F007	-	-	-	39,970,580	-	-	-	-
371-CUSTOMER INSTALLATION	P371	F008	-	-	-	-	-	-	-	-
373-STREET LIGHTING	P373	F008	-	-	-	-	109,522,342	-	-	-
374-ASSET RETIRE OBLIGATIONS DIST PLANT	P374	F003	-	-	-	-	-	-	-	-
Total Distribution Plant	PDIST		$ 99,214,195	$ 69,385,680	$ 34,458,226	$ 39,970,580	$ 109,522,342	$ -	$ -	$ -
Total Prod, Trans, and Dist Plant	PT&D		$ 99,214,195	$ 69,385,680	$ 34,458,226	$ 39,970,580	$ 109,522,342	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Plant in Service (Continued)								
General Plant								
Total General Plant	PGP	PT&D	$ 15,832,612	3,053,146	3,198,364	2,629,044	-	1,703,362
TOTAL COMMON PLANT	PCOM	PT&D	$ 202,237,020	38,999,198	40,854,128	33,581,956	-	21,757,809
106.00 COMPLETED CONSTR NOT CLASSIFIED	P106	PT&D	-	-	-	-	-	-
105.00 PLANT HELD FOR FUTURE USE - DIST	P105	PDIST	2,915,340	-	-	-	-	-
105.00 PLANT HELD FOR FUTURE USE - PROD	P105	F017	211,410	72,683	76,140	62,587	-	-
PROPERTY HELD UNDER CAPITAL LEASE		F017	-	0	0	0	0	0
OTHER		PDIST	$ -	-	-	-	-	-
Total Plant in Service	TPIS		$ 4,331,626,534	$ 834,776,533	$ 874,481,255	$ 718,820,643	$ -	$ 465,684,635
Construction Work in Progress (CWIP)								
CWIP Production	CWIP1	F017	$ 67,084,848	23,063,858	24,160,851	19,860,138	-	-
CWIP Transmission	CWIP2	F011	6,861,294	-	-	-	-	6,861,294
CWIP Distribution	CWIP3	PDIST	30,927,921	-	-	-	-	-
CWIP General & Common	CWIP4	PT&D	18,667,667	3,599,855	3,771,076	3,099,812	-	2,008,374
Total Construction Work in Progress	TCWIP		$ 123,541,729	$ 26,663,714	$ 27,931,928	$ 22,959,950	$ -	$ 8,869,668
Total Utility Plant			$ 4,455,168,263	$ 861,440,246	$ 902,413,182	$ 741,780,593	$ -	$ 474,554,303

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector		Distribution Substation General		Distribution Primary Lines Specific		Distribution Primary Lines Demand		Distribution Primary Lines Customer		Distribution Sec. Lines Demand		Distribution Sec. Lines Customer
Plant in Service (Continued)														
General Plant														
Total General Plant	PGP	PT&D		588,076		-		1,005,671		1,600,396		276,463		420,128
TOTAL COMMON PLANT	PCOM	PT&D		7,511,760		-		12,845,881		20,442,572		3,531,381		5,366,485
106.00 COMPLETED CONSTR NOT CLASSIFIED	P106	PT&D		-		-		-		-		-		-
105.00 PLANT HELD FOR FUTURE USE - DIST	P105	PDIST		326,642		-		558,591		888,925		153,559		233,356
105.00 PLANT HELD FOR FUTURE USE - PROD	P105	F017		-		-		-		-		-		-
PROPERTY HELD UNDER CAPITAL LEASE		F017		0		0		0		0		0		0
OTHER		PDIST		-		-		-		-		-		-
Total Plant in Service	TPIS		$	161,101,605	$	-	$	275,500,316	$	438,423,398	$	75,736,072	$	115,092,782
Construction Work in Progress (CWIP)														
CWIP Production	CWIP1	F017		-		-		-		-		-		-
CWIP Transmission	CWIP2	F011		-		-		-		-		-		-
CWIP Distribution	CWIP3	PDIST		3,465,237		-		5,925,912		9,430,328		1,629,055		2,475,604
CWIP General & Common	CWIP4	PT&D		693,380		-		1,185,750		1,886,970		325,967		495,358
Total Construction Work in Progress	TCWIP		$	4,158,617	$	-	$	7,111,662	$	11,317,298	$	1,955,023	$	2,970,962
Total Utility Plant			$	165,260,222	$	-	$	282,611,978	$	449,740,695	$	77,691,095	$	118,063,744

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Plant in Service (Continued)										
General Plant										
Total General Plant	PGP	PT&D	382,155	267,261	132,727	153,959	421,860	-	-	-
TOTAL COMMON PLANT	PCOM	PT&D	4,881,434	3,413,842	1,695,378	1,966,591	5,388,605	-	-	-
106.00 COMPLETED CONSTR NOT CLASSIFIED	P106	PT&D	-	-	-	-	-	-	-	-
105.00 PLANT HELD FOR FUTURE USE - DIST	P105	PDIST	212,264	148,448	73,722	85,515	234,318	-	-	-
105.00 PLANT HELD FOR FUTURE USE - PROD	P105	F017	-	-	-	-	-	-	-	-
PROPERTY HELD UNDER CAPITAL LEASE		F017	0	0	0	0	0	0	0	0
OTHER		PDIST	-	-	-	-	-	-	-	-
Total Plant in Service	TPIS		$ 104,690,102	$ 73,215,269	$ 36,360,072	$ 42,176,668	$ 115,567,185	$ -	$ -	$ -
Construction Work in Progress (CWIP)										
CWIP Production	CWIP1	F017	-	-	-	-	-	-	-	-
CWIP Transmission	CWIP2	F011	-	-	-	-	-	-	-	-
CWIP Distribution	CWIP3	PDIST	2,251,846	1,574,834	782,092	907,205	2,485,808	-	-	-
CWIP General & Common	CWIP4	PT&D	450,585	315,118	156,493	181,528	497,400	-	-	-
Total Construction Work in Progress	TCWIP		$ 2,702,431	$ 1,889,952	$ 938,585	$ 1,088,733	$ 2,983,208	$ -	$ -	$ -
Total Utility Plant			$ 107,392,533	$ 75,105,221	$ 37,298,657	$ 43,265,400	$ 118,550,393	$ -	$ -	$ -
						$ 1,356,429,546				

LOUISVILLE GAS AND ELECTRIC COMPANY
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Rate Base								
Utility Plant								
Plant in Service			$ 4,331,626,534	$ 834,776,533	$ 874,481,255	$ 718,820,643	$ -	$ 465,684,635
Construction Work in Progress (CWIP)			123,541,729	26,663,713.60	27,931,927.66	22,959,950.35	-	8,869,667.54
Total Utility Plant	TUP		$ 4,455,168,263	$ 861,440,246	$ 902,413,182	$ 741,780,593	$ -	$ 474,554,303
Less: Accumulated Provision for Depreciation and RWIP								
Production	ADEPREPA	F017	$ 903,942,138	310,776,487	325,558,040	267,607,611	-	-
Transmission	ADEPRTP	PTRAN	159,969,049	-	-	-	-	159,969,049
Distribution	ADEPRD11	PDIST	508,037,556	-	-	-	-	-
General & Common Plant	ADEPRD12	PT&D	71,121,012	13,714,909	14,367,236	11,809,819	-	7,651,603
Intangible Plant	ADEPRGP	PT&D	40,982,991	7,903,122	8,279,020	6,805,327	-	4,409,183
Total Accumulated Depreciation	TADEPR		$ 1,684,052,746	$ 332,394,518	$ 348,204,296	$ 286,222,757	$ -	$ 172,029,835
Net Utility Plant	NTPLANT		$ 2,771,115,517	$ 529,045,729	$ 554,208,886	$ 455,557,836	$ -	$ 302,524,467
Working Capital								
Cash Working Capital - Operation and Maintenance Expenses	CWC	OMLPP	$ 75,842,724	3,319,543	3,477,432	2,858,437	51,365,920	2,659,628
Materials and Supplies	M&S	TPIS	36,896,266	7,110,525	7,448,725	6,122,826	-	3,966,645
Prepayments	PREPAY	TPIS	13,972,166	2,692,669	2,820,741	2,318,640	-	1,502,120
Fuel Stock		F017	36,289,311	12,476,312	13,069,727	10,743,272	-	-
Total Working Capital	TWC		$ 163,000,467	$ 25,599,049	$ 26,816,625	$ 22,043,175	$ 51,365,920	$ 8,128,393
Deferred Debits								
Service Pension Cost	PENSCOST	TLB	$ -	-	-	-	-	-
Other Deferred Debits	DDEBPP	OMSUB2	-	-	-	-	-	-
Total Deferred Debits			$ -	$ -	$ -	$ -	$ -	$ -
Less: Customer Advances	CSTDEP	F027	$ 6,724,404	-	-	-	-	-
Accumulated Deferred Income Taxes								
Accumulated Deferred Income Taxes	DIT	TPIS	$ 546,457,652	105,311,485	110,320,447	90,683,035	-	58,748,586
FAS 109 Deferred Income Taxes	DIT	TPIS	$ -	-	-	-	-	-
Asset Retirement Obligation-Net Assets	DIT	TPIS	$ -	-	-	-	-	-
Asset Retirement Obligation-Regulatory Liabilities	DIT	TPIS	$ -	-	-	-	-	-
Total Accumulated Deferred Income Tax			$ 546,457,652	$ 105,311,485	$ 110,320,447	$ 90,683,035	$ -	$ 58,748,586
Investment Tax Credits								
Total Production Plant	DIT	F017	$ -	-	-	-	-	-
Total Transmission Plant	DIT	PTRAN	-	-	-	-	-	-
Total Distribution Plant	DIT	PDIST	-	-	-	-	-	-
Total General Plant	DIT	PT&D	-	-	-	-	-	-
Total Investment Tax Credit			$ -	$ -	$ -	$ -	$ -	$ -
Net Rate Base	RB		$ 2,380,933,927	$ 449,333,293	$ 470,705,064	$ 386,917,976	$ 51,365,920	$ 251,904,274

LOUISVILLE GAS AND ELECTRIC COMPANY
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12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Rate Base								
Utility Plant								
Plant in Service			$ 161,101,605	$ -	$ 275,500,316	$ 438,423,398	$ 75,736,072	$ 115,092,782
Construction Work in Progress (CWIP)			4,158,616.59	-	7,111,662.12	11,317,297.60	1,955,022.64	2,970,962.02
Total Utility Plant	TUP		$ 165,260,222	$ -	$ 282,611,978	$ 449,740,695	$ 77,691,095	$ 118,063,744
Less: Accumulated Provision for Depreciation and RWIP								
Production	ADEPREPA	F017	-	-	-	-	-	-
Transmission	ADEPRTP	PTRAN	-	-	-	-	-	-
Distribution	ADEPRD11	PDIST	56,921,723	-	97,342,001	154,907,303	26,759,682	40,665,513
General & Common Plant	ADEPRD12	PT&D	2,641,672	-	4,517,531	7,189,072	1,241,886	1,887,240
Intangible Plant	ADEPRGP	PT&D	1,522,245	-	2,603,196	4,142,653	715,628	1,087,509
Total Accumulated Depreciation	TADEPR		$ 61,085,641	$ -	$ 104,462,729	$ 166,239,027	$ 28,717,197	$ 43,640,262
Net Utility Plant	NTPLANT		$ 104,174,581	$ -	$ 178,149,250	$ 283,501,669	$ 48,973,898	$ 74,423,481
Working Capital								
Cash Working Capital - Operation and Maintenance Expenses	CWC	OMLPP	983,238	-	1,708,534	2,557,456	574,567	844,069
Materials and Supplies	M&S	TPIS	1,372,244	-	2,346,678	3,734,437	645,111	980,346
Prepayments	PREPAY	TPIS	519,652	-	888,658	1,414,186	244,296	371,245
Fuel Stock		F017	-	-	-	-	-	-
Total Working Capital	TWC		$ 2,875,134	$ -	$ 4,943,870	$ 7,706,078	$ 1,463,973	$ 2,195,660
Deferred Debits								
Service Pension Cost	PENSCOST	TLB	-	-	-	-	-	-
Other Deferred Debits	DDEBPP	OMSUB2	-	-	-	-	-	-
Total Deferred Debits			$ -	$ -	$ -	$ -	$ -	$ -
Less: Customer Advances	CSTDEP	F027	-	-	2,047,604	3,258,500	562,894	855,406
Accumulated Deferred Income Taxes								
Accumulated Deferred Income Taxes	DIT	TPIS	20,323,822	-	34,755,826	55,309,436	9,554,507	14,519,565
FAS 109 Deferred Income Taxes	DIT	TPIS	-	-	-	-	-	-
Asset Retirement Obligation-Net Assets	DIT	TPIS	-	-	-	-	-	-
Asset Retirement Obligation-Regulatory Liabilities	DIT	TPIS	-	-	-	-	-	-
Total Accumulated Deferred Income Tax			$ 20,323,822	$ -	$ 34,755,826	$ 55,309,436	$ 9,554,507	$ 14,519,565
Investment Tax Credits								
Total Production Plant	DIT	F017	-	-	-	-	-	-
Total Transmission Plant	DIT	PTRAN	-	-	-	-	-	-
Total Distribution Plant	DIT	PDIST	-	-	-	-	-	-
Total General Plant	DIT	PT&D	-	-	-	-	-	-
Total Investment Tax Credit			$ -	$ -	$ -	$ -	$ -	$ -
Net Rate Base	RB		$ 86,725,894	$ -	$ 146,289,690	$ 232,639,811	$ 40,320,470	$ 61,244,172

LOUISVILLE GAS AND ELECTRIC COMPANY
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12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Rate Base										
Utility Plant										
Plant in Service			$ 104,690,102	$ 73,215,269	$ 36,360,072	$ 42,176,668	$ 115,567,185	$ -	$ -	$ -
Construction Work in Progress (CWIP)			2,702,431.13	1,889,951.57	938,585.29	1,088,732.72	2,983,208.08	-	-	-
Total Utility Plant	TUP		$ 107,392,533	$ 75,105,221	$ 37,298,657	$ 43,265,400	$ 118,550,393	$ -	$ -	$ -
Less: Accumulated Provision for Depreciation and RWIP										
Production	ADEPREPA	F017	-	-	-	-	-	-	-	-
Transmission	ADEPRTP	PTRAN	-	-	-	-	-	-	-	-
Distribution	ADEPRD11	PDIST	36,989,954	25,869,011	12,847,035	14,902,201	40,833,133	-	-	-
General & Common Plant	ADEPRD12	PT&D	1,716,662	1,200,551	596,216	691,594	1,895,019	-	-	-
Intangible Plant	ADEPRGP	PT&D	989,214	691,809	343,565	398,526	1,091,992	-	-	-
Total Accumulated Depreciation	TADEPR		$ 39,695,830	$ 27,761,372	$ 13,786,816	$ 15,992,322	$ 43,820,144	$ -	$ -	$ -
Net Utility Plant	NTPLANT		$ 67,696,703	$ 47,343,849	$ 23,511,840	$ 27,273,078	$ 74,730,249	$ -	$ -	$ -
Working Capital										
Cash Working Capital - Operation and Maintenance Expenses	CWC	OMLPP	134,472	94,043	35,516	2,061,649	156,821	2,471,536	539,863	-
Materials and Supplies	M&S	TPIS	891,738	623,639	309,711	359,256	984,387	-	-	-
Prepayments	PREPAY	TPIS	337,690	236,164	117,284	136,046	372,775	-	-	-
Fuel Stock		F017	-	-	-	-	-	-	-	-
Total Working Capital	TWC		$ 1,363,899	$ 953,846	$ 462,510	$ 2,556,951	$ 1,513,984	$ 2,471,536	$ 539,863	$ -
Deferred Debits										
Service Pension Cost	PENSCOST	TLB	-	-	-	-	-	-	-	-
Other Deferred Debits	DDEBPP	OMSUB2	-	-	-	-	-	-	-	-
Total Deferred Debits			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Customer Advances	CSTDEP	F027	-	-	-	-	-	-	-	-
Accumulated Deferred Income Taxes										
Accumulated Deferred Income Taxes	DIT	TPIS	13,207,211	9,236,494	4,587,016	5,320,810	14,579,413	-	-	-
FAS 109 Deferred Income Taxes	DIT	TPIS	-	-	-	-	-	-	-	-
Asset Retirement Obligation-Net Assets	DIT	TPIS	-	-	-	-	-	-	-	-
Asset Retirement Obligation-Regulatory Liabilities	DIT	TPIS	-	-	-	-	-	-	-	-
Total Accumulated Deferred Income Tax			$ 13,207,211	$ 9,236,494	$ 4,587,016	$ 5,320,810	$ 14,579,413	$ -	$ -	$ -
Investment Tax Credits										
Total Production Plant	DIT	F017	-	-	-	-	-	-	-	-
Total Transmission Plant	DIT	PTRAN	-	-	-	-	-	-	-	-
Total Distribution Plant	DIT	PDIST	-	-	-	-	-	-	-	-
Total General Plant	DIT	PT&D	-	-	-	-	-	-	-	-
Total Investment Tax Credit			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Rate Base	RB		$ 55,853,391	$ 39,061,200	$ 19,387,335	$ 24,509,219	$ 61,664,820	$ 2,471,536	$ 539,863	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
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12 Months Ended June 30, 2018

Description	Name	Functional Vector		Total System		Production Demand Base		Production Demand Winter Peak		Production Demand Summer Peak		Production Energy		Transmission Demand Demand
Operation and Maintenance Expenses														
Steam Power Generation Operation Expenses														
500 OPERATION SUPERVISION & ENGINEERING	OM500	LBSUB1	$	4,922,985		1,431,481		1,499,567		1,232,639		759,298		-
501 FUEL	OM501	Energy		293,912,722		-		-		-		293,912,722		-
502 STEAM EXPENSES	OM502	PROFIX		18,526,106		6,369,300		6,672,244		5,484,562		-		-
504 STEAM TRANSFER EXPENSES	OM504	PROFIX		-		-		-		-		-		-
505 ELECTRIC EXPENSES	OM505	PROFIX		2,617,219		899,803		942,601		774,815		-		-
506 MISC. STEAM POWER EXPENSES	OM506	PROFIX		9,946,165		3,419,505		3,582,147		2,944,513		-		-
507 RENTS	OM507	PROFIX				-		-		-		-		-
509 ALLOWANCES	OM509	PROFIX		-		-		-		-		-		-
Total Steam Power Operation Expenses			$	329,925,198	$	12,120,089	$	12,696,560	$	10,436,529	$	294,672,020	$	-
Steam Power Generation Maintenance Expenses														
510 MAINTENANCE SUPERVISION & ENGINEERING	OM510	LBSUB2	$	4,351,845		-		-		-		4,351,845		-
511 MAINTENANCE OF STRUCTURES	OM511	PROFIX		4,128,301		1,419,315		1,486,823		1,222,163		-		-
512 MAINTENANCE OF BOILER PLANT	OM512	Energy		34,257,481		-		-		-		34,257,481		-
513 MAINTENANCE OF ELECTRIC PLANT	OM513	Energy		15,421,014		-		-		-		15,421,014		-
514 MAINTENANCE OF MISC STEAM PLANT	OM514	Energy		1,072,820		-		-		-		1,072,820		-
Total Steam Power Generation Maintenance Expense			$	59,231,461	$	1,419,315	$	1,486,823	$	1,222,163	$	55,103,160	$	-
Total Steam Power Generation Expense			$	389,156,659	$	13,539,404	$	14,183,382	$	11,658,693	$	349,775,180	$	-
Hydraulic Power Generation Operation Expenses														
535 OPERATION SUPERVISION & ENGINEERING	OM535	LBSUB3	$	121,406		41,740		43,725		35,942		-		-
536 WATER FOR POWER	OM536	PROFIX		40,614		13,963		14,627		12,024		-		-
537 HYDRAULIC EXPENSES	OM537	PROFIX		-		-		-		-		-		-
538 ELECTRIC EXPENSES	OM538	PROFIX		180,161		61,940		64,886		53,336		-		-
539 MISC. HYDRAULIC POWER EXPENSES	OM539	PROFIX		348,792		119,915		125,619		103,258		-		-
540 RENTS		PROFIX		545,400		187,509		196,428		161,463		-		-
Total Hydraulic Power Operation Expenses			$	1,236,373	$	425,067	$	445,284	$	366,022	$	-	$	-
Hydraulic Power Generation Maintenance Expenses														
541 MAINTENANCE SUPERVISION & ENGINEERING	OM541	LBSUB4	$	-		-		-		-		-		-
542 MAINTENANCE OF STRUCTURES	OM542	PROFIX		244,992		84,229		88,235		72,529		-		-
543 MAINT. OF RESERVES, DAMS, AND WATERWAYS	OM543	PROFIX		190,785		65,592		68,712		56,481		-		-
544 MAINTENANCE OF ELECTRIC PLANT	OM544	Energy		371,119		-		-		-		371,119		-
545 MAINTENANCE OF MISC HYDRAULIC PLANT	OM545	Energy		58,972		-		-		-		58,972		-
Total Hydraulic Power Generation Maint. Expense			$	865,868	$	149,821	$	156,947	$	129,010	$	430,091	$	-
Total Hydraulic Power Generation Expense			$	2,102,241	$	574,887	$	602,231	$	495,032	$	430,091	$	-
Other Power Generation Operation Expense														
546 OPERATION SUPERVISION & ENGINEERING	OM546	LBSUB5	$	604,185		207,720		217,599		178,866		-		-
547 FUEL	OM547	Energy		57,317,664		-		-		-		57,317,664		-
548 GENERATION EXPENSE	OM548	PROFIX		280,735		96,517		101,108		83,110		-		-
549 MISC OTHER POWER GENERATION	OM549	PROFIX		1,105,538		380,085		398,164		327,289		-		-
550 RENTS	OM550	PROFIX		5,706		1,962		2,055		1,689		-		-
Total Other Power Generation Expenses			$	59,313,828	$	686,284	$	718,926	$	590,955	$	57,317,664	$	-

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12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Operation and Maintenance Expenses								
Steam Power Generation Operation Expenses								
500 OPERATION SUPERVISION & ENGINEERING	OM500	LBSUB1	-	-	-	-	-	-
501 FUEL	OM501	Energy	-	-	-	-	-	-
502 STEAM EXPENSES	OM502	PROFIX	-	-	-	-	-	-
504 STEAM TRANSFER EXPENSES	OM504	PROFIX	-	-	-	-	-	-
505 ELECTRIC EXPENSES	OM505	PROFIX	-	-	-	-	-	-
506 MISC. STEAM POWER EXPENSES	OM506	PROFIX	-	-	-	-	-	-
507 RENTS	OM507	PROFIX	-	-	-	-	-	-
509 ALLOWANCES	OM509	PROFIX	-	-	-	-	-	-
Total Steam Power Operation Expenses			$ -	$ -	$ -	$ -	$ -	$ -
Steam Power Generation Maintenance Expenses								
510 MAINTENANCE SUPERVISION & ENGINEERING	OM510	LBSUB2	-	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	OM511	PROFIX	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	OM512	Energy	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	OM513	Energy	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	OM514	Energy	-	-	-	-	-	-
Total Steam Power Generation Maintenance Expense			$ -	$ -	$ -	$ -	$ -	$ -
Total Steam Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Operation Expenses								
535 OPERATION SUPERVISION & ENGINEERING	OM535	LBSUB3	-	-	-	-	-	-
536 WATER FOR POWER	OM536	PROFIX	-	-	-	-	-	-
537 HYDRAULIC EXPENSES	OM537	PROFIX	-	-	-	-	-	-
538 ELECTRIC EXPENSES	OM538	PROFIX	-	-	-	-	-	-
539 MISC. HYDRAULIC POWER EXPENSES	OM539	PROFIX	-	-	-	-	-	-
540 RENTS		PROFIX	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses			$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Maintenance Expenses								
541 MAINTENANCE SUPERVISION & ENGINEERING	OM541	LBSUB4	-	-	-	-	-	-
542 MAINTENANCE OF STRUCTURES	OM542	PROFIX	-	-	-	-	-	-
543 MAINT. OF RESERVES, DAMS, AND WATERWAYS	OM543	PROFIX	-	-	-	-	-	-
544 MAINTENANCE OF ELECTRIC PLANT	OM544	Energy	-	-	-	-	-	-
545 MAINTENANCE OF MISC HYDRAULIC PLANT	OM545	Energy	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense			$ -	$ -	$ -	$ -	$ -	$ -
Total Hydraulic Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -
Other Power Generation Operation Expense								
546 OPERATION SUPERVISION & ENGINEERING	OM546	LBSUB5	-	-	-	-	-	-
547 FUEL	OM547	Energy	-	-	-	-	-	-
548 GENERATION EXPENSE	OM548	PROFIX	-	-	-	-	-	-
549 MISC OTHER POWER GENERATION	OM549	PROFIX	-	-	-	-	-	-
550 RENTS	OM550	PROFIX	-	-	-	-	-	-
Total Other Power Generation Expenses			$ -	$ -	$ -	$ -	$ -	$ -

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Operation and Maintenance Expenses										
Steam Power Generation Operation Expenses										
500 OPERATION SUPERVISION & ENGINEERING	OM500	LBSUB1	-	-	-	-	-	-	-	-
501 FUEL	OM501	Energy	-	-	-	-	-	-	-	-
502 STEAM EXPENSES	OM502	PROFIX	-	-	-	-	-	-	-	-
504 STEAM TRANSFER EXPENSES	OM504	PROFIX	-	-	-	-	-	-	-	-
505 ELECTRIC EXPENSES	OM505	PROFIX	-	-	-	-	-	-	-	-
506 MISC. STEAM POWER EXPENSES	OM506	PROFIX	-	-	-	-	-	-	-	-
507 RENTS	OM507	PROFIX	-	-	-	-	-	-	-	-
509 ALLOWANCES	OM509	PROFIX	-	-	-	-	-	-	-	-
Total Steam Power Operation Expenses			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Steam Power Generation Maintenance Expenses										
510 MAINTENANCE SUPERVISION & ENGINEERING	OM510	LBSUB2	-	-	-	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	OM511	PROFIX	-	-	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	OM512	Energy	-	-	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	OM513	Energy	-	-	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	OM514	Energy	-	-	-	-	-	-	-	-
Total Steam Power Generation Maintenance Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Steam Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Operation Expenses										
535 OPERATION SUPERVISION & ENGINEERING	OM535	LBSUB3	-	-	-	-	-	-	-	-
536 WATER FOR POWER	OM536	PROFIX	-	-	-	-	-	-	-	-
537 HYDRAULIC EXPENSES	OM537	PROFIX	-	-	-	-	-	-	-	-
538 ELECTRIC EXPENSES	OM538	PROFIX	-	-	-	-	-	-	-	-
539 MISC. HYDRAULIC POWER EXPENSES	OM539	PROFIX	-	-	-	-	-	-	-	-
540 RENTS		PROFIX	-	-	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Maintenance Expenses										
541 MAINTENANCE SUPERVISION & ENGINEERING	OM541	LBSUB4	-	-	-	-	-	-	-	-
542 MAINTENANCE OF STRUCTURES	OM542	PROFIX	-	-	-	-	-	-	-	-
543 MAINT. OF RESERVES, DAMS, AND WATERWAYS	OM543	PROFIX	-	-	-	-	-	-	-	-
544 MAINTENANCE OF ELECTRIC PLANT	OM544	Energy	-	-	-	-	-	-	-	-
545 MAINTENANCE OF MISC HYDRAULIC PLANT	OM545	Energy	-	-	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Hydraulic Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Power Generation Operation Expense										
546 OPERATION SUPERVISION & ENGINEERING	OM546	LBSUB5	-	-	-	-	-	-	-	-
547 FUEL	OM547	Energy	-	-	-	-	-	-	-	-
548 GENERATION EXPENSE	OM548	PROFIX	-	-	-	-	-	-	-	-
549 MISC OTHER POWER GENERATION	OM549	PROFIX	-	-	-	-	-	-	-	-
550 RENTS	OM550	PROFIX	-	-	-	-	-	-	-	-
Total Other Power Generation Expenses			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Operation and Maintenance Expenses (Continued)								
Other Power Generation Maintenance Expense								
551 MAINTENANCE SUPERVISION & ENGINEERING	OM551	PROFIX	$ 256,698	88,253	92,451	75,994	-	-
552 MAINTENANCE OF STRUCTURES	OM552	PROFIX	560,673	192,760	201,928	165,984	-	-
553 MAINTENANCE OF GENERATING & ELEC PLANT	OM553	PROFIX	2,652,503	911,934	955,309	785,260	-	-
554 MAINTENANCE OF MISC OTHER POWER GEN PLT	OM554	PROFIX	1,112,788	382,578	400,775	329,435	-	-
Total Other Power Generation Maintenance Expense			$ 4,582,662	$ 1,575,525	$ 1,650,462	$ 1,356,674	$ -	$ -
Total Other Power Generation Expense			$ 63,896,490	$ 2,261,809	$ 2,369,388	$ 1,947,629	$ 57,317,664	$ -
Total Station Expense			$ 455,155,390	$ 16,376,100	$ 17,155,001	$ 14,101,353	$ 407,522,935	$ -
Other Power Supply Expenses								
555 PURCHASED POWER	OM555	OMPP	$ 53,937,678	5,575,353	5,840,535	4,800,900	37,720,890	-
555 PURCHASED POWER OPTIONS	OMO555	OMPP	-	-	-	-	-	-
555 BROKERAGE FEES	OMB555	OMPP	-	-	-	-	-	-
555 MISO TRANSMISSION EXPENSES	OMM555	OMPP	-	-	-	-	-	-
556 SYSTEM CONTROL AND LOAD DISPATCH	OM556	PROFIX	1,248,388	429,197	449,611	369,579	-	-
557 OTHER EXPENSES	OM557	PROFIX	3,807	1,309	1,371	1,127	-	-
558 DUPLICATE CHARGES	OM558	Energy	-	-	-	-	-	-
Total Other Power Supply Expenses	TPP		$ 55,189,873	$ 6,005,859	$ 6,291,518	$ 5,171,606	$ 37,720,890	$ -
Total Electric Power Generation Expenses			$ 510,345,263	$ 22,381,959	$ 23,446,519	$ 19,272,960	$ 445,243,825	$ -
Transmission Expenses								
560 OPERATION SUPERVISION AND ENG	OM560	LBTRAN	$ 1,013,327	-	-	-	-	1,013,327
561 LOAD DISPATCHING	OM561	LBTRAN	2,208,583	-	-	-	-	2,208,583
562 STATION EXPENSES	OM562	LBTRAN	928,949	-	-	-	-	928,949
563 OVERHEAD LINE EXPENSES	OM563	LBTRAN	244,298	-	-	-	-	244,298
565 TRANSMISSION OF ELECTRICITY BY OTHERS	OM565	LBTRAN	36,638	-	-	-	-	36,638
566 MISC. TRANSMISSION EXPENSES	OM566	PTRAN	6,948,940	-	-	-	-	6,948,940
567 RENTS	OM567	PTRAN	67,500	-	-	-	-	67,500
568 MAINTENACE SUPERVISION AND ENG	OM568	LBTRAN		-	-	-	-	-
569 STRUCTURES	OM569	LBTRAN	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	OM570	LBTRAN	1,490,332	-	-	-	-	1,490,332
571 MAINT OF OVERHEAD LINES	OM571	LBTRAN	3,342,881	-	-	-	-	3,342,881
572 UNDERGROUND LINES	OM572	LBTRAN	-	-	-	-	-	-
573 MISC PLANT	OM573	PTRAN	228,063	-	-	-	-	228,063
575 MARKET FACILITATION, MONITORING AND COMPLIANCE	OM575	LBTRAN	-	-	-	-	-	-
Total Transmission Expenses			$ 16,509,511	$ -	$ -	$ -	$ -	$ 16,509,511

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Operation and Maintenance Expenses (Continued)								
Other Power Generation Maintenance Expense								
551 MAINTENANCE SUPERVISION & ENGINEERING	OM551	PROFIX	-	-	-	-	-	-
552 MAINTENANCE OF STRUCTURES	OM552	PROFIX	-	-	-	-	-	-
553 MAINTENANCE OF GENERATING & ELEC PLANT	OM553	PROFIX	-	-	-	-	-	-
554 MAINTENANCE OF MISC OTHER POWER GEN PLT	OM554	PROFIX	-	-	-	-	-	-
Total Other Power Generation Maintenance Expense			$ -	$ -	$ -	$ -	$ -	$ -
Total Other Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -
Total Station Expense			$ -	$ -	$ -	$ -	$ -	$ -
Other Power Supply Expenses								
555 PURCHASED POWER	OM555	OMPP	-	-	-	-	-	-
555 PURCHASED POWER OPTIONS	OMO555	OMPP	-	-	-	-	-	-
555 BROKERAGE FEES	OMB555	OMPP	-	-	-	-	-	-
555 MISO TRANSMISSION EXPENSES	OMM555	OMPP	-	-	-	-	-	-
556 SYSTEM CONTROL AND LOAD DISPATCH	OM556	PROFIX	-	-	-	-	-	-
557 OTHER EXPENSES	OM557	PROFIX	-	-	-	-	-	-
558 DUPLICATE CHARGES	OM558	Energy	-	-	-	-	-	-
Total Other Power Supply Expenses	TPP		$ -	$ -	$ -	$ -	$ -	$ -
Total Electric Power Generation Expenses			$ -	$ -	$ -	$ -	$ -	$ -
Transmission Expenses								
560 OPERATION SUPERVISION AND ENG	OM560	LBTRAN	-	-	-	-	-	-
561 LOAD DISPATCHING	OM561	LBTRAN	-	-	-	-	-	-
562 STATION EXPENSES	OM562	LBTRAN	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	OM563	LBTRAN	-	-	-	-	-	-
565 TRANSMISSION OF ELECTRICITY BY OTHERS	OM565	LBTRAN	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	OM566	PTRAN	-	-	-	-	-	-
567 RENTS	OM567	PTRAN	-	-	-	-	-	-
568 MAINTENACE SUPERVISION AND ENG	OM568	LBTRAN	-	-	-	-	-	-
569 STRUCTURES	OM569	LBTRAN	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	OM570	LBTRAN	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	OM571	LBTRAN	-	-	-	-	-	-
572 UNDERGROUND LINES	OM572	LBTRAN	-	-	-	-	-	-
573 MISC PLANT	OM573	PTRAN	-	-	-	-	-	-
575 MARKET FACILITATION, MONITORING AND COMPLIANCE	OM575	LBTRAN	-	-	-	-	-	-
Total Transmission Expenses			$ -	$ -	$ -	$ -	$ -	$ -

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12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Operation and Maintenance Expenses (Continued)										
Other Power Generation Maintenance Expense										
551 MAINTENANCE SUPERVISION & ENGINEERING	OM551	PROFIX	-	-	-	-	-	-	-	-
552 MAINTENANCE OF STRUCTURES	OM552	PROFIX	-	-	-	-	-	-	-	-
553 MAINTENANCE OF GENERATING & ELEC PLANT	OM553	PROFIX	-	-	-	-	-	-	-	-
554 MAINTENANCE OF MISC OTHER POWER GEN PLT	OM554	PROFIX	-	-	-	-	-	-	-	-
Total Other Power Generation Maintenance Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Other Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Station Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Power Supply Expenses										
555 PURCHASED POWER	OM555	OMPP	-	-	-	-	-	-	-	-
555 PURCHASED POWER OPTIONS	OMO555	OMPP	-	-	-	-	-	-	-	-
555 BROKERAGE FEES	OMB555	OMPP	-	-	-	-	-	-	-	-
555 MISO TRANSMISSION EXPENSES	OMM555	OMPP	-	-	-	-	-	-	-	-
556 SYSTEM CONTROL AND LOAD DISPATCH	OM556	PROFIX	-	-	-	-	-	-	-	-
557 OTHER EXPENSES	OM557	PROFIX	-	-	-	-	-	-	-	-
558 DUPLICATE CHARGES	OM558	Energy	-	-	-	-	-	-	-	-
Total Other Power Supply Expenses	TPP		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Electric Power Generation Expenses			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transmission Expenses										
560 OPERATION SUPERVISION AND ENG	OM560	LBTRAN	-	-	-	-	-	-	-	-
561 LOAD DISPATCHING	OM561	LBTRAN	-	-	-	-	-	-	-	-
562 STATION EXPENSES	OM562	LBTRAN	-	-	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	OM563	LBTRAN	-	-	-	-	-	-	-	-
565 TRANSMISSION OF ELECTRICITY BY OTHERS	OM565	LBTRAN	-	-	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	OM566	PTRAN	-	-	-	-	-	-	-	-
567 RENTS	OM567	PTRAN	-	-	-	-	-	-	-	-
568 MAINTENACE SUPERVISION AND ENG	OM568	LBTRAN	-	-	-	-	-	-	-	-
569 STRUCTURES	OM569	LBTRAN	-	-	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	OM570	LBTRAN	-	-	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	OM571	LBTRAN	-	-	-	-	-	-	-	-
572 UNDERGROUND LINES	OM572	LBTRAN	-	-	-	-	-	-	-	-
573 MISC PLANT	OM573	PTRAN	-	-	-	-	-	-	-	-
575 MARKET FACILITATION, MONITORING AND COMPLIANCE	OM575	LBTRAN	-	-	-	-	-	-	-	-
Total Transmission Expenses			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Description	Name	Functional Vector		Total System		Production Demand Base		Production Demand Winter Peak		Production Demand Summer Peak		Production Energy		Transmission Demand Demand
Operation and Maintenance Expenses (Continued)														
Distribution Operation Expense														
580 OPERATION SUPERVISION AND ENGI	OM580	LBDO	$	1,814,624		-		-		-		-		-
581 LOAD DISPATCHING	OM581	P362		741,674		-		-		-		-		-
582 STATION EXPENSES	OM582	P362		1,941,657		-		-		-		-		-
583 OVERHEAD LINE EXPENSES	OM583	P365		5,880,672		-		-		-		-		-
584 UNDERGROUND LINE EXPENSES	OM584	P367		535,725		-		-		-		-		-
585 STREET LIGHTING EXPENSE	OM585	P373		-		-		-		-		-		-
586 METER EXPENSES	OM586	P370		8,277,541		-		-		-		-		-
586 METER EXPENSES - LOAD MANAGEMENT	OM586x	F012		-		-		-		-		-		-
587 CUSTOMER INSTALLATIONS EXPENSE	OM587	PDIST		(79,200)		-		-		-		-		-
588 MISCELLANEOUS DISTRIBUTION EXP	OM588	PDIST		5,593,730		-		-		-		-		-
588 MISC DISTR EXP -- MAPPIN	OM588x	PDIST				-		-		-		-		-
589 RENTS	OM589	PDIST		8,165		-		-		-		-		-
Total Distribution Operation Expense	OMDO		$	24,714,588	$	-	$	-	$	-	$	-	$	-
Distribution Maintenance Expense														
590 MAINTENANCE SUPERVISION AND EN	OM590	LBDM	$	77,850		-		-		-		-		-
591 STRUCTURES	OM591	P362		-		-		-		-		-		-
592 MAINTENANCE OF STATION EQUIPME	OM592	P362		1,167,866		-		-		-		-		-
593 MAINTENANCE OF OVERHEAD LINES	OM593	P365		23,665,349		-		-		-		-		-
594 MAINTENANCE OF UNDERGROUND LIN	OM594	P367		1,604,057		-		-		-		-		-
595 MAINTENANCE OF LINE TRANSFORME	OM595	P368		334,735		-		-		-		-		-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	OM596	P373		355,341		-		-		-		-		-
597 MAINTENANCE OF METERS	OM597	P370		1,427,898		-		-		-		-		-
598 MISCELLANEOUS DISTRIBUTION EXPENSES	OM598	PDIST		671,832		-		-		-		-		-
Total Distribution Maintenance Expense	OMDM		$	29,304,928	$	-	$	-	$	-	$	-	$	-
Total Distribution Operation and Maintenance Expenses			$	54,019,516		-		-		-		-		-
Transmission and Distribution Expenses			$	70,529,027		-		-		-		-		16,509,511
Production, Transmission and Distribution Expenses	OMSUB		$	580,874,290	$	22,381,959	$	23,446,519	$	19,272,960	$	445,243,825	$	16,509,511

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Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Operation and Maintenance Expenses (Continued)								
Distribution Operation Expense								
580 OPERATION SUPERVISION AND ENGI	OM580	LBDO	336,695	-	182,918	278,035	58,766	86,953
581 LOAD DISPATCHING	OM581	P362	741,674	-	-	-	-	-
582 STATION EXPENSES	OM582	P362	1,941,657	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	OM583	P365	-	-	1,756,248	2,547,227	643,654	933,542
584 UNDERGROUND LINE EXPENSES	OM584	P367	-	-	168,164	303,809	22,715	41,037
585 STREET LIGHTING EXPENSE	OM585	P373	-	-	-	-	-	-
586 METER EXPENSES	OM586	P370	-	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	OM586x	F012	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	OM587	PDIST	(8,874)	-	(15,175)	(24,149)	(4,172)	(6,340)
588 MISCELLANEOUS DISTRIBUTION EXP	OM588	PDIST	626,735	-	1,071,781	1,705,602	294,637	447,746
588 MISC DISTR EXP -- MAPPIN	OM588x	PDIST	-	-	-	-	-	-
589 RENTS	OM589	PDIST	915	-	1,564	2,490	430	654
Total Distribution Operation Expense	OMDO		$ 3,638,802	$ -	$ 3,165,501	$ 4,813,014	$ 1,016,029	$ 1,503,593
Distribution Maintenance Expense								
590 MAINTENANCE SUPERVISION AND EN	OM590	LBDM	4,736	-	21,381	32,085	7,138	10,498
591 STRUCTURES	OM591	P362	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	OM592	P362	1,167,866	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	OM593	P365	-	-	7,067,599	10,250,703	2,590,230	3,756,817
594 MAINTENANCE OF UNDERGROUND LIN	OM594	P367	-	-	503,514	909,660	68,012	122,871
595 MAINTENANCE OF LINE TRANSFORME	OM595	P368	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	OM596	P373	-	-	-	-	-	-
597 MAINTENANCE OF METERS	OM597	P370	-	-	-	-	-	-
598 MISCELLANEOUS DISTRIBUTION EXPENSES	OM598	PDIST	75,274	-	128,726	204,850	35,387	53,776
Total Distribution Maintenance Expense	OMDM		$ 1,247,876	$ -	$ 7,721,220	$ 11,397,299	$ 2,700,767	$ 3,943,963
Total Distribution Operation and Maintenance Expenses			4,886,677	-	10,886,721	16,210,312	3,716,796	5,447,555
Transmission and Distribution Expenses			4,886,677	-	10,886,721	16,210,312	3,716,796	5,447,555
Production, Transmission and Distribution Expenses	OMSUB		$ 4,886,677	$ -	$ 10,886,721	$ 16,210,312	$ 3,716,796	$ 5,447,555

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12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Operation and Maintenance Expenses (Continued)										
Distribution Operation Expense										
580 OPERATION SUPERVISION AND ENGI	OM580	LBDO	23,619	16,518	8,203	796,842	26,073	-	-	-
581 LOAD DISPATCHING	OM581	P362	-	-	-	-	-	-	-	-
582 STATION EXPENSES	OM582	P362	-	-	-	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	OM583	P365	-	-	-	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	OM584	P367	-	-	-	-	-	-	-	-
585 STREET LIGHTING EXPENSE	OM585	P373	-	-	-	-	-	-	-	-
586 METER EXPENSES	OM586	P370	-	-	-	8,277,541	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	OM586x	F012	-	-	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	OM587	PDIST	(5,767)	(4,033)	(2,003)	(2,323)	(6,366)	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	OM588	PDIST	407,277	284,830	141,452	164,080	449,592	-	-	-
588 MISC DISTR EXP -- MAPPIN	OM588x	PDIST	-	-	-	-	-	-	-	-
589 RENTS	OM589	PDIST	594	416	206	240	656	-	-	-
Total Distribution Operation Expense	OMDO		$ 425,724	$ 297,731	$ 147,859	$ 9,236,380	$ 469,956	$ -	$ -	$ -
Distribution Maintenance Expense										
590 MAINTENANCE SUPERVISION AND EN	OM590	LBDM	1,088	761	-	-	162	-	-	-
591 STRUCTURES	OM591	P362	-	-	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	OM592	P362	-	-	-	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	OM593	P365	-	-	-	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	OM594	P367	-	-	-	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	OM595	P368	196,978	137,757	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	OM596	P373	-	-	-	-	355,341	-	-	-
597 MAINTENANCE OF METERS	OM597	P370	-	-	-	1,427,898	-	-	-	-
598 MISCELLANEOUS DISTRIBUTION EXPENSES	OM598	PDIST	48,916	34,209	16,989	19,707	53,998	-	-	-
Total Distribution Maintenance Expense	OMDM		$ 246,982	$ 172,728	$ 16,989	$ 1,447,605	$ 409,501	$ -	$ -	$ -
Total Distribution Operation and Maintenance Expenses			672,706	470,459	164,848	10,683,985	879,457	-	-	-
Transmission and Distribution Expenses			672,706	470,459	164,848	10,683,985	879,457	-	-	-
Production, Transmission and Distribution Expenses	OMSUB		$ 672,706	$ 470,459	$ 164,848	$ 10,683,985	$ 879,457	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Operation and Maintenance Expenses (Continued)								
Customer Accounts Expense								
901 SUPERVISION/CUSTOMER ACCTS	OM901	F025	$ 1,267,537	-	-	-	-	-
902 METER READING EXPENSES	OM902	F025	2,546,374	-	-	-	-	-
903 RECORDS AND COLLECTION	OM903	F025	7,699,624	-	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	OM904	F025	2,477,177	-	-	-	-	-
905 MISC CUST ACCOUNTS	OM903	F025	1,288	-	-	-	-	-
Total Customer Accounts Expense	OMCA		$ 13,992,000	$ -	$ -	$ -	$ -	$ -
Customer Service Expense								
907 SUPERVISION	OM907	F026	$ 364,585	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	OM908	F026	289,821	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-INCENTIVES	OM908x	F026		-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	OM909	F026	257,472	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	OM909x	F026		-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	OM910	F026	823,663	-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	OM911	F026		-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	OM912	F026		-	-	-	-	-
913 ADVERTISING EXPENSES	OM913	F026	950,847	-	-	-	-	-
915 MDSE-JOBBING-CONTRACT	OM915	F026		-	-	-	-	-
916 MISC SALES EXPENSE	OM916	F026		-	-	-	-	-
Total Customer Service Expense	OMCS		$ 2,686,388	$ -	$ -	$ -	$ -	$ -
Sub-Total Prod, Trans, Dist, Cust Acct and Cust Service	OMSUB2		597,552,678	22,381,959	23,446,519	19,272,960	445,243,825	16,509,511

LOUISVILLE GAS AND ELECTRIC COMPANY
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Operation and Maintenance Expenses (Continued)								
Customer Accounts Expense								
901 SUPERVISION/CUSTOMER ACCTS	OM901	F025	-	-	-	-	-	-
902 METER READING EXPENSES	OM902	F025	-	-	-	-	-	-
903 RECORDS AND COLLECTION	OM903	F025	-	-	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	OM904	F025	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	OM903	F025	-	-	-	-	-	-
Total Customer Accounts Expense	OMCA		$ -	$ -	$ -	$ -	$ -	$ -
Customer Service Expense								
907 SUPERVISION	OM907	F026	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	OM908	F026	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-INCENTIVES	OM908x	F026	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	OM909	F026	-	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	OM909x	F026	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	OM910	F026	-	-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	OM911	F026	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	OM912	F026	-	-	-	-	-	-
913 ADVERTISING EXPENSES	OM913	F026	-	-	-	-	-	-
915 MDSE-JOBBING-CONTRACT	OM915	F026	-	-	-	-	-	-
916 MISC SALES EXPENSE	OM916	F026	-	-	-	-	-	-
Total Customer Service Expense	OMCS		$ -	$ -	$ -	$ -	$ -	$ -
Sub-Total Prod, Trans, Dist, Cust Acct and Cust Service	OMSUB2		4,886,677	-	10,886,721	16,210,312	3,716,796	5,447,555

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Operation and Maintenance Expenses (Continued)										
Customer Accounts Expense										
901 SUPERVISION/CUSTOMER ACCTS	OM901	F025	-	-	-	-	-	1,267,537	-	-
902 METER READING EXPENSES	OM902	F025	-	-	-	-	-	2,546,374	-	-
903 RECORDS AND COLLECTION	OM903	F025	-	-	-	-	-	7,699,624	-	-
904 UNCOLLECTIBLE ACCOUNTS	OM904	F025	-	-	-	-	-	2,477,177	-	-
905 MISC CUST ACCOUNTS	OM903	F025	-	-	-	-	-	1,288	-	-
Total Customer Accounts Expense	OMCA		$ -	$ -	$ -	$ -	$ -	$ 13,992,000	$ -	$ -
Customer Service Expense										
907 SUPERVISION	OM907	F026	-	-	-	-	-	-	364,585	-
908 CUSTOMER ASSISTANCE EXPENSES	OM908	F026	-	-	-	-	-	-	289,821	-
908 CUSTOMER ASSISTANCE EXP-INCENTIVES	OM908x	F026	-	-	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	OM909	F026	-	-	-	-	-	-	257,472	-
909 INFORM AND INSTRUC -LOAD MGMT	OM909x	F026	-	-	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	OM910	F026	-	-	-	-	-	-	823,663	-
911 DEMONSTRATION AND SELLING EXP	OM911	F026	-	-	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	OM912	F026	-	-	-	-	-	-	-	-
913 ADVERTISING EXPENSES	OM913	F026	-	-	-	-	-	-	950,847	-
915 MDSE-JOBBING-CONTRACT	OM915	F026	-	-	-	-	-	-	-	-
916 MISC SALES EXPENSE	OM916	F026	-	-	-	-	-	-	-	-
Total Customer Service Expense	OMCS		$ -	$ -	$ -	$ -	$ -	$ -	$ 2,686,388	$ -
Sub-Total Prod, Trans, Dist, Cust Acct and Cust Service	OMSUB2		672,706	470,459	164,848	10,683,985	879,457	13,992,000	2,686,388	-

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Operation and Maintenance Expenses (Continued)								
Administrative and General Expense								
920 ADMIN. & GEN. SALARIES-	OM920	LBSUB7	$ 27,330,835	3,179,339	3,330,558	2,737,708	6,907,180	1,638,279
921 OFFICE SUPPLIES AND EXPENSES	OM921	LBSUB7	5,910,353	687,539	720,241	592,035	1,493,693	354,281
922 ADMINISTRATIVE EXPENSES TRANSFERRED	OM922	LBSUB7	(4,320,827)	(502,633)	(526,540)	(432,814)	(1,091,980)	(259,001)
923 OUTSIDE SERVICES EMPLOYED	OM923	LBSUB7	15,873,533	1,846,535	1,934,362	1,590,039	4,011,635	951,499
924 PROPERTY INSURANCE	OM924	TUP	4,610,558	891,486	933,888	767,653	-	491,106
925 INJURIES AND DAMAGES	OM925	LBSUB7	2,835,056	329,796	345,482	283,985	716,489	169,940
926 EMPLOYEE BENEFITS	OM926	LBSUB7	29,197,096	3,396,437	3,557,983	2,924,650	7,378,830	1,750,147
927 FRANCHISE REQUIREMENTS	OM927	TUP	-	-	-	-	-	-
928 REGULATORY COMMISSION FEES	OM928	TUP	1,404,080	271,489	284,402	233,778	-	149,559
929 DUPLICATE CHARGES-CR	OM929	LBSUB7	(229,428)	(26,689)	(27,958)	(22,982)	(57,982)	(13,752)
930 MISCELLANEOUS GENERAL EXPENSES	OM930	LBSUB7	3,716,685	432,354	452,918	372,297	939,298	222,787
931 RENTS AND LEASES	OM931	PGP	1,123,825	216,717	227,025	186,614	-	120,907
935 MAINTENANCE OF GENERAL PLANT	OM935	PGP	617,459	119,070	124,734	102,531	-	66,430
Total Administrative and General Expense	OMAG		$ 88,069,225	$ 10,841,440	$ 11,357,095	$ 9,335,494	$ 20,297,163	$ 5,642,184
Total Operation and Maintenance Expenses	TOM		$ 685,621,903	$ 33,223,400	$ 34,803,614	$ 28,608,453	$ 465,540,988	$ 22,151,695
Operation and Maintenance Expenses Less Purchase Power	OMLPP		$ 631,684,225	$ 27,648,047	$ 28,963,079	$ 23,807,553	$ 427,820,099	$ 22,151,695

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Operation and Maintenance Expenses (Continued)								
Administrative and General Expense								
920 ADMIN. & GEN. SALARIES-	OM920	LBSUB7	1,025,946	-	970,304	1,465,760	317,639	468,593
921 OFFICE SUPPLIES AND EXPENSES	OM921	LBSUB7	221,863	-	209,830	316,974	68,690	101,334
922 ADMINISTRATIVE EXPENSES TRANSFERRED	OM922	LBSUB7	(162,195)	-	(153,399)	(231,727)	(50,217)	(74,082)
923 OUTSIDE SERVICES EMPLOYED	OM923	LBSUB7	595,861	-	563,545	851,302	184,482	272,155
924 PROPERTY INSURANCE	OM924	TUP	171,024	-	292,469	465,427	80,401	122,182
925 INJURIES AND DAMAGES	OM925	LBSUB7	106,422	-	100,651	152,045	32,949	48,608
926 EMPLOYEE BENEFITS	OM926	LBSUB7	1,096,001	-	1,036,560	1,565,849	339,329	500,590
927 FRANCHISE REQUIREMENTS	OM927	TUP	-	-	-	-	-	-
928 REGULATORY COMMISSION FEES	OM928	TUP	52,083	-	89,067	141,739	24,485	37,209
929 DUPLICATE CHARGES-CR	OM929	LBSUB7	(8,612)	-	(8,145)	(12,304)	(2,666)	(3,934)
930 MISCELLANEOUS GENERAL EXPENSES	OM930	LBSUB7	139,517	-	131,950	199,327	43,195	63,723
931 RENTS AND LEASES	OM931	PGP	41,743	-	71,384	113,599	19,624	29,821
935 MAINTENANCE OF GENERAL PLANT	OM935	PGP	22,934	-	39,220	62,414	10,782	16,385
Total Administrative and General Expense	OMAG		$ 3,302,587	$ -	$ 3,343,437	$ 5,090,404	$ 1,068,694	$ 1,582,585
Total Operation and Maintenance Expenses	TOM		$ 8,189,264	$ -	$ 14,230,158	$ 21,300,716	$ 4,785,490	$ 7,030,141
Operation and Maintenance Expenses Less Purchase Power	OMLPP		$ 8,189,264	$ -	$ 14,230,158	$ 21,300,716	$ 4,785,490	$ 7,030,141

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Operation and Maintenance Expenses (Continued)										
Administrative and General Expense										
920 ADMIN. & GEN. SALARIES-	OM920	LBSUB7	88,573	61,944	22,463	2,181,981	74,950	2,243,650	615,970	-
921 OFFICE SUPPLIES AND EXPENSES	OM921	LBSUB7	19,154	13,395	4,858	471,858	16,208	485,194	133,205	-
922 ADMINISTRATIVE EXPENSES TRANSFERRED	OM922	LBSUB7	(14,003)	(9,793)	(3,551)	(344,957)	(11,849)	(354,707)	(97,381)	-
923 OUTSIDE SERVICES EMPLOYED	OM923	LBSUB7	51,442	35,976	13,046	1,267,277	43,530	1,303,094	357,750	-
924 PROPERTY INSURANCE	OM924	TUP	111,138	77,725	38,600	44,774	122,685	-	-	-
925 INJURIES AND DAMAGES	OM925	LBSUB7	9,188	6,425	2,330	226,339	7,775	232,736	63,895	-
926 EMPLOYEE BENEFITS	OM926	LBSUB7	94,621	66,173	23,997	2,330,975	80,068	2,396,856	658,031	-
927 FRANCHISE REQUIREMENTS	OM927	TUP	-	-	-	-	-	-	-	-
928 REGULATORY COMMISSION FEES	OM928	TUP	33,846	23,670	11,755	13,635	37,362	-	-	-
929 DUPLICATE CHARGES-CR	OM929	LBSUB7	(744)	(520)	(189)	(18,317)	(629)	(18,834)	(5,171)	-
930 MISCELLANEOUS GENERAL EXPENSES	OM930	LBSUB7	12,045	8,424	3,055	296,725	10,192	305,111	83,765	-
931 RENTS AND LEASES	OM931	PGP	27,126	18,971	9,421	10,928	29,944	-	-	-
935 MAINTENANCE OF GENERAL PLANT	OM935	PGP	14,904	10,423	5,176	6,004	16,452	-	-	-
Total Administrative and General Expense	OMAG		$ 447,290	$ 312,813	$ 130,961	$ 6,487,224	$ 426,688	$ 6,593,101	$ 1,810,064	$ -
Total Operation and Maintenance Expenses	TOM		$ 1,119,996	$ 783,272	$ 295,809	$ 17,171,209	$ 1,306,145	$ 20,585,101	$ 4,496,452	$ -
Operation and Maintenance Expenses Less Purchase Power	OMLPP		$ 1,119,996	$ 783,272	$ 295,809	$ 17,171,209	$ 1,306,145	$ 20,585,101	$ 4,496,452	$ -
						$ 74,906,055				

LOUISVILLE GAS AND ELECTRIC COMPANY
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Labor Expenses								
Steam Power Generation Operation Expenses								
500 OPERATION SUPERVISION & ENGINEERING	LB500	F019	$ 3,138,068	912,472	955,872	785,724	484,001	-
501 FUEL	LB501	Energy	2,187,724	-	-	-	2,187,724	-
502 STEAM EXPENSES	LB502	PROFIX	8,374,877	2,879,294	3,016,242	2,479,341	-	-
504 STEAM TRANSFER EXPENSES	LB504	PROFIX	-	-	-	-	-	-
505 ELECTRIC EXPENSES	LB505	PROFIX	2,130,001	732,297	767,128	630,576	-	-
506 MISC. STEAM POWER EXPENSES	LB506	PROFIX	1,491,734	512,860	537,253	441,620	-	-
507 RENTS	LB507	PROFIX		-	-	-	-	-
Total Steam Power Operation Expenses	LBSUB1		$ 17,322,404	$ 5,036,923	$ 5,276,495	$ 4,337,261	$ 2,671,725	$ -
Steam Power Generation Maintenance Expenses								
510 MAINTENANCE SUPERVISION & ENGINEERING	LB510	F020	$ 3,390,539	-	-	-	3,390,539	-
511 MAINTENANCE OF STRUCTURES	LB511	PROFIX	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	LB512	Energy	4,117,208	-	-	-	4,117,208	-
513 MAINTENANCE OF ELECTRIC PLANT	LB513	Energy	2,830,954	-	-	-	2,830,954	-
514 MAINTENANCE OF MISC STEAM PLANT	LB514	Energy	57,828	-	-	-	57,828	-
Total Steam Power Generation Maintenance Expense	LBSUB2		$ 10,396,529	$ -	$ -	$ -	$ 10,396,529	$ -
Total Steam Power Generation Expense			$ 27,718,933	$ 5,036,923	$ 5,276,495	$ 4,337,261	$ 13,068,254	$ -
Hydraulic Power Generation Operation Expenses								
535 OPERATION SUPERVISION & ENGINEERING	LB535	F021	$ 95,870	32,960	34,528	28,382	-	-
536 WATER FOR POWER	LB536	PROFIX	-	-	-	-	-	-
537 HYDRAULIC EXPENSES	LB537	PROFIX		-	-	-	-	-
538 ELECTRIC EXPENSES	LB538	PROFIX	180,161	61,940	64,886	53,336	-	-
539 MISC. HYDRAULIC POWER EXPENSES	LB539	PROFIX	60,427	20,775	21,763	17,889	-	-
540 RENTS		PROFIX	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses	LBSUB3		$ 336,458	$ 115,675	$ 121,177	$ 99,607	$ -	$ -
Hydraulic Power Generation Maintenance Expenses								
541 MAINTENANCE SUPERVISION & ENGINEERING	LB541	F022	$ -	-	-	-	-	-
542 MAINTENANCE OF STRUCTURES	LB542	PROFIX	46,873	16,115	16,881	13,877	-	-
543 MAINT. OF RESERVES, DAMS, AND WATERWAYS	LB543	PROFIX	46,873	16,115	16,881	13,877	-	-
544 MAINTENANCE OF ELECTRIC PLANT	LB544	Energy	151,040	-	-	-	151,040	-
545 MAINTENANCE OF MISC HYDRAULIC PLANT	LB545	Energy	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense	LBSUB4		$ 244,786	$ 32,230	$ 33,763	$ 27,753	$ 151,040	$ -
Total Hydraulic Power Generation Expense			$ 581,244	$ 147,905	$ 154,940	$ 127,360	$ 151,040	$ -

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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Labor Expenses								
Steam Power Generation Operation Expenses								
500 OPERATION SUPERVISION & ENGINEERING	LB500	F019	-	-	-	-	-	-
501 FUEL	LB501	Energy	-	-	-	-	-	-
502 STEAM EXPENSES	LB502	PROFIX	-	-	-	-	-	-
504 STEAM TRANSFER EXPENSES	LB504	PROFIX	-	-	-	-	-	-
505 ELECTRIC EXPENSES	LB505	PROFIX	-	-	-	-	-	-
506 MISC. STEAM POWER EXPENSES	LB506	PROFIX	-	-	-	-	-	-
507 RENTS	LB507	PROFIX	-	-	-	-	-	-
Total Steam Power Operation Expenses	LBSUB1		$ -	$ -	$ -	$ -	$ -	$ -
Steam Power Generation Maintenance Expenses								
510 MAINTENANCE SUPERVISION & ENGINEERING	LB510	F020	-	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	LB511	PROFIX	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	LB512	Energy	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	LB513	Energy	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	LB514	Energy	-	-	-	-	-	-
Total Steam Power Generation Maintenance Expense	LBSUB2		$ -	$ -	$ -	$ -	$ -	$ -
Total Steam Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Operation Expenses								
535 OPERATION SUPERVISION & ENGINEERING	LB535	F021	-	-	-	-	-	-
536 WATER FOR POWER	LB536	PROFIX	-	-	-	-	-	-
537 HYDRAULIC EXPENSES	LB537	PROFIX	-	-	-	-	-	-
538 ELECTRIC EXPENSES	LB538	PROFIX	-	-	-	-	-	-
539 MISC. HYDRAULIC POWER EXPENSES	LB539	PROFIX	-	-	-	-	-	-
540 RENTS		PROFIX	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses	LBSUB3		$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Maintenance Expenses								
541 MAINTENANCE SUPERVISION & ENGINEERING	LB541	F022	-	-	-	-	-	-
542 MAINTENANCE OF STRUCTURES	LB542	PROFIX	-	-	-	-	-	-
543 MAINT. OF RESERVES, DAMS, AND WATERWAYS	LB543	PROFIX	-	-	-	-	-	-
544 MAINTENANCE OF ELECTRIC PLANT	LB544	Energy	-	-	-	-	-	-
545 MAINTENANCE OF MISC HYDRAULIC PLANT	LB545	Energy	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense	LBSUB4		$ -	$ -	$ -	$ -	$ -	$ -
Total Hydraulic Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Labor Expenses										
Steam Power Generation Operation Expenses										
500 OPERATION SUPERVISION & ENGINEERING	LB500	F019	-	-	-	-	-	-	-	-
501 FUEL	LB501	Energy	-	-	-	-	-	-	-	-
502 STEAM EXPENSES	LB502	PROFIX	-	-	-	-	-	-	-	-
504 STEAM TRANSFER EXPENSES	LB504	PROFIX	-	-	-	-	-	-	-	-
505 ELECTRIC EXPENSES	LB505	PROFIX	-	-	-	-	-	-	-	-
506 MISC. STEAM POWER EXPENSES	LB506	PROFIX	-	-	-	-	-	-	-	-
507 RENTS	LB507	PROFIX	-	-	-	-	-	-	-	-
Total Steam Power Operation Expenses	LBSUB1		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Steam Power Generation Maintenance Expenses										
510 MAINTENANCE SUPERVISION & ENGINEERING	LB510	F020	-	-	-	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	LB511	PROFIX	-	-	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	LB512	Energy	-	-	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	LB513	Energy	-	-	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	LB514	Energy	-	-	-	-	-	-	-	-
Total Steam Power Generation Maintenance Expense	LBSUB2		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Steam Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Operation Expenses										
535 OPERATION SUPERVISION & ENGINEERING	LB535	F021	-	-	-	-	-	-	-	-
536 WATER FOR POWER	LB536	PROFIX	-	-	-	-	-	-	-	-
537 HYDRAULIC EXPENSES	LB537	PROFIX	-	-	-	-	-	-	-	-
538 ELECTRIC EXPENSES	LB538	PROFIX	-	-	-	-	-	-	-	-
539 MISC. HYDRAULIC POWER EXPENSES	LB539	PROFIX	-	-	-	-	-	-	-	-
540 RENTS		PROFIX	-	-	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses	LBSUB3		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Maintenance Expenses										
541 MAINTENANCE SUPERVISION & ENGINEERING	LB541	F022	-	-	-	-	-	-	-	-
542 MAINTENANCE OF STRUCTURES	LB542	PROFIX	-	-	-	-	-	-	-	-
543 MAINT. OF RESERVES, DAMS, AND WATERWAYS	LB543	PROFIX	-	-	-	-	-	-	-	-
544 MAINTENANCE OF ELECTRIC PLANT	LB544	Energy	-	-	-	-	-	-	-	-
545 MAINTENANCE OF MISC HYDRAULIC PLANT	LB545	Energy	-	-	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense	LBSUB4		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Hydraulic Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

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Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Labor Expenses (Continued)								
Other Power Generation Operation Expense								
546 OPERATION SUPERVISION & ENGINEERING	LB546	PROFIX	$ 468,874	161,199	168,867	138,808	-	-
547 FUEL	LB547	Energy	-	-	-	-	-	-
548 GENERATION EXPENSE	LB548	PROFIX	161,301	55,455	58,093	47,752	-	-
549 MISC OTHER POWER GENERATION	LB549	PROFIX	354,300	121,809	127,602	104,889	-	-
550 RENTS	LB550	PROFIX	-	-	-	-	-	-
Total Other Power Generation Expenses	LBSUB5		$ 984,475	$ 338,464	$ 354,562	$ 291,449	$ -	$ -
Other Power Generation Maintenance Expense								
551 MAINTENANCE SUPERVISION & ENGINEERING	LB551	PROFIX	$ 230,613	79,285	83,056	68,272	-	-
552 MAINTENANCE OF STRUCTURES	LB552	PROFIX	-	-	-	-	-	-
553 MAINTENANCE OF GENERATING & ELEC PLANT	LB553	PROFIX	606,788	208,615	218,537	179,637	-	-
554 MAINTENANCE OF MISC OTHER POWER GEN PLT	LB554	PROFIX	(160,951)	(55,335)	(57,967)	(47,649)	-	-
Total Other Power Generation Maintenance Expense	LBSUB6		$ 676,450	$ 232,564	$ 243,626	$ 200,260	$ -	$ -
Total Other Power Generation Expense			$ 1,660,925	$ 571,028	$ 598,188	$ 491,709	$ -	$ -
Total Production Expense	LPREX		$ 29,961,102	$ 5,755,856	$ 6,029,623	$ 4,956,330	$ 13,219,294	$ -
Purchased Power								
555 PURCHASED POWER	LB555	OMPP	$ -	-	-	-	-	-
556 SYSTEM CONTROL AND LOAD DISPATCH	LB556	PROFIX	956,703	328,916	344,560	283,227	-	-
557 OTHER EXPENSES	LB557	PROFIX	-	-	-	-	-	-
Total Purchased Power Labor	LBPP		$ 956,703	$ 328,916	$ 344,560	$ 283,227	$ -	$ -

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Labor Expenses (Continued)								
Other Power Generation Operation Expense								
546 OPERATION SUPERVISION & ENGINEERING	LB546	PROFIX	-	-	-	-	-	-
547 FUEL	LB547	Energy	-	-	-	-	-	-
548 GENERATION EXPENSE	LB548	PROFIX	-	-	-	-	-	-
549 MISC OTHER POWER GENERATION	LB549	PROFIX	-	-	-	-	-	-
550 RENTS	LB550	PROFIX	-	-	-	-	-	-
Total Other Power Generation Expenses	LBSUB5		$ -	$ -	$ -	$ -	$ -	$ -
Other Power Generation Maintenance Expense								
551 MAINTENANCE SUPERVISION & ENGINEERING	LB551	PROFIX	-	-	-	-	-	-
552 MAINTENANCE OF STRUCTURES	LB552	PROFIX	-	-	-	-	-	-
553 MAINTENANCE OF GENERATING & ELEC PLANT	LB553	PROFIX	-	-	-	-	-	-
554 MAINTENANCE OF MISC OTHER POWER GEN PLT	LB554	PROFIX	-	-	-	-	-	-
Total Other Power Generation Maintenance Expense	LBSUB6		$ -	$ -	$ -	$ -	$ -	$ -
Total Other Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -
Total Production Expense	LPREX		$ -	$ -	$ -	$ -	$ -	$ -
Purchased Power								
555 PURCHASED POWER	LB555	OMPP	-	-	-	-	-	-
556 SYSTEM CONTROL AND LOAD DISPATCH	LB556	PROFIX	-	-	-	-	-	-
557 OTHER EXPENSES	LB557	PROFIX	-	-	-	-	-	-
Total Purchased Power Labor	LBPP		$ -	$ -	$ -	$ -	$ -	$ -

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Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Labor Expenses (Continued)										
Other Power Generation Operation Expense										
546 OPERATION SUPERVISION & ENGINEERING	LB546	PROFIX	-	-	-	-	-	-	-	-
547 FUEL	LB547	Energy	-	-	-	-	-	-	-	-
548 GENERATION EXPENSE	LB548	PROFIX	-	-	-	-	-	-	-	-
549 MISC OTHER POWER GENERATION	LB549	PROFIX	-	-	-	-	-	-	-	-
550 RENTS	LB550	PROFIX	-	-	-	-	-	-	-	-
Total Other Power Generation Expenses	LBSUB5		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Power Generation Maintenance Expense										
551 MAINTENANCE SUPERVISION & ENGINEERING	LB551	PROFIX	-	-	-	-	-	-	-	-
552 MAINTENANCE OF STRUCTURES	LB552	PROFIX	-	-	-	-	-	-	-	-
553 MAINTENANCE OF GENERATING & ELEC PLANT	LB553	PROFIX	-	-	-	-	-	-	-	-
554 MAINTENANCE OF MISC OTHER POWER GEN PLT	LB554	PROFIX	-	-	-	-	-	-	-	-
Total Other Power Generation Maintenance Expense	LBSUB6		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Other Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Production Expense	LPREX		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchased Power										
555 PURCHASED POWER	LB555	OMPP	-	-	-	-	-	-	-	-
556 SYSTEM CONTROL AND LOAD DISPATCH	LB556	PROFIX	-	-	-	-	-	-	-	-
557 OTHER EXPENSES	LB557	PROFIX	-	-	-	-	-	-	-	-
Total Purchased Power Labor	LBPP		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

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12 Months Ended June 30, 2018

Description	Name	Functional Vector		Total System		Production Demand Base		Production Demand Winter Peak		Production Demand Summer Peak		Production Energy		Transmission Demand Demand
Labor Expenses (Continued)														
Transmission Labor Expenses														
560 OPERATION SUPERVISION AND ENG	LB560	PTRAN	$	642,049		-		-		-		-		642,049
561 LOAD DISPATCHING	LB561	PTRAN		1,454,366		-		-		-		-		1,454,366
562 STATION EXPENSES	LB562	PTRAN		433,996		-		-		-		-		433,996
563 OVERHEAD LINE EXPENSES	LB563	PTRAN		-		-		-		-		-		-
566 MISC. TRANSMISSION EXPENSES	LB566	PTRAN		105,592		-		-		-		-		105,592
569 MAINTENACE OF STRUCTURES	LB569	PTRAN		-		-		-		-		-		-
570 MAINT OF STATION EQUIPMENT	LB570	PTRAN		416,335		-		-		-		-		416,335
571 MAINT OF OVERHEAD LINES	LB571	PTRAN		83,079		-		-		-		-		83,079
573 MAINT OF MISC. TRANSMISSION PLANT	LB573	PTRAN		-		-		-		-		-		-
Total Transmission Labor Expenses	LBTRAN		$	3,135,417	$	-	$	-	$	-	$	-	$	3,135,417
Distribution Operation Labor Expense														
580 OPERATION SUPERVISION AND ENGI	LB580	F023	$	898,041		-		-		-		-		-
581 LOAD DISPATCHING	LB581	P362		574,384		-		-		-		-		-
582 STATION EXPENSES	LB582	P362		851,000		-		-		-		-		-
583 OVERHEAD LINE EXPENSES	LB583	P365		1,741,898		-		-		-		-		-
584 UNDERGROUND LINE EXPENSES	LB584	P367		168,503		-		-		-		-		-
585 STREET LIGHTING EXPENSE	LB585	P373		-		-		-		-		-		-
586 METER EXPENSES	LB586	P370		3,736,471		-		-		-		-		-
586 METER EXPENSES - LOAD MANAGEMENT	LB586x	F012				-		-		-		-		-
587 CUSTOMER INSTALLATIONS EXPENSE	LB587	P371		-		-		-		-		-		-
588 MISCELLANEOUS DISTRIBUTION EXP	LB588	PDIST		1,539,532		-		-		-		-		-
589 RENTS	LB589	PDIST		-		-		-		-		-		-
Total Distribution Operation Labor Expense	LBDO		$	9,509,829	$	-	$	-	$	-	$	-	$	-

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12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Labor Expenses (Continued)								
Transmission Labor Expenses								
560 OPERATION SUPERVISION AND ENG	LB560	PTRAN	-	-	-	-	-	-
561 LOAD DISPATCHING	LB561	PTRAN	-	-	-	-	-	-
562 STATION EXPENSES	LB562	PTRAN	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	LB563	PTRAN	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	LB566	PTRAN	-	-	-	-	-	-
569 MAINTENACE OF STRUCTURES	LB569	PTRAN	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	LB570	PTRAN	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	LB571	PTRAN	-	-	-	-	-	-
573 MAINT OF MISC. TRANSMISSION PLANT	LB573	PTRAN	-	-	-	-	-	-
Total Transmission Labor Expenses	LBTRAN		$ -	$ -	$ -	$ -	$ -	$ -
Distribution Operation Labor Expense								
580 OPERATION SUPERVISION AND ENGI	LB580	F023	166,627	-	90,525	137,597	29,083	43,032
581 LOAD DISPATCHING	LB581	P362	574,384	-	-	-	-	-
582 STATION EXPENSES	LB582	P362	851,000	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	LB583	P365	-	-	520,214	754,507	190,655	276,522
584 UNDERGROUND LINE EXPENSES	LB584	P367	-	-	52,893	95,558	7,144	12,907
585 STREET LIGHTING EXPENSE	LB585	P373	-	-	-	-	-	-
586 METER EXPENSES	LB586	P370	-	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	LB586x	F012	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	LB587	P371	-	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	LB588	PDIST	172,493	-	294,980	469,423	81,091	123,231
589 RENTS	LB589	PDIST	-	-	-	-	-	-
Total Distribution Operation Labor Expense	LBDO		$ 1,764,504	$ -	$ 958,612	$ 1,457,086	$ 307,973	$ 455,693

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Labor Expenses (Continued)										
Transmission Labor Expenses										
560 OPERATION SUPERVISION AND ENG	LB560	PTRAN	-	-	-	-	-	-	-	-
561 LOAD DISPATCHING	LB561	PTRAN	-	-	-	-	-	-	-	-
562 STATION EXPENSES	LB562	PTRAN	-	-	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	LB563	PTRAN	-	-	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	LB566	PTRAN	-	-	-	-	-	-	-	-
569 MAINTENACE OF STRUCTURES	LB569	PTRAN	-	-	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	LB570	PTRAN	-	-	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	LB571	PTRAN	-	-	-	-	-	-	-	-
573 MAINT OF MISC. TRANSMISSION PLANT	LB573	PTRAN	-	-	-	-	-	-	-	-
Total Transmission Labor Expenses	LBTRAN		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Distribution Operation Labor Expense										
580 OPERATION SUPERVISION AND ENGI	LB580	F023	11,689	8,175	4,060	394,350	12,904	-	-	-
581 LOAD DISPATCHING	LB581	P362	-	-	-	-	-	-	-	-
582 STATION EXPENSES	LB582	P362	-	-	-	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	LB583	P365	-	-	-	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	LB584	P367	-	-	-	-	-	-	-	-
585 STREET LIGHTING EXPENSE	LB585	P373	-	-	-	-	-	-	-	-
586 METER EXPENSES	LB586	P370	-	-	-	3,736,471	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	LB586x	F012	-	-	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	LB587	P371	-	-	-	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	LB588	PDIST	112,093	78,392	38,931	45,159	123,739	-	-	-
589 RENTS	LB589	PDIST	-	-	-	-	-	-	-	-
Total Distribution Operation Labor Expense	LBDO		$ 123,782	$ 86,567	$ 42,991	$ 4,175,980	$ 136,642	$ -	$ -	$ -

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Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Labor Expenses (Continued)								
Distribution Maintenance Labor Expense								
590 MAINTENANCE SUPERVISION AND EN	LB590	F024	$ -	-	-	-	-	-
591 MAINTENANCE OF STRUCTURES	LB591	P362	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	LB592	P362	199,000	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	LB593	P365	2,584,023	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	LB594	P367	403,600	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	LB595	P368	77,717	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	LB596	P373	6,800	-	-	-	-	-
597 MAINTENANCE OF METERS	LB597	P370	-	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	LB598	PDIST	-	-	-	-	-	-
Total Distribution Maintenance Labor Expense	LBDM		$ 3,271,140	$ -	$ -	$ -	$ -	$ -
Total Distribution Operation and Maintenance Labor Expenses		PDIST	$ 12,780,969	-	-	-	-	-
Transmission and Distribution Labor Expenses			$ 15,916,386	-	-	-	-	3,135,417
Production, Transmission and Distribution Labor Expenses	LBSUB		$ 46,834,191	$ 6,084,771	$ 6,374,183	$ 5,239,557	$ 13,219,294	$ 3,135,417
Customer Accounts Expense								
901 SUPERVISION/CUSTOMER ACCTS	LB901	F025	$ 869,231	-	-	-	-	-
902 METER READING EXPENSES	LB902	F025	340,095	-	-	-	-	-
903 RECORDS AND COLLECTION	LB903	F025	3,084,679	-	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	LB904	F025	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	LB903	F025	-	-	-	-	-	-
Total Customer Accounts Labor Expense	LBCA		$ 4,294,006	$ -	$ -	$ -	$ -	$ -
Customer Service Expense								
907 SUPERVISION	LB907	F026	$ 262,521	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	LB908	F026	916,352	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	LB908x	F026		-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	LB909	F026		-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	LB909x	F026		-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	LB910	F026		-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	LB911	F026		-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	LB912	F026		-	-	-	-	-
913 WATER HEATER - HEAT PUMP PROGRAM	LB913	F026		-	-	-	-	-
915 MDSE-JOBBING-CONTRACT	LB915	F026		-	-	-	-	-
916 MISC SALES EXPENSE	LB916	F026		-	-	-	-	-
Total Customer Service Labor Expense	LBCS		$ 1,178,872	$ -	$ -	$ -	$ -	$ -
Sub-Total Labor Exp	LBSUB7		$ 52,307,069	6,084,771	6,374,183	5,239,557	13,219,294	3,135,417

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Labor Expenses (Continued)								
Distribution Maintenance Labor Expense								
590 MAINTENANCE SUPERVISION AND EN	LB590	F024	-	-	-	-	-	-
591 MAINTENANCE OF STRUCTURES	LB591	P362	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	LB592	P362	199,000	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	LB593	P365	-	-	771,712	1,119,276	282,828	410,207
594 MAINTENANCE OF UNDERGROUND LIN	LB594	P367	-	-	126,690	228,881	17,113	30,916
595 MAINTENANCE OF LINE TRANSFORME	LB595	P368	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	LB596	P373	-	-	-	-	-	-
597 MAINTENANCE OF METERS	LB597	P370	-	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	LB598	PDIST	-	-	-	-	-	-
Total Distribution Maintenance Labor Expense	LBDM		$ 199,000	$ -	$ 898,402	$ 1,348,157	$ 299,940	$ 441,123
Total Distribution Operation and Maintenance Labor Expenses		PDIST	1,963,504	-	1,857,014	2,805,243	607,914	896,816
Transmission and Distribution Labor Expenses			1,963,504	-	1,857,014	2,805,243	607,914	896,816
Production, Transmission and Distribution Labor Expenses	LBSUB		$ 1,963,504	$ -	$ 1,857,014	$ 2,805,243	$ 607,914	$ 896,816
Customer Accounts Expense								
901 SUPERVISION/CUSTOMER ACCTS	LB901	F025	-	-	-	-	-	-
902 METER READING EXPENSES	LB902	F025	-	-	-	-	-	-
903 RECORDS AND COLLECTION	LB903	F025	-	-	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	LB904	F025	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	LB903	F025	-	-	-	-	-	-
Total Customer Accounts Labor Expense	LBCA		$ -	$ -	$ -	$ -	$ -	$ -
Customer Service Expense								
907 SUPERVISION	LB907	F026	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	LB908	F026	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	LB908x	F026	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	LB909	F026	-	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	LB909x	F026	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	LB910	F026	-	-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	LB911	F026	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	LB912	F026	-	-	-	-	-	-
913 WATER HEATER - HEAT PUMP PROGRAM	LB913	F026	-	-	-	-	-	-
915 MDSE-JOBBING-CONTRACT	LB915	F026	-	-	-	-	-	-
916 MISC SALES EXPENSE	LB916	F026	-	-	-	-	-	-
Total Customer Service Labor Expense	LBCS		$ -	$ -	$ -	$ -	$ -	$ -
Sub-Total Labor Exp	LBSUB7		1,963,504	-	1,857,014	2,805,243	607,914	896,816

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Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Labor Expenses (Continued)										
Distribution Maintenance Labor Expense										
590 MAINTENANCE SUPERVISION AND EN	LB590	F024	-	-	-	-	-	-	-	-
591 MAINTENANCE OF STRUCTURES	LB591	P362	-	-	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	LB592	P362	-	-	-	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	LB593	P365	-	-	-	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	LB594	P367	-	-	-	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	LB595	P368	45,733	31,984	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	LB596	P373	-	-	-	-	6,800	-	-	-
597 MAINTENANCE OF METERS	LB597	P370	-	-	-	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	LB598	PDIST	-	-	-	-	-	-	-	-
Total Distribution Maintenance Labor Expense	LBDM		$ 45,733	$ 31,984	$ -	$ -	$ 6,800	$ -	$ -	$ -
Total Distribution Operation and Maintenance Labor Expenses		PDIST	169,515	118,551	42,991	4,175,980	143,442	-	-	-
Transmission and Distribution Labor Expenses			169,515	118,551	42,991	4,175,980	143,442	-	-	-
Production, Transmission and Distribution Labor Expenses	LBSUB		$ 169,515	$ 118,551	$ 42,991	$ 4,175,980	$ 143,442	$ -	$ -	$ -
Customer Accounts Expense										
901 SUPERVISION/CUSTOMER ACCTS	LB901	F025	-	-	-	-	-	869,231	-	-
902 METER READING EXPENSES	LB902	F025	-	-	-	-	-	340,095	-	-
903 RECORDS AND COLLECTION	LB903	F025	-	-	-	-	-	3,084,679	-	-
904 UNCOLLECTIBLE ACCOUNTS	LB904	F025	-	-	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	LB903	F025	-	-	-	-	-	-	-	-
Total Customer Accounts Labor Expense	LBCA		$ -	$ -	$ -	$ -	$ -	$ 4,294,006	$ -	$ -
Customer Service Expense										
907 SUPERVISION	LB907	F026	-	-	-	-	-	-	262,521	-
908 CUSTOMER ASSISTANCE EXPENSES	LB908	F026	-	-	-	-	-	-	916,352	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	LB908x	F026	-	-	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	LB909	F026	-	-	-	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	LB909x	F026	-	-	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	LB910	F026	-	-	-	-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	LB911	F026	-	-	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	LB912	F026	-	-	-	-	-	-	-	-
913 WATER HEATER - HEAT PUMP PROGRAM	LB913	F026	-	-	-	-	-	-	-	-
915 MDSE-JOBBING-CONTRACT	LB915	F026	-	-	-	-	-	-	-	-
916 MISC SALES EXPENSE	LB916	F026	-	-	-	-	-	-	-	-
Total Customer Service Labor Expense	LBCS		$ -	$ -	$ -	$ -	$ -	$ -	$ 1,178,872	$ -
Sub-Total Labor Exp	LBSUB7		169,515	118,551	42,991	4,175,980	143,442	4,294,006	1,178,872	-

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector		Total System		Production Demand Base		Production Demand Winter Peak		Production Demand Summer Peak		Production Energy		Transmission Demand Demand
Labor Expenses (Continued)														
Administrative and General Expense														
920 ADMIN. & GEN. SALARIES-	LB920	LBSUB7	$	21,224,500		2,469,001		2,586,435		2,126,041		5,363,958		1,272,250
921 OFFICE SUPPLIES AND EXPENSES	LB920	LBSUB7				-		-		-		-		-
922 ADMIN. EXPENSES TRANSFERRED - CREDIT	LB922	LBSUB7		(2,423,558)		(281,927)		(295,337)		(242,766)		(612,493)		(145,274)
923 OUTSIDE SERVICES EMPLOYED	LB923	LBSUB7				-		-		-		-		-
924 PROPERTY INSURANCE	LB924	TUP				-		-		-		-		-
925 INJURIES AND DAMAGES	LB925	LBSUB7				-		-		-		-		-
926 EMPLOYEE BENEFITS	LB926	LBSUB7				-		-		-		-		-
928 REGULATORY COMMISSION FEES	LB928	TUP				-		-		-		-		-
929 DUPLICATE CHARGES-CR	LB929	LBSUB7				-		-		-		-		-
930 MISCELLANEOUS GENERAL EXPENSES	LB930	LBSUB7				-		-		-		-		-
931 RENTS AND LEASES	LB931	PGP				-		-		-		-		-
935 MAINTENANCE OF GENERAL PLANT	LB932	PGP		430,713		83,058		87,009		71,521		-		46,339
Total Administrative and General Expense	LBAG		$	19,231,655	$	2,270,132	$	2,378,107	$	1,954,796	$	4,751,464	$	1,173,314
Total Operation and Maintenance Expenses	TLB		$	71,538,724	$	8,354,904	$	8,752,290	$	7,194,353	$	17,970,758	$	4,308,731
Operation and Maintenance Expenses Less Purchase Power	LBLPP		$	71,538,724	$	8,354,904	$	8,752,290	$	7,194,353	$	17,970,758	$	4,308,731

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Labor Expenses (Continued)								
Administrative and General Expense								
920 ADMIN. & GEN. SALARIES-	LB920	LBSUB7	796,726	-	753,516	1,138,276	246,671	363,899
921 OFFICE SUPPLIES AND EXPENSES	LB920	LBSUB7	-	-	-	-	-	-
922 ADMIN. EXPENSES TRANSFERRED - CREDIT	LB922	LBSUB7	(90,976)	-	(86,042)	(129,976)	(28,167)	(41,552)
923 OUTSIDE SERVICES EMPLOYED	LB923	LBSUB7	-	-	-	-	-	-
924 PROPERTY INSURANCE	LB924	TUP	-	-	-	-	-	-
925 INJURIES AND DAMAGES	LB925	LBSUB7	-	-	-	-	-	-
926 EMPLOYEE BENEFITS	LB926	LBSUB7	-	-	-	-	-	-
928 REGULATORY COMMISSION FEES	LB928	TUP	-	-	-	-	-	-
929 DUPLICATE CHARGES-CR	LB929	LBSUB7	-	-	-	-	-	-
930 MISCELLANEOUS GENERAL EXPENSES	LB930	LBSUB7	-	-	-	-	-	-
931 RENTS AND LEASES	LB931	PGP	-	-	-	-	-	-
935 MAINTENANCE OF GENERAL PLANT	LB932	PGP	15,998	-	27,358	43,537	7,521	11,429
Total Administrative and General Expense	LBAG		$ 721,748	$ -	$ 694,833	$ 1,051,837	$ 226,026	$ 333,775
Total Operation and Maintenance Expenses	TLB		$ 2,685,252	$ -	$ 2,551,847	$ 3,857,080	$ 833,939	$ 1,230,591
Operation and Maintenance Expenses Less Purchase Power	LBLPP		$ 2,685,252	$ -	$ 2,551,847	$ 3,857,080	$ 833,939	$ 1,230,591

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Labor Expenses (Continued)										
Administrative and General Expense										
920 ADMIN. & GEN. SALARIES-	LB920	LBSUB7	68,784	48,104	17,444	1,694,476	58,204	1,742,367	478,348	-
921 OFFICE SUPPLIES AND EXPENSES	LB920	LBSUB7	-	-	-	-	-	-	-	-
922 ADMIN. EXPENSES TRANSFERRED - CREDIT	LB922	LBSUB7	(7,854)	(5,493)	(1,992)	(193,487)	(6,646)	(198,955)	(54,621)	-
923 OUTSIDE SERVICES EMPLOYED	LB923	LBSUB7	-	-	-	-	-	-	-	-
924 PROPERTY INSURANCE	LB924	TUP	-	-	-	-	-	-	-	-
925 INJURIES AND DAMAGES	LB925	LBSUB7	-	-	-	-	-	-	-	-
926 EMPLOYEE BENEFITS	LB926	LBSUB7	-	-	-	-	-	-	-	-
928 REGULATORY COMMISSION FEES	LB928	TUP	-	-	-	-	-	-	-	-
929 DUPLICATE CHARGES-CR	LB929	LBSUB7	-	-	-	-	-	-	-	-
930 MISCELLANEOUS GENERAL EXPENSES	LB930	LBSUB7	-	-	-	-	-	-	-	-
931 RENTS AND LEASES	LB931	PGP	-	-	-	-	-	-	-	-
935 MAINTENANCE OF GENERAL PLANT	LB932	PGP	10,396	7,271	3,611	4,188	11,476	-	-	-
Total Administrative and General Expense	LBAG		$ 71,326	$ 49,882	$ 19,063	$ 1,505,178	$ 63,034	$ 1,543,412	$ 423,727	$ -
Total Operation and Maintenance Expenses	TLB		$ 240,841	$ 168,432	$ 62,054	$ 5,681,158	$ 206,477	$ 5,837,418	$ 1,602,599	$ -
Operation and Maintenance Expenses Less Purchase Power	LBLPP		$ 240,841	$ 168,432	$ 62,054	$ 5,681,158	$ 206,477	$ 5,837,418	$ 1,602,599	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Other Expenses								
Depreciation Expenses								
Steam Production	DEPRTP	PPRTL	$ 51,173,949	17,593,670	18,430,483	15,149,795	-	-
Hydraulic Production	DEPRDP1	PPRTL	4,023,933	1,383,433	1,449,234	1,191,265	-	-
Other Production	DEPRDP2	PPRTL	16,258,222	5,589,598	5,855,458	4,813,166	-	-
Transmission - Kentucky System Property	DEPRDP3	PTRAN	9,613,105	-	-	-	-	9,613,105
Transmission - Virginia Property	DEPRDP4	PTRAN		-	-	-	-	-
Distribution	DEPRDP5	PDIST	37,717,920	-	-	-	-	-
General & Common Plant	DEPRDP6	PGP	20,055,398	3,867,464	4,051,414	3,330,248	-	2,157,674
Intangible Plant	DEPRAADJ	PINT		-	-	-	-	-
Total Depreciation Expense	TDEPR		$ 138,842,527	28,434,166	29,786,588	24,484,475	-	11,770,778
Regulatory Credits								
Production	RCTNP	F017	$ -	-	-	-	-	-
Transmission	RCTNT	PTRAN	-	-	-	-	-	-
Distribution	RDTND	PDIST	-	-	-	-	-	-
Common	RCTNC	PGP	-	-	-	-	-	-
Total Regulatory Credits	TRCTN		$ -	$ -	$ -	$ -	$ -	$ -
Accretion Expense								
Production	ACRTNP	F017	$ -	-	-	-	-	-
Transmission	ACRTNT	PTRAN	-	-	-	-	-	-
Distribution	ACRTND	PDIST	-	-	-	-	-	-
Common	ACRTNC	PGP	-	-	-	-	-	-
Total Accretion Expense	TACRTN		$ -	$ -	$ -	$ -	$ -	$ -
Property Taxes & Other	PTAX	TUP	$ 32,529,209	6,289,767	6,588,929	5,416,077	-	3,464,937
Amortization of Investment Tax Credit	OTAX	TUP	$ (1,002,535)	(193,848)	(203,068)	(166,921)	-	(106,788)
Gain on Disposition of Allowances	OT	TUP	$ -	-	-	-	-	-
Interest	INTLTD	TUP	$ 62,185,554	12,024,044	12,595,947	10,353,826	-	6,623,863
Other Deductions	DEDUCT	TUP	$ -	-	-	-	-	-
Total Other Expenses	TOE		$ 232,554,755	$ 46,554,129	$ 48,768,397	$ 40,087,458	$ -	$ 21,752,790
Total Cost of Service (O&M + Other Expenses)			$ 918,176,657	$ 79,777,529	$ 83,572,011	$ 68,695,911	$ 465,540,988	$ 43,904,484

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Other Expenses								
Depreciation Expenses								
Steam Production	DEPRTP	PPRTL	-	-	-	-	-	-
Hydraulic Production	DEPRDP1	PPRTL	-	-	-	-	-	-
Other Production	DEPRDP2	PPRTL	-	-	-	-	-	-
Transmission - Kentucky System Property	DEPRDP3	PTRAN	-	-	-	-	-	-
Transmission - Virginia Property	DEPRDP4	PTRAN	-	-	-	-	-	-
Distribution	DEPRDP5	PDIST	4,226,005	-	7,226,902	11,500,688	1,986,703	3,019,105
General & Common Plant	DEPRDP6	PGP	744,925	-	1,273,898	2,027,245	350,199	532,182
Intangible Plant	DEPRAADJ	PINT	-	-	-	-	-	-
Total Depreciation Expense	TDEPR		4,970,929	-	8,500,800	13,527,932	2,336,902	3,551,287
Regulatory Credits								
Production	RCTNP	F017	-	-	-	-	-	-
Transmission	RCTNT	PTRAN	-	-	-	-	-	-
Distribution	RDTND	PDIST	-	-	-	-	-	-
Common	RCTNC	PGP	-	-	-	-	-	-
Total Regulatory Credits	TRCTN		$ -	$ -	$ -	$ -	$ -	$ -
Accretion Expense								
Production	ACRTNP	F017	-	-	-	-	-	-
Transmission	ACRTNT	PTRAN	-	-	-	-	-	-
Distribution	ACRTND	PDIST	-	-	-	-	-	-
Common	ACRTNC	PGP	-	-	-	-	-	-
Total Accretion Expense	TACRTN		$ -	$ -	$ -	$ -	$ -	$ -
Property Taxes & Other	PTAX	TUP	1,206,640	-	2,063,479	3,283,761	567,258	862,037
Amortization of Investment Tax Credit	OTAX	TUP	(37,188)	-	(63,595)	(101,204)	(17,483)	(26,568)
Gain on Disposition of Allowances	OT	TUP	-	-	-	-	-	-
Interest	INTLTD	TUP	2,306,714	-	3,944,718	6,277,512	1,084,418	1,647,942
Other Deductions	DEDUCT	TUP	-	-	-	-	-	-
Total Other Expenses	TOE		$ 8,447,095	$ -	$ 14,445,401	$ 22,988,002	$ 3,971,095	$ 6,034,699
Total Cost of Service (O&M + Other Expenses)			$ 16,636,359	$ -	$ 28,675,559	$ 44,288,719	$ 8,756,585	$ 13,064,839

LOUISVILLE GAS AND ELECTRIC COMPANY
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Other Expenses										
Depreciation Expenses										
Steam Production	DEPRTP	PPRTL	-	-	-	-	-	-	-	-
Hydraulic Production	DEPRDP1	PPRTL	-	-	-	-	-	-	-	-
Other Production	DEPRDP2	PPRTL	-	-	-	-	-	-	-	-
Transmission - Kentucky System Property	DEPRDP3	PTRAN	-	-	-	-	-	-	-	-
Transmission - Virginia Property	DEPRDP4	PTRAN	-	-	-	-	-	-	-	-
Distribution	DEPRDP5	PDIST	2,746,222	1,920,577	953,795	1,106,375	3,031,549	-	-	-
General & Common Plant	DEPRDP6	PGP	484,081	338,543	168,127	195,022	534,376	-	-	-
Intangible Plant	DEPRAADJ	PINT	-	-	-	-	-	-	-	-
Total Depreciation Expense	TDEPR		3,230,303	2,259,120	1,121,921	1,301,397	3,565,925	-	-	-
Regulatory Credits										
Production	RCTNP	F017	-	-	-	-	-	-	-	-
Transmission	RCTNT	PTRAN	-	-	-	-	-	-	-	-
Distribution	RDTND	PDIST	-	-	-	-	-	-	-	-
Common	RCTNC	PGP	-	-	-	-	-	-	-	-
Total Regulatory Credits	TRCTN		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accretion Expense										
Production	ACRTNP	F017	-	-	-	-	-	-	-	-
Transmission	ACRTNT	PTRAN	-	-	-	-	-	-	-	-
Distribution	ACRTND	PDIST	-	-	-	-	-	-	-	-
Common	ACRTNC	PGP	-	-	-	-	-	-	-	-
Total Accretion Expense	TACRTN		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property Taxes & Other	PTAX	TUP	784,122	548,377	272,334	315,900	865,590	-	-	-
Amortization of Investment Tax Credit	OTAX	TUP	(24,166)	(16,901)	(8,393)	(9,736)	(26,677)	-	-	-
Gain on Disposition of Allowances	OT	TUP	-	-	-	-	-	-	-	-
Interest	INTLTD	TUP	1,498,993	1,048,324	520,617	603,902	1,654,735	-	-	-
Other Deductions	DEDUCT	TUP	-	-	-	-	-	-	-	-
Total Other Expenses	TOE		$ 5,489,251	$ 3,838,921	$ 1,906,480	$ 2,211,463	$ 6,059,573	$ -	$ -	$ -
Total Cost of Service (O&M + Other Expenses)			$ 6,609,248	$ 4,622,193	$ 2,202,289	$ 19,382,672	$ 7,365,718	$ 20,585,101	$ 4,496,452	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Total System	Production Demand			Production Energy	Transmission Demand
				Base	Winter Peak	Summer Peak		Demand
External Functional Vectors								
Station Equipment	F001		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Poles, Towers and Fixtures	F002		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Overhead Conductors and Devices	F003		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Underground Conductors and Devices	F004		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Line Transformers	F005		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Services	F006		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meters	F007		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Street Lighting	F008		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meter Reading	F009		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Billing	F010		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Transmission	F011		1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
Load Management	F012		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Production Plant	F017		1.000000	0.343801	0.360154	0.296045	0.000000	0.000000
Provar	PROVAR		1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Fuel	F018		1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Steam Generation Operation Labor	F019		14,184,336	4,124,451	4,320,623	3,551,538	2,187,724	-
PROFIX	PROFIX		1.000000	0.343801	0.360154	0.296045	0.000000	0.000000
Steam Generation Maintenance Labor	F020		7,005,990	-	-	-	7,005,990	-
Hydraulic Generation Operation Labor	F021		240,588	82,714	86,649	71,225	-	-
Hydraulic Generation Maintenance Labor	F022		244,786	32,230	33,763	27,753	151,040	-
Distribution Operation Labor	F023		8,611,788	-	-	-	-	-
Distribution Maintenance Labor	F024		3,271,140	-	-	-	-	-
Customer Accounts Expense	F025		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Customer Service Expense	F026		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Customer Advances	F027		857,428,693	-	-	-	-	-
Purchase Power Demand		F017	20,765,366	7,139,160	7,478,722	6,147,484	-	-
Purchase Power Energy		F018	48,301,062	-	-	-	48,301,062	-
Purchased Power Expenses	OMPP		69,066,428	7,139,160	7,478,722	6,147,484	48,301,062	-
Intallations on Customer Premises - Plant in Service	F013		1.00000	-	-	-	-	-
Intallations on Customer Premises - Accum Depr	F014		1.00000	-	-	-	-	-
Generators -Energy	F015		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Generators - Demand	F016		1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
	Energy		1.000000	0.000000	0.000000	0.000000	1.000000	0.000000

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Cost of Service Study
Functional Assignment and Classification

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
External Functional Vectors								
Station Equipment	F001		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Poles, Towers and Fixtures	F002		0.000000	0.000000	0.298648	0.433152	0.109452	0.158748
Overhead Conductors and Devices	F003		0.000000	0.000000	0.298648	0.433152	0.109452	0.158748
Underground Conductors and Devices	F004		0.000000	0.000000	0.313900	0.567100	0.042400	0.076600
Line Transformers	F005		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Services	F006		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meters	F007		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Street Lighting	F008		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meter Reading	F009		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Billing	F010		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Transmission	F011		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Load Management	F012		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Production Plant	F017		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Provar	PROVAR		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Fuel	F018		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Steam Generation Operation Labor	F019		-	-	-	-	-	-
PROFIX	PROFIX		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Steam Generation Maintenance Labor	F020		-	-	-	-	-	-
Hydraulic Generation Operation Labor	F021		-	-	-	-	-	-
Hydraulic Generation Maintenance Labor	F022		-	-	-	-	-	-
Distribution Operation Labor	F023		1,597,876.79	-	868,087.17	1,319,488.80	278,890.65	412,660.24
Distribution Maintenance Labor	F024		199,000.00	-	898,402.38	1,348,157.25	299,940.09	441,123.28
Customer Accounts Expense	F025		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Customer Service Expense	F026		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Customer Advances	F027		-	-	261,090,031	415,491,278	71,774,631	109,072,753
Purchase Power Demand		F017	-	-	-	-	-	-
Purchase Power Energy		F018	-	-	-	-	-	-
Purchased Power Expenses	OMPP		-	-	-	-	-	-
Intallations on Customer Premises - Plant in Service	F013		-	-	-	-	-	-
Intallations on Customer Premises - Accum Depr	F014		-	-	-	-	-	-
Generators -Energy	F015		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Generators - Demand	F016		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
	Energy		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
External Functional Vectors										
Station Equipment	F001		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Poles, Towers and Fixtures	F002		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Overhead Conductors and Devices	F003		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Underground Conductors and Devices	F004		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Line Transformers	F005		0.588459	0.411541	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Services	F006		0.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meters	F007		0.000000	0.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000
Street Lighting	F008		0.000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000	0.000000
Meter Reading	F009		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Billing	F010		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Transmission	F011		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Load Management	F012		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000
Production Plant	F017		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Provar	PROVAR		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Fuel	F018		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Steam Generation Operation Labor	F019		-	-	-	-	-	-	-	-
PROFIX	PROFIX		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Steam Generation Maintenance Labor	F020		-	-	-	-	-	-	-	-
Hydraulic Generation Operation Labor	F021		-	-	-	-	-	-	-	-
Hydraulic Generation Maintenance Labor	F022		-	-	-	-	-	-	-	-
Distribution Operation Labor	F023		112,092.54	78,392.18	38,931.02	3,781,629.90	123,738.72	-	-	-
Distribution Maintenance Labor	F024		45,733.31	31,983.69	-	-	6,800.00	-	-	-
Customer Accounts Expense	F025		0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000
Customer Service Expense	F026		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Customer Advances	F027		-	-	-	-	-	-	-	-
Purchase Power Demand		F017	-	-	-	-	-	-	-	-
Purchase Power Energy		F018	-	-	-	-	-	-	-	-
Purchased Power Expenses	OMPP		-	-	-	-	-	-	-	-
Intallations on Customer Premises - Plant in Service	F013		-	-	-	-	-	1.00000	-	-
Intallations on Customer Premises - Accum Depr	F014		-	-	-	-	-	1.00000	-	-
Generators -Energy	F015		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Generators - Demand	F016		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
	Energy		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Internally Generated Functional Vectors								
Total Prod, Trans, and Dist Plant		PT&D	1.000000	0.192839	0.202011	0.166052	-	0.107586
Total Distribution Plant		PDIST	1.000000	-	-	-	-	-
Total Transmission Plant		PTRAN	1.000000	-	-	-	-	1.000000
Operation and Maintenance Expenses Less Purchase Power		OMLPP	1.000000	0.043769	0.045851	0.037689	0.677269	0.035068
Total Plant in Service		TPIS	1.000000	0.192717	0.201883	0.165947	-	0.107508
Total Operation and Maintenance Expenses (Labor)		TLB	1.000000	0.116789	0.122343	0.100566	0.251203	0.060229
Sub-Total Prod, Trans, Dist, Cust Acct and Cust Service		OMSUB2	1.000000	0.037456	0.039238	0.032253	0.745112	0.027629
Total Steam Power Operation Expenses (Labor)		LBSUB1	1.000000	0.290775	0.304605	0.250384	0.154235	-
Total Steam Power Generation Maintenance Expense (Labor)		LBSUB2	1.000000	-	-	-	1.000000	-
Total Hydraulic Power Operation Expenses (Labor)		LBSUB3	1.000000	0.343801	0.360154	0.296045	-	-
Total Hydraulic Power Generation Maint. Expense (Labor)		LBSUB4	1.000000	0.131666	0.137928	0.113377	0.617029	-
Total Other Power Generation Expenses (Labor)		LBSUB5	1.000000	0.343801	0.360154	0.296045	-	-
Total Transmission Labor Expenses		LBTRAN	1.000000	-	-	-	-	1.0000000
Total Distribution Operation Labor Expense		LBDO	1.000000	-	-	-	-	-
Total Distribution Maintenance Labor Expense		LBDM	1.000000	-	-	-	-	-
Sub-Total Labor Exp		LBSUB7	1.000000	0.116328	0.121861	0.100169	0.252725	0.059943
Total General Plant		PGP	1.000000	0.192839	0.202011	0.166052	-	0.107586
Total Production Plant		PPRTL	1.000000	0.343801	0.360154	0.296045	-	-
Total Intangible Plant		PINT	1.000000	0.192839	0.202011	0.166052	-	0.107586

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Internally Generated Functional Vectors								
Total Prod, Trans, and Dist Plant		PT&D	0.037143	-	0.063519	0.101082	0.017462	0.026536
Total Distribution Plant		PDIST	0.112042	-	0.191604	0.304913	0.052673	0.080044
Total Transmission Plant		PTRAN	-	-	-	-	-	-
Operation and Maintenance Expenses Less Purchase Power		OMLPP	0.012964	-	0.022527	0.033721	0.007576	0.011129
Total Plant in Service		TPIS	0.037192	-	0.063602	0.101214	0.017484	0.026570
Total Operation and Maintenance Expenses (Labor)		TLB	0.037536	-	0.035671	0.053916	0.011657	0.017202
Sub-Total Prod, Trans, Dist, Cust Acct and Cust Service		OMSUB2	0.008178	-	0.018219	0.027128	0.006220	0.009116
Total Steam Power Operation Expenses (Labor)		LBSUB1	-	-	-	-	-	-
Total Steam Power Generation Maintenance Expense (Labor)		LBSUB2	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses (Labor)		LBSUB3	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense (Labor)		LBSUB4	-	-	-	-	-	-
Total Other Power Generation Expenses (Labor)		LBSUB5	-	-	-	-	-	-
Total Transmission Labor Expenses		LBTRAN	-	-	-	-	-	-
Total Distribution Operation Labor Expense		LBDO	0.185545	-	0.100802	0.153219	0.032385	0.047918
Total Distribution Maintenance Labor Expense		LBDM	0.060835	-	0.274645	0.412137	0.091693	0.134853
Sub-Total Labor Exp		LBSUB7	0.037538	-	0.035502	0.053630	0.011622	0.017145
Total General Plant		PGP	0.037143	-	0.063519	0.101082	0.017462	0.026536
Total Production Plant		PPRTL	-	-	-	-	-	-
Total Intangible Plant		PINT	0.037143	-	0.063519	0.101082	0.017462	0.026536

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Internally Generated Functional Vectors										
Total Prod, Trans, and Dist Plant		PT&D	0.024137	0.016880	0.008383	0.009724	0.026645	-	-	-
Total Distribution Plant		PDIST	0.072809	0.050919	0.025288	0.029333	0.080374	-	-	-
Total Transmission Plant		PTRAN	-	-	-	-	-	-	-	-
Operation and Maintenance Expenses Less Purchase Power		OMLPP	0.001773	0.001240	0.000468	0.027183	0.002068	0.032588	0.007118	-
Total Plant in Service		TPIS	0.024169	0.016902	0.008394	0.009737	0.026680	-	-	-
Total Operation and Maintenance Expenses (Labor)		TLB	0.003367	0.002354	0.000867	0.079414	0.002886	0.081598	0.022402	-
Sub-Total Prod, Trans, Dist, Cust Acct and Cust Service		OMSUB2	0.001126	0.000787	0.000276	0.017880	0.001472	0.023416	0.004496	-
Total Steam Power Operation Expenses (Labor)		LBSUB1	-	-	-	-	-	-	-	-
Total Steam Power Generation Maintenance Expense (Labor)		LBSUB2	-	-	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses (Labor)		LBSUB3	-	-	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense (Labor)		LBSUB4	-	-	-	-	-	-	-	-
Total Other Power Generation Expenses (Labor)		LBSUB5	-	-	-	-	-	-	-	-
Total Transmission Labor Expenses		LBTRAN	-	-	-	-	-	-	-	-
Total Distribution Operation Labor Expense		LBDO	0.013016	0.009103	0.004521	0.439123	0.014369	-	-	-
Total Distribution Maintenance Labor Expense		LBDM	0.013981	0.009778	-	-	0.002079	-	-	-
Sub-Total Labor Exp		LBSUB7	0.003241	0.002266	0.000822	0.079836	0.002742	0.082092	0.022538	-
Total General Plant		PGP	0.024137	0.016880	0.008383	0.009724	0.026645	-	-	-
Total Production Plant		PPRTL	-	-	-	-	-	-	-	-
Total Intangible Plant		PINT	0.024137	0.016880	0.008383	0.009724	0.026645	-	-	-

Exhibit WSS-22

Electric Cost of Service Study
Functional Assignment and Classification
LOLP Methodology

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Plant in Service								
Intangible Plant								
301.00 ORGANIZATION	P301	PT&D	$ 2,240	432	453	372	-	241
302.00 FRANCHISE AND CONSENTS	P301	PT&D		-	-	-	-	-
303.00 SOFTWARE - COMMON	P302	PT&D		-	-	-	-	-
301.00 ORGANIZATION - COMMON	P301	PT&D		-	-	-	-	-
302.00 FRANCHISE AND CONSENTS - COMMON	P301	PT&D		-	-	-	-	-
Total Intangible Plant	PINT		$ 2,240	$ 432	$ 453	$ 372	$ -	$ 241
Steam Production Plant								
Total Steam Production Plant	PSTPR	F017	$ 1,762,102,621	605,813,181	634,627,651	521,661,789	-	-
Hydraulic Production Plant								
Total Hydraulic Production Plant	PHDPR	F017	$ 146,463,608	50,354,379	52,749,400	43,359,829	-	-
Other Production Plant								
Total Other Production Plant	POTPR	F017	$ 396,983,699	136,483,514	142,975,119	117,525,066	-	-
Total Production Plant	PPRTL		$ 2,305,549,928	$ 792,651,074	$ 830,352,170	$ 682,546,684	$ -	$ -
Transmission								
Total Transmission Plant	PTRAN	F011	$ 442,223,222	-	-	-	-	442,223,222
Total Transmission Plant	PTRTL		$ 442,223,222	$ -	$ -	$ -	$ -	$ 442,223,222
Distribution								
TOTAL ACCTS 360-362	P362	F001	$ 152,675,045	-	-	-	-	-
364 & 365-OVERHEAD LINES	P365	F003	528,239,740	-	-	-	-	-
366 & 367-UNDERGROUND LINES	P367	F004	329,188,953	-	-	-	-	-
368-TRANSFORMERS	P368	F005	168,599,875	-	-	-	-	-
369-SERVICES	P369	F006	34,458,226	-	-	-	-	-
370-METERS	P370	F007	39,970,580	-	-	-	-	-
371-CUSTOMER INSTALLATION	P371	F008		-	-	-	-	-
373-STREET LIGHTING	P373	F008	109,522,342	-	-	-	-	-
374-ASSET RETIRE OBLIGATIONS DIST PLANT	P374	F003	-	-	-	-	-	-
Total Distribution Plant	PDIST		$ 1,362,654,761	$ -	$ -	$ -	$ -	$ -
Total Prod, Trans, and Dist Plant	PT&D		$ 4,110,427,912	$ 792,651,074	$ 830,352,170	$ 682,546,684	$ -	$ 442,223,222

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Plant in Service								
Intangible Plant								
301.00 ORGANIZATION	P301	PT&D	83	-	142	226	39	59
302.00 FRANCHISE AND CONSENTS	P301	PT&D	-	-	-	-	-	-
303.00 SOFTWARE - COMMON	P302	PT&D	-	-	-	-	-	-
301.00 ORGANIZATION - COMMON	P301	PT&D	-	-	-	-	-	-
302.00 FRANCHISE AND CONSENTS - COMMON	P301	PT&D	-	-	-	-	-	-
Total Intangible Plant	PINT		$ 83	$ -	$ 142	$ 226	$ 39	$ 59
Steam Production Plant								
Total Steam Production Plant	PSTPR	F017	-	-	-	-	-	-
Hydraulic Production Plant								
Total Hydraulic Production Plant	PHDPR	F017	-	-	-	-	-	-
Other Production Plant								
Total Other Production Plant	POTPR	F017	-	-	-	-	-	-
Total Production Plant	PPRTL			$ -	$ -			
Transmission								
Total Transmission Plant	PTRAN	F011	-	-	-	-	-	-
Total Transmission Plant	PTRTL		$ -	$ -	$ -	$ -	$ -	$ -
Distribution								
TOTAL ACCTS 360-362	P362	F001	152,675,045	-	-	-	-	-
364 & 365-OVERHEAD LINES	P365	F003	-	-	157,757,520	228,808,322	57,817,118	83,856,780
366 & 367-UNDERGROUND LINES	P367	F004	-	-	103,332,511	186,682,956	13,957,513	25,215,973
368-TRANSFORMERS	P368	F005	-	-	-	-	-	-
369-SERVICES	P369	F006	-	-	-	-	-	-
370-METERS	P370	F007	-	-	-	-	-	-
371-CUSTOMER INSTALLATION	P371	F008	-	-	-	-	-	-
373-STREET LIGHTING	P373	F008	-	-	-	-	-	-
374-ASSET RETIRE OBLIGATIONS DIST PLANT	P374	F003	-	-	-	-	-	-
Total Distribution Plant	PDIST		$ 152,675,045	$ -	$ 261,090,031	$ 415,491,278	$ 71,774,631	$ 109,072,753
Total Prod, Trans, and Dist Plant	PT&D		$ 152,675,045	$ -	$ 261,090,031	$ 415,491,278	$ 71,774,631	$ 109,072,753

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Plant in Service										
Intangible Plant										
301.00 ORGANIZATION	P301	PT&D	54	38	19	22	60	-	-	-
302.00 FRANCHISE AND CONSENTS	P301	PT&D	-	-	-	-	-	-	-	-
303.00 SOFTWARE - COMMON	P302	PT&D	-	-	-	-	-	-	-	-
301.00 ORGANIZATION - COMMON	P301	PT&D	-	-	-	-	-	-	-	-
302.00 FRANCHISE AND CONSENTS - COMMON	P301	PT&D	-	-	-	-	-	-	-	-
Total Intangible Plant	PINT		$ 54	$ 38	$ 19	$ 22	$ 60	$ -	$ -	$ -
Steam Production Plant										
Total Steam Production Plant	PSTPR	F017	-	-	-	-	-	-	-	-
Hydraulic Production Plant										
Total Hydraulic Production Plant	PHDPR	F017	-	-	-	-	-	-	-	-
Other Production Plant										
Total Other Production Plant	POTPR	F017	-	-	-	-	-	-	-	-
Total Production Plant	PPRTL		$ -	$ -			$ -	$ -	$ -	$ -
Transmission										
Total Transmission Plant	PTRAN	F011	-	-	-	-	-	-	-	-
Total Transmission Plant	PTRTL		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Distribution										
TOTAL ACCTS 360-362	P362	F001	-	-	-	-	-	-	-	-
364 & 365-OVERHEAD LINES	P365	F003	-	-	-	-	-	-	-	-
366 & 367-UNDERGROUND LINES	P367	F004	-	-	-	-	-	-	-	-
368-TRANSFORMERS	P368	F005	99,214,195	69,385,680	-	-	-	-	-	-
369-SERVICES	P369	F006	-	-	34,458,226	-	-	-	-	-
370-METERS	P370	F007	-	-	-	39,970,580	-	-	-	-
371-CUSTOMER INSTALLATION	P371	F008	-	-	-	-	-	-	-	-
373-STREET LIGHTING	P373	F008	-	-	-	-	109,522,342	-	-	-
374-ASSET RETIRE OBLIGATIONS DIST PLANT	P374	F003	-	-	-	-	-	-	-	-
Total Distribution Plant	PDIST		$ 99,214,195	$ 69,385,680	$ 34,458,226	$ 39,970,580	$ 109,522,342	$ -	$ -	$ -
Total Prod, Trans, and Dist Plant	PT&D		$ 99,214,195	$ 69,385,680	$ 34,458,226	$ 39,970,580	$ 109,522,342	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Plant in Service (Continued)								
General Plant								
Total General Plant	PGP	PT&D	$ 15,832,612	3,053,146	3,198,364	2,629,044	-	1,703,362
TOTAL COMMON PLANT	PCOM	PT&D	$ 202,237,020	38,999,198	40,854,128	33,581,956	-	21,757,809
106.00 COMPLETED CONSTR NOT CLASSIFIED	P106	PT&D	-	-	-	-	-	-
105.00 PLANT HELD FOR FUTURE USE - DIST	P105	PDIST	2,915,340	-	-	-	-	-
105.00 PLANT HELD FOR FUTURE USE - PROD	P105	F017	211,410	72,683	76,140	62,587	-	-
PROPERTY HELD UNDER CAPITAL LEASE		F017	-	0	0	0	0	0
OTHER		PDIST	$ -	-	-	-	-	-
Total Plant in Service	TPIS		$ 4,331,626,534	$ 834,776,533	$ 874,481,255	$ 718,820,643	$ -	$ 465,684,635
Construction Work in Progress (CWIP)								
CWIP Production	CWIP1	F017	$ 67,084,848	23,063,858	24,160,851	19,860,138	-	-
CWIP Transmission	CWIP2	F011	6,861,294	-	-	-	-	6,861,294
CWIP Distribution	CWIP3	PDIST	30,927,921	-	-	-	-	-
CWIP General & Common	CWIP4	PT&D	18,667,667	3,599,855	3,771,076	3,099,812	-	2,008,374
Total Construction Work in Progress	TCWIP		$ 123,541,729	$ 26,663,714	$ 27,931,928	$ 22,959,950	$ -	$ 8,869,668
Total Utility Plant			$ 4,455,168,263	$ 861,440,246	$ 902,413,182	$ 741,780,593	$ -	$ 474,554,303

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Plant in Service (Continued)								
General Plant								
Total General Plant	PGP	PT&D	588,076	-	1,005,671	1,600,396	276,463	420,128
TOTAL COMMON PLANT	PCOM	PT&D	7,511,760	-	12,845,881	20,442,572	3,531,381	5,366,485
106.00 COMPLETED CONSTR NOT CLASSIFIED	P106	PT&D	-	-	-	-	-	-
105.00 PLANT HELD FOR FUTURE USE - DIST	P105	PDIST	326,642	-	558,591	888,925	153,559	233,356
105.00 PLANT HELD FOR FUTURE USE - PROD	P105	F017	-	-	-	-	-	-
PROPERTY HELD UNDER CAPITAL LEASE		F017	0	0	0	0	0	0
OTHER		PDIST	-	-	-	-	-	-
Total Plant in Service	TPIS		$ 161,101,605	$ -	$ 275,500,316	$ 438,423,398	$ 75,736,072	$ 115,092,782
Construction Work in Progress (CWIP)								
CWIP Production	CWIP1	F017	-	-	-	-	-	-
CWIP Transmission	CWIP2	F011	-	-	-	-	-	-
CWIP Distribution	CWIP3	PDIST	3,465,237	-	5,925,912	9,430,328	1,629,055	2,475,604
CWIP General & Common	CWIP4	PT&D	693,380	-	1,185,750	1,886,970	325,967	495,358
Total Construction Work in Progress	TCWIP		$ 4,158,617	$ -	$ 7,111,662	$ 11,317,298	$ 1,955,023	$ 2,970,962
Total Utility Plant			$ 165,260,222	$ -	$ 282,611,978	$ 449,740,695	$ 77,691,095	$ 118,063,744

LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Plant in Service (Continued)										
General Plant										
Total General Plant	PGP	PT&D	382,155	267,261	132,727	153,959	421,860	-	-	-
TOTAL COMMON PLANT	PCOM	PT&D	4,881,434	3,413,842	1,695,378	1,966,591	5,388,605	-	-	-
106.00 COMPLETED CONSTR NOT CLASSIFIED	P106	PT&D	-	-	-	-	-	-	-	-
105.00 PLANT HELD FOR FUTURE USE - DIST	P105	PDIST	212,264	148,448	73,722	85,515	234,318	-	-	-
105.00 PLANT HELD FOR FUTURE USE - PROD	P105	F017	-	-	-	-	-	-	-	-
PROPERTY HELD UNDER CAPITAL LEASE		F017	0	0	0	0	0	0	0	0
OTHER		PDIST	-	-	-	-	-	-	-	-
Total Plant in Service	TPIS		$ 104,690,102	$ 73,215,269	$ 36,360,072	$ 42,176,668	$ 115,567,185	$ -	$ -	$ -
Construction Work in Progress (CWIP)										
CWIP Production	CWIP1	F017	-	-	-	-	-	-	-	-
CWIP Transmission	CWIP2	F011	-	-	-	-	-	-	-	-
CWIP Distribution	CWIP3	PDIST	2,251,846	1,574,834	782,092	907,205	2,485,808	-	-	-
CWIP General & Common	CWIP4	PT&D	450,585	315,118	156,493	181,528	497,400	-	-	-
Total Construction Work in Progress	TCWIP		$ 2,702,431	$ 1,889,952	$ 938,585	$ 1,088,733	$ 2,983,208	$ -	$ -	$ -
Total Utility Plant			$ 107,392,533	$ 75,105,221	$ 37,298,657	$ 43,265,400	$ 118,550,393	$ -	$ -	$ -
						$ 1,356,429,546				

LOUISVILLE GAS AND ELECTRIC COMPANY
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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Rate Base								
Utility Plant								
Plant in Service			$ 4,331,626,534	$ 834,776,533	$ 874,481,255	$ 718,820,643	$ -	$ 465,684,635
Construction Work in Progress (CWIP)			123,541,729	26,663,713.60	27,931,927.66	22,959,950.35	-	8,869,667.54
Total Utility Plant	TUP		$ 4,455,168,263	$ 861,440,246	$ 902,413,182	$ 741,780,593	$ -	$ 474,554,303
Less: Accumulated Provision for Depreciation and RWIP								
Production	ADEPREPA	F017	$ 903,942,138	310,776,487	325,558,040	267,607,611	-	-
Transmission	ADEPRTP	PTRAN	159,969,049	-	-	-	-	159,969,049
Distribution	ADEPRD11	PDIST	508,037,556	-	-	-	-	-
General & Common Plant	ADEPRD12	PT&D	71,121,012	13,714,909	14,367,236	11,809,819	-	7,651,603
Intangible Plant	ADEPRGP	PT&D	40,982,991	7,903,122	8,279,020	6,805,327	-	4,409,183
Total Accumulated Depreciation	TADEPR		$ 1,684,052,746	$ 332,394,518	$ 348,204,296	$ 286,222,757	$ -	$ 172,029,835
Net Utility Plant	NTPLANT		$ 2,771,115,517	$ 529,045,729	$ 554,208,886	$ 455,557,836	$ -	$ 302,524,467
Working Capital								
Cash Working Capital - Operation and Maintenance Expenses	CWC	OMLPP	$ 75,842,724	3,319,543	3,477,432	2,858,437	51,365,920	2,659,628
Materials and Supplies	M&S	TPIS	36,896,266	7,110,525	7,448,725	6,122,826	-	3,966,645
Prepayments	PREPAY	TPIS	13,972,166	2,692,669	2,820,741	2,318,640	-	1,502,120
Fuel Stock		F017	36,289,311	12,476,312	13,069,727	10,743,272	-	-
Total Working Capital	TWC		$ 163,000,467	$ 25,599,049	$ 26,816,625	$ 22,043,175	$ 51,365,920	$ 8,128,393
Deferred Debits								
Service Pension Cost	PENSCOST	TLB	$ -	-	-	-	-	-
Other Deferred Debits	DDEBPP	OMSUB2	-	-	-	-	-	-
Total Deferred Debits			$ -	$ -	$ -	$ -	$ -	$ -
Less: Customer Advances	CSTDEP	F027	$ 6,724,404	-	-	-	-	-
Accumulated Deferred Income Taxes								
Accumulated Deferred Income Taxes	DIT	TPIS	$ 546,457,652	105,311,485	110,320,447	90,683,035	-	58,748,586
FAS 109 Deferred Income Taxes	DIT	TPIS	$ -	-	-	-	-	-
Asset Retirement Obligation-Net Assets	DIT	TPIS	$ -	-	-	-	-	-
Asset Retirement Obligation-Regulatory Liabilities	DIT	TPIS	$ -	-	-	-	-	-
Total Accumulated Deferred Income Tax			$ 546,457,652	$ 105,311,485	$ 110,320,447	$ 90,683,035	$ -	$ 58,748,586
Investment Tax Credits								
Total Production Plant	DIT	F017	$ -	-	-	-	-	-
Total Transmission Plant	DIT	PTRAN	-	-	-	-	-	-
Total Distribution Plant	DIT	PDIST	-	-	-	-	-	-
Total General Plant	DIT	PT&D	-	-	-	-	-	-
Total Investment Tax Credit			$ -	$ -	$ -	$ -	$ -	$ -
Net Rate Base	RB		$ 2,380,933,927	$ 449,333,293	$ 470,705,064	$ 386,917,976	$ 51,365,920	$ 251,904,274

LOUISVILLE GAS AND ELECTRIC COMPANY
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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Rate Base								
Utility Plant								
Plant in Service			$ 161,101,605	$ -	$ 275,500,316	$ 438,423,398	$ 75,736,072	$ 115,092,782
Construction Work in Progress (CWIP)			4,158,616.59	-	7,111,662.12	11,317,297.60	1,955,022.64	2,970,962.02
Total Utility Plant	TUP		$ 165,260,222	$ -	$ 282,611,978	$ 449,740,695	$ 77,691,095	$ 118,063,744
Less: Accumulated Provision for Depreciation and RWIP								
Production	ADEPREPA	F017	-	-	-	-	-	-
Transmission	ADEPRTP	PTRAN	-	-	-	-	-	-
Distribution	ADEPRD11	PDIST	56,921,723	-	97,342,001	154,907,303	26,759,682	40,665,513
General & Common Plant	ADEPRD12	PT&D	2,641,672	-	4,517,531	7,189,072	1,241,886	1,887,240
Intangible Plant	ADEPRGP	PT&D	1,522,245	-	2,603,196	4,142,653	715,628	1,087,509
Total Accumulated Depreciation	TADEPR		$ 61,085,641	$ -	$ 104,462,729	$ 166,239,027	$ 28,717,197	$ 43,640,262
Net Utility Plant	NTPLANT		$ 104,174,581	$ -	$ 178,149,250	$ 283,501,669	$ 48,973,898	$ 74,423,481
Working Capital								
Cash Working Capital - Operation and Maintenance Expenses	CWC	OMLPP	983,238	-	1,708,534	2,557,456	574,567	844,069
Materials and Supplies	M&S	TPIS	1,372,244	-	2,346,678	3,734,437	645,111	980,346
Prepayments	PREPAY	TPIS	519,652	-	888,658	1,414,186	244,296	371,245
Fuel Stock		F017	-	-	-	-	-	-
Total Working Capital	TWC		$ 2,875,134	$ -	$ 4,943,870	$ 7,706,078	$ 1,463,973	$ 2,195,660
Deferred Debits								
Service Pension Cost	PENSCOST	TLB	-	-	-	-	-	-
Other Deferred Debits	DDEBPP	OMSUB2	-	-	-	-	-	-
Total Deferred Debits			$ -	$ -	$ -	$ -	$ -	$ -
Less: Customer Advances	CSTDEP	F027	-	-	2,047,604	3,258,500	562,894	855,406
Accumulated Deferred Income Taxes								
Accumulated Deferred Income Taxes	DIT	TPIS	20,323,822	-	34,755,826	55,309,436	9,554,507	14,519,565
FAS 109 Deferred Income Taxes	DIT	TPIS	-	-	-	-	-	-
Asset Retirement Obligation-Net Assets	DIT	TPIS	-	-	-	-	-	-
Asset Retirement Obligation-Regulatory Liabilities	DIT	TPIS	-	-	-	-	-	-
Total Accumulated Deferred Income Tax			$ 20,323,822	$ -	$ 34,755,826	$ 55,309,436	$ 9,554,507	$ 14,519,565
Investment Tax Credits								
Total Production Plant	DIT	F017	-	-	-	-	-	-
Total Transmission Plant	DIT	PTRAN	-	-	-	-	-	-
Total Distribution Plant	DIT	PDIST	-	-	-	-	-	-
Total General Plant	DIT	PT&D	-	-	-	-	-	-
Total Investment Tax Credit			$ -	$ -	$ -	$ -	$ -	$ -
Net Rate Base	RB		$ 86,725,894	$ -	$ 146,289,690	$ 232,639,811	$ 40,320,470	$ 61,244,172

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Cost of Service Study
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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Rate Base										
Utility Plant										
Plant in Service			$ 104,690,102	$ 73,215,269	$ 36,360,072	$ 42,176,668	$ 115,567,185	$ -	$ -	$ -
Construction Work in Progress (CWIP)			2,702,431.13	1,889,951.57	938,585.29	1,088,732.72	2,983,208.08	-	-	-
Total Utility Plant	TUP		$ 107,392,533	$ 75,105,221	$ 37,298,657	$ 43,265,400	$ 118,550,393	$ -	$ -	$ -
Less: Accumulated Provision for Depreciation and RWIP										
Production	ADEPREPA	F017	-	-	-	-	-	-	-	-
Transmission	ADEPRTP	PTRAN	-	-	-	-	-	-	-	-
Distribution	ADEPRD11	PDIST	36,989,954	25,869,011	12,847,035	14,902,201	40,833,133	-	-	-
General & Common Plant	ADEPRD12	PT&D	1,716,662	1,200,551	596,216	691,594	1,895,019	-	-	-
Intangible Plant	ADEPRGP	PT&D	989,214	691,809	343,565	398,526	1,091,992	-	-	-
Total Accumulated Depreciation	TADEPR		$ 39,695,830	$ 27,761,372	$ 13,786,816	$ 15,992,322	$ 43,820,144	$ -	$ -	$ -
Net Utility Plant	NTPLANT		$ 67,696,703	$ 47,343,849	$ 23,511,840	$ 27,273,078	$ 74,730,249	$ -	$ -	$ -
Working Capital										
Cash Working Capital - Operation and Maintenance Expenses	CWC	OMLPP	134,472	94,043	35,516	2,061,649	156,821	2,471,536	539,863	-
Materials and Supplies	M&S	TPIS	891,738	623,639	309,711	359,256	984,387	-	-	-
Prepayments	PREPAY	TPIS	337,690	236,164	117,284	136,046	372,775	-	-	-
Fuel Stock		F017	-	-	-	-	-	-	-	-
Total Working Capital	TWC		$ 1,363,899	$ 953,846	$ 462,510	$ 2,556,951	$ 1,513,984	$ 2,471,536	$ 539,863	$ -
Deferred Debits										
Service Pension Cost	PENSCOST	TLB	-	-	-	-	-	-	-	-
Other Deferred Debits	DDEBPP	OMSUB2	-	-	-	-	-	-	-	-
Total Deferred Debits			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Customer Advances	CSTDEP	F027	-	-	-	-	-	-	-	-
Accumulated Deferred Income Taxes										
Accumulated Deferred Income Taxes	DIT	TPIS	13,207,211	9,236,494	4,587,016	5,320,810	14,579,413	-	-	-
FAS 109 Deferred Income Taxes	DIT	TPIS	-	-	-	-	-	-	-	-
Asset Retirement Obligation-Net Assets	DIT	TPIS	-	-	-	-	-	-	-	-
Asset Retirement Obligation-Regulatory Liabilities	DIT	TPIS	-	-	-	-	-	-	-	-
Total Accumulated Deferred Income Tax			$ 13,207,211	$ 9,236,494	$ 4,587,016	$ 5,320,810	$ 14,579,413	$ -	$ -	$ -
Investment Tax Credits										
Total Production Plant	DIT	F017	-	-	-	-	-	-	-	-
Total Transmission Plant	DIT	PTRAN	-	-	-	-	-	-	-	-
Total Distribution Plant	DIT	PDIST	-	-	-	-	-	-	-	-
Total General Plant	DIT	PT&D	-	-	-	-	-	-	-	-
Total Investment Tax Credit			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Rate Base	RB		$ 55,853,391	$ 39,061,200	$ 19,387,335	$ 24,509,219	$ 61,664,820	$ 2,471,536	$ 539,863	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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12 Months Ended June 30, 2016

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Operation and Maintenance Expenses								
Steam Power Generation Operation Expenses								
500 OPERATION SUPERVISION & ENGINEERING	OM500	LBSUB1	$ 4,922,985	1,431,481	1,499,567	1,232,639	759,298	-
501 FUEL	OM501	Energy	293,912,722	-	-	-	293,912,722	-
502 STEAM EXPENSES	OM502	PROFIX	18,526,106	6,369,300	6,672,244	5,484,562	-	-
504 STEAM TRANSFER EXPENSES	OM504	PROFIX	-	-	-	-	-	-
505 ELECTRIC EXPENSES	OM505	PROFIX	2,617,219	899,803	942,601	774,815	-	-
506 MISC. STEAM POWER EXPENSES	OM506	PROFIX	9,946,165	3,419,505	3,582,147	2,944,513	-	-
507 RENTS	OM507	PROFIX		-	-	-	-	-
509 ALLOWANCES	OM509	PROFIX	-	-	-	-	-	-
Total Steam Power Operation Expenses			$ 329,925,198	$ 12,120,089	$ 12,696,560	$ 10,436,529	$ 294,672,020	$ -
Steam Power Generation Maintenance Expenses								
510 MAINTENANCE SUPERVISION & ENGINEERING	OM510	LBSUB2	$ 4,351,845	-	-	-	4,351,845	-
511 MAINTENANCE OF STRUCTURES	OM511	PROFIX	4,128,301	1,419,315	1,486,823	1,222,163	-	-
512 MAINTENANCE OF BOILER PLANT	OM512	Energy	34,257,481	-	-	-	34,257,481	-
513 MAINTENANCE OF ELECTRIC PLANT	OM513	Energy	15,421,014	-	-	-	15,421,014	-
514 MAINTENANCE OF MISC STEAM PLANT	OM514	Energy	1,072,820	-	-	-	1,072,820	-
Total Steam Power Generation Maintenance Expense			$ 59,231,461	$ 1,419,315	$ 1,486,823	$ 1,222,163	$ 55,103,160	$ -
Total Steam Power Generation Expense			$ 389,156,659	$ 13,539,404	$ 14,183,382	$ 11,658,693	$ 349,775,180	$ -
Hydraulic Power Generation Operation Expenses								
535 OPERATION SUPERVISION & ENGINEERING	OM535	LBSUB3	$ 121,406	41,740	43,725	35,942	-	-
536 WATER FOR POWER	OM536	PROFIX	40,614	13,963	14,627	12,024	-	-
537 HYDRAULIC EXPENSES	OM537	PROFIX	-	-	-	-	-	-
538 ELECTRIC EXPENSES	OM538	PROFIX	180,161	61,940	64,886	53,336	-	-
539 MISC. HYDRAULIC POWER EXPENSES	OM539	PROFIX	348,792	119,915	125,619	103,258	-	-
540 RENTS		PROFIX	545,400	187,509	196,428	161,463	-	-
Total Hydraulic Power Operation Expenses			$ 1,236,373	$ 425,067	$ 445,284	$ 366,022	$ -	$ -
Hydraulic Power Generation Maintenance Expenses								
541 MAINTENANCE SUPERVISION & ENGINEERING	OM541	LBSUB4	$ -	-	-	-	-	-
542 MAINTENANCE OF STRUCTURES	OM542	PROFIX	244,992	84,229	88,235	72,529	-	-
543 MAINT. OF RESERVES, DAMS, AND WATERWAYS	OM543	PROFIX	190,785	65,592	68,712	56,481	-	-
544 MAINTENANCE OF ELECTRIC PLANT	OM544	Energy	371,119	-	-	-	371,119	-
545 MAINTENANCE OF MISC HYDRAULIC PLANT	OM545	Energy	58,972	-	-	-	58,972	-
Total Hydraulic Power Generation Maint. Expense			$ 865,868	$ 149,821	$ 156,947	$ 129,010	$ 430,091	$ -
Total Hydraulic Power Generation Expense			$ 2,102,241	$ 574,887	$ 602,231	$ 495,032	$ 430,091	$ -
Other Power Generation Operation Expense								
546 OPERATION SUPERVISION & ENGINEERING	OM546	LBSUB5	$ 604,185	207,720	217,599	178,866	-	-
547 FUEL	OM547	Energy	57,317,664	-	-	-	57,317,664	-
548 GENERATION EXPENSE	OM548	PROFIX	280,735	96,517	101,108	83,110	-	-
549 MISC OTHER POWER GENERATION	OM549	PROFIX	1,105,538	380,085	398,164	327,289	-	-
550 RENTS	OM550	PROFIX	5,706	1,962	2,055	1,689	-	-
Total Other Power Generation Expenses			$ 59,313,828	$ 686,284	$ 718,926	$ 590,955	$ 57,317,664	$ -

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12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Operation and Maintenance Expenses								
Steam Power Generation Operation Expenses								
500 OPERATION SUPERVISION & ENGINEERING	OM500	LBSUB1	-	-	-	-	-	-
501 FUEL	OM501	Energy	-	-	-	-	-	-
502 STEAM EXPENSES	OM502	PROFIX	-	-	-	-	-	-
504 STEAM TRANSFER EXPENSES	OM504	PROFIX	-	-	-	-	-	-
505 ELECTRIC EXPENSES	OM505	PROFIX	-	-	-	-	-	-
506 MISC. STEAM POWER EXPENSES	OM506	PROFIX	-	-	-	-	-	-
507 RENTS	OM507	PROFIX	-	-	-	-	-	-
509 ALLOWANCES	OM509	PROFIX	-	-	-	-	-	-
Total Steam Power Operation Expenses			$ -	$ -	$ -	$ -	$ -	$ -
Steam Power Generation Maintenance Expenses								
510 MAINTENANCE SUPERVISION & ENGINEERING	OM510	LBSUB2	-	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	OM511	PROFIX	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	OM512	Energy	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	OM513	Energy	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	OM514	Energy	-	-	-	-	-	-
Total Steam Power Generation Maintenance Expense			$ -	$ -	$ -	$ -	$ -	$ -
Total Steam Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Operation Expenses								
535 OPERATION SUPERVISION & ENGINEERING	OM535	LBSUB3	-	-	-	-	-	-
536 WATER FOR POWER	OM536	PROFIX	-	-	-	-	-	-
537 HYDRAULIC EXPENSES	OM537	PROFIX	-	-	-	-	-	-
538 ELECTRIC EXPENSES	OM538	PROFIX	-	-	-	-	-	-
539 MISC. HYDRAULIC POWER EXPENSES	OM539	PROFIX	-	-	-	-	-	-
540 RENTS		PROFIX	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses			$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Maintenance Expenses								
541 MAINTENANCE SUPERVISION & ENGINEERING	OM541	LBSUB4	-	-	-	-	-	-
542 MAINTENANCE OF STRUCTURES	OM542	PROFIX	-	-	-	-	-	-
543 MAINT. OF RESERVES, DAMS, AND WATERWAYS	OM543	PROFIX	-	-	-	-	-	-
544 MAINTENANCE OF ELECTRIC PLANT	OM544	Energy	-	-	-	-	-	-
545 MAINTENANCE OF MISC HYDRAULIC PLANT	OM545	Energy	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense			$ -	$ -	$ -	$ -	$ -	$ -
Total Hydraulic Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -
Other Power Generation Operation Expense								
546 OPERATION SUPERVISION & ENGINEERING	OM546	LBSUB5	-	-	-	-	-	-
547 FUEL	OM547	Energy	-	-	-	-	-	-
548 GENERATION EXPENSE	OM548	PROFIX	-	-	-	-	-	-
549 MISC OTHER POWER GENERATION	OM549	PROFIX	-	-	-	-	-	-
550 RENTS	OM550	PROFIX	-	-	-	-	-	-
Total Other Power Generation Expenses			$ -	$ -	$ -	$ -	$ -	$ -

LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Operation and Maintenance Expenses										
Steam Power Generation Operation Expenses										
500 OPERATION SUPERVISION & ENGINEERING	OM500	LBSUB1	-	-	-	-	-	-	-	-
501 FUEL	OM501	Energy	-	-	-	-	-	-	-	-
502 STEAM EXPENSES	OM502	PROFIX	-	-	-	-	-	-	-	-
504 STEAM TRANSFER EXPENSES	OM504	PROFIX	-	-	-	-	-	-	-	-
505 ELECTRIC EXPENSES	OM505	PROFIX	-	-	-	-	-	-	-	-
506 MISC. STEAM POWER EXPENSES	OM506	PROFIX	-	-	-	-	-	-	-	-
507 RENTS	OM507	PROFIX	-	-	-	-	-	-	-	-
509 ALLOWANCES	OM509	PROFIX	-	-	-	-	-	-	-	-
Total Steam Power Operation Expenses			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Steam Power Generation Maintenance Expenses										
510 MAINTENANCE SUPERVISION & ENGINEERING	OM510	LBSUB2	-	-	-	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	OM511	PROFIX	-	-	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	OM512	Energy	-	-	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	OM513	Energy	-	-	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	OM514	Energy	-	-	-	-	-	-	-	-
Total Steam Power Generation Maintenance Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Steam Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Operation Expenses										
535 OPERATION SUPERVISION & ENGINEERING	OM535	LBSUB3	-	-	-	-	-	-	-	-
536 WATER FOR POWER	OM536	PROFIX	-	-	-	-	-	-	-	-
537 HYDRAULIC EXPENSES	OM537	PROFIX	-	-	-	-	-	-	-	-
538 ELECTRIC EXPENSES	OM538	PROFIX	-	-	-	-	-	-	-	-
539 MISC. HYDRAULIC POWER EXPENSES	OM539	PROFIX	-	-	-	-	-	-	-	-
540 RENTS		PROFIX	-	-	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Maintenance Expenses										
541 MAINTENANCE SUPERVISION & ENGINEERING	OM541	LBSUB4	-	-	-	-	-	-	-	-
542 MAINTENANCE OF STRUCTURES	OM542	PROFIX	-	-	-	-	-	-	-	-
543 MAINT. OF RESERVES, DAMS, AND WATERWAYS	OM543	PROFIX	-	-	-	-	-	-	-	-
544 MAINTENANCE OF ELECTRIC PLANT	OM544	Energy	-	-	-	-	-	-	-	-
545 MAINTENANCE OF MISC HYDRAULIC PLANT	OM545	Energy	-	-	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Hydraulic Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Power Generation Operation Expense										
546 OPERATION SUPERVISION & ENGINEERING	OM546	LBSUB5	-	-	-	-	-	-	-	-
547 FUEL	OM547	Energy	-	-	-	-	-	-	-	-
548 GENERATION EXPENSE	OM548	PROFIX	-	-	-	-	-	-	-	-
549 MISC OTHER POWER GENERATION	OM549	PROFIX	-	-	-	-	-	-	-	-
550 RENTS	OM550	PROFIX	-	-	-	-	-	-	-	-
Total Other Power Generation Expenses			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

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Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Operation and Maintenance Expenses (Continued)								
Other Power Generation Maintenance Expense								
551 MAINTENANCE SUPERVISION & ENGINEERING	OM551	PROFIX	$ 256,698	88,253	92,451	75,994	-	-
552 MAINTENANCE OF STRUCTURES	OM552	PROFIX	560,673	192,760	201,928	165,984	-	-
553 MAINTENANCE OF GENERATING & ELEC PLANT	OM553	PROFIX	2,652,503	911,934	955,309	785,260	-	-
554 MAINTENANCE OF MISC OTHER POWER GEN PLT	OM554	PROFIX	1,112,788	382,578	400,775	329,435	-	-
Total Other Power Generation Maintenance Expense			$ 4,582,662	$ 1,575,525	$ 1,650,462	$ 1,356,674	$ -	$ -
Total Other Power Generation Expense			$ 63,896,490	$ 2,261,809	$ 2,369,388	$ 1,947,629	$ 57,317,664	$ -
Total Station Expense			$ 455,155,390	$ 16,376,100	$ 17,155,001	$ 14,101,353	$ 407,522,935	$ -
Other Power Supply Expenses								
555 PURCHASED POWER	OM555	OMPP	$ 53,937,678	5,575,353	5,840,535	4,800,900	37,720,890	-
555 PURCHASED POWER OPTIONS	OMO555	OMPP	-	-	-	-	-	-
555 BROKERAGE FEES	OMB555	OMPP	-	-	-	-	-	-
555 MISO TRANSMISSION EXPENSES	OMM555	OMPP	-	-	-	-	-	-
556 SYSTEM CONTROL AND LOAD DISPATCH	OM556	PROFIX	1,248,388	429,197	449,611	369,579	-	-
557 OTHER EXPENSES	OM557	PROFIX	3,807	1,309	1,371	1,127	-	-
558 DUPLICATE CHARGES	OM558	Energy	-	-	-	-	-	-
Total Other Power Supply Expenses	TPP		$ 55,189,873	$ 6,005,859	$ 6,291,518	$ 5,171,606	$ 37,720,890	$ -
Total Electric Power Generation Expenses			$ 510,345,263	$ 22,381,959	$ 23,446,519	$ 19,272,960	$ 445,243,825	$ -
Transmission Expenses								
560 OPERATION SUPERVISION AND ENG	OM560	LBTRAN	$ 1,013,327	-	-	-	-	1,013,327
561 LOAD DISPATCHING	OM561	LBTRAN	2,208,583	-	-	-	-	2,208,583
562 STATION EXPENSES	OM562	LBTRAN	928,949	-	-	-	-	928,949
563 OVERHEAD LINE EXPENSES	OM563	LBTRAN	244,298	-	-	-	-	244,298
565 TRANSMISSION OF ELECTRICITY BY OTHERS	OM565	LBTRAN	36,638	-	-	-	-	36,638
566 MISC. TRANSMISSION EXPENSES	OM566	PTRAN	6,948,940	-	-	-	-	6,948,940
567 RENTS	OM567	PTRAN	67,500	-	-	-	-	67,500
568 MAINTENACE SUPERVISION AND ENG	OM568	LBTRAN		-	-	-	-	-
569 STRUCTURES	OM569	LBTRAN	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	OM570	LBTRAN	1,490,332	-	-	-	-	1,490,332
571 MAINT OF OVERHEAD LINES	OM571	LBTRAN	3,342,881	-	-	-	-	3,342,881
572 UNDERGROUND LINES	OM572	LBTRAN	-	-	-	-	-	-
573 MISC PLANT	OM573	PTRAN	228,063	-	-	-	-	228,063
575 MARKET FACILITATION, MONITORING AND COMPLIANCE	OM575	LBTRAN	-	-	-	-	-	-
Total Transmission Expenses			$ 16,509,511	$ -	$ -	$ -	$ -	$ 16,509,511

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Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Operation and Maintenance Expenses (Continued)								
Other Power Generation Maintenance Expense								
551 MAINTENANCE SUPERVISION & ENGINEERING	OM551	PROFIX	-	-	-	-	-	-
552 MAINTENANCE OF STRUCTURES	OM552	PROFIX	-	-	-	-	-	-
553 MAINTENANCE OF GENERATING & ELEC PLANT	OM553	PROFIX	-	-	-	-	-	-
554 MAINTENANCE OF MISC OTHER POWER GEN PLT	OM554	PROFIX	-	-	-	-	-	-
Total Other Power Generation Maintenance Expense			$ -	$ -	$ -	$ -	$ -	$ -
Total Other Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -
Total Station Expense			$ -	$ -	$ -	$ -	$ -	$ -
Other Power Supply Expenses								
555 PURCHASED POWER	OM555	OMPP	-	-	-	-	-	-
555 PURCHASED POWER OPTIONS	OMO555	OMPP	-	-	-	-	-	-
555 BROKERAGE FEES	OMB555	OMPP	-	-	-	-	-	-
555 MISO TRANSMISSION EXPENSES	OMM555	OMPP	-	-	-	-	-	-
556 SYSTEM CONTROL AND LOAD DISPATCH	OM556	PROFIX	-	-	-	-	-	-
557 OTHER EXPENSES	OM557	PROFIX	-	-	-	-	-	-
558 DUPLICATE CHARGES	OM558	Energy	-	-	-	-	-	-
Total Other Power Supply Expenses	TPP		$ -	$ -	$ -	$ -	$ -	$ -
Total Electric Power Generation Expenses			$ -	$ -	$ -	$ -	$ -	$ -
Transmission Expenses								
560 OPERATION SUPERVISION AND ENG	OM560	LBTRAN	-	-	-	-	-	-
561 LOAD DISPATCHING	OM561	LBTRAN	-	-	-	-	-	-
562 STATION EXPENSES	OM562	LBTRAN	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	OM563	LBTRAN	-	-	-	-	-	-
565 TRANSMISSION OF ELECTRICITY BY OTHERS	OM565	LBTRAN	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	OM566	PTRAN	-	-	-	-	-	-
567 RENTS	OM567	PTRAN	-	-	-	-	-	-
568 MAINTENACE SUPERVISION AND ENG	OM568	LBTRAN	-	-	-	-	-	-
569 STRUCTURES	OM569	LBTRAN	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	OM570	LBTRAN	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	OM571	LBTRAN	-	-	-	-	-	-
572 UNDERGROUND LINES	OM572	LBTRAN	-	-	-	-	-	-
573 MISC PLANT	OM573	PTRAN	-	-	-	-	-	-
575 MARKET FACILITATION, MONITORING AND COMPLIANCE	OM575	LBTRAN	-	-	-	-	-	-
Total Transmission Expenses			$ -	$ -	$ -	$ -	$ -	$ -

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Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Operation and Maintenance Expenses (Continued)										
Other Power Generation Maintenance Expense										
551 MAINTENANCE SUPERVISION & ENGINEERING	OM551	PROFIX	-	-	-	-	-	-	-	-
552 MAINTENANCE OF STRUCTURES	OM552	PROFIX	-	-	-	-	-	-	-	-
553 MAINTENANCE OF GENERATING & ELEC PLANT	OM553	PROFIX	-	-	-	-	-	-	-	-
554 MAINTENANCE OF MISC OTHER POWER GEN PLT	OM554	PROFIX	-	-	-	-	-	-	-	-
Total Other Power Generation Maintenance Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Other Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Station Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Power Supply Expenses										
555 PURCHASED POWER	OM555	OMPP	-	-	-	-	-	-	-	-
555 PURCHASED POWER OPTIONS	OMO555	OMPP	-	-	-	-	-	-	-	-
555 BROKERAGE FEES	OMB555	OMPP	-	-	-	-	-	-	-	-
555 MISO TRANSMISSION EXPENSES	OMM555	OMPP	-	-	-	-	-	-	-	-
556 SYSTEM CONTROL AND LOAD DISPATCH	OM556	PROFIX	-	-	-	-	-	-	-	-
557 OTHER EXPENSES	OM557	PROFIX	-	-	-	-	-	-	-	-
558 DUPLICATE CHARGES	OM558	Energy	-	-	-	-	-	-	-	-
Total Other Power Supply Expenses	TPP		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Electric Power Generation Expenses			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transmission Expenses										
560 OPERATION SUPERVISION AND ENG	OM560	LBTRAN	-	-	-	-	-	-	-	-
561 LOAD DISPATCHING	OM561	LBTRAN	-	-	-	-	-	-	-	-
562 STATION EXPENSES	OM562	LBTRAN	-	-	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	OM563	LBTRAN	-	-	-	-	-	-	-	-
565 TRANSMISSION OF ELECTRICITY BY OTHERS	OM565	LBTRAN	-	-	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	OM566	PTRAN	-	-	-	-	-	-	-	-
567 RENTS	OM567	PTRAN	-	-	-	-	-	-	-	-
568 MAINTENACE SUPERVISION AND ENG	OM568	LBTRAN	-	-	-	-	-	-	-	-
569 STRUCTURES	OM569	LBTRAN	-	-	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	OM570	LBTRAN	-	-	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	OM571	LBTRAN	-	-	-	-	-	-	-	-
572 UNDERGROUND LINES	OM572	LBTRAN	-	-	-	-	-	-	-	-
573 MISC PLANT	OM573	PTRAN	-	-	-	-	-	-	-	-
575 MARKET FACILITATION, MONITORING AND COMPLIANCE	OM575	LBTRAN	-	-	-	-	-	-	-	-
Total Transmission Expenses			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

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12 Months Ended June 30, 2016

Description	Name	Functional Vector		Total System	Production Demand Base		Production Demand Winter Peak		Production Demand Summer Peak		Production Energy		Transmission Demand Demand
Operation and Maintenance Expenses (Continued)													
Distribution Operation Expense													
580 OPERATION SUPERVISION AND ENGI	OM580	LBDO	$	1,814,624	-		-		-		-		-
581 LOAD DISPATCHING	OM581	P362		741,674	-		-		-		-		-
582 STATION EXPENSES	OM582	P362		1,941,657	-		-		-		-		-
583 OVERHEAD LINE EXPENSES	OM583	P365		5,880,672	-		-		-		-		-
584 UNDERGROUND LINE EXPENSES	OM584	P367		535,725	-		-		-		-		-
585 STREET LIGHTING EXPENSE	OM585	P373		-	-		-		-		-		-
586 METER EXPENSES	OM586	P370		8,277,541	-		-		-		-		-
586 METER EXPENSES - LOAD MANAGEMENT	OM586x	F012		-	-		-		-		-		-
587 CUSTOMER INSTALLATIONS EXPENSE	OM587	PDIST		(79,200)	-		-		-		-		-
588 MISCELLANEOUS DISTRIBUTION EXP	OM588	PDIST		5,593,730	-		-		-		-		-
588 MISC DISTR EXP -- MAPPIN	OM588x	PDIST			-		-		-		-		-
589 RENTS	OM589	PDIST		8,165	-		-		-		-		-
Total Distribution Operation Expense	OMDO		$	24,714,588	$ -	$	-	$	-	$	-	$	-
Distribution Maintenance Expense													
590 MAINTENANCE SUPERVISION AND EN	OM590	LBDM	$	77,850	-		-		-		-		-
591 STRUCTURES	OM591	P362		-	-		-		-		-		-
592 MAINTENANCE OF STATION EQUIPME	OM592	P362		1,167,866	-		-		-		-		-
593 MAINTENANCE OF OVERHEAD LINES	OM593	P365		23,665,349	-		-		-		-		-
594 MAINTENANCE OF UNDERGROUND LIN	OM594	P367		1,604,057	-		-		-		-		-
595 MAINTENANCE OF LINE TRANSFORME	OM595	P368		334,735	-		-		-		-		-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	OM596	P373		355,341	-		-		-		-		-
597 MAINTENANCE OF METERS	OM597	P370		1,427,898	-		-		-		-		-
598 MISCELLANEOUS DISTRIBUTION EXPENSES	OM598	PDIST		671,832	-		-		-		-		-
Total Distribution Maintenance Expense	OMDM		$	29,304,928	$ -	$	-	$	-	$	-	$	-
Total Distribution Operation and Maintenance Expenses			$	54,019,516	-		-		-		-		-
Transmission and Distribution Expenses			$	70,529,027	-		-		-		-		16,509,511
Production, Transmission and Distribution Expenses	OMSUB		$	580,874,290	$ 22,381,959	$	23,446,519	$	19,272,960	$	445,243,825	$	16,509,511

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Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Operation and Maintenance Expenses (Continued)								
Distribution Operation Expense								
580 OPERATION SUPERVISION AND ENGI	OM580	LBDO	336,695	-	182,918	278,035	58,766	86,953
581 LOAD DISPATCHING	OM581	P362	741,674	-	-	-	-	-
582 STATION EXPENSES	OM582	P362	1,941,657	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	OM583	P365	-	-	1,756,248	2,547,227	643,654	933,542
584 UNDERGROUND LINE EXPENSES	OM584	P367	-	-	168,164	303,809	22,715	41,037
585 STREET LIGHTING EXPENSE	OM585	P373	-	-	-	-	-	-
586 METER EXPENSES	OM586	P370	-	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	OM586x	F012	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	OM587	PDIST	(8,874)	-	(15,175)	(24,149)	(4,172)	(6,340)
588 MISCELLANEOUS DISTRIBUTION EXP	OM588	PDIST	626,735	-	1,071,781	1,705,602	294,637	447,746
588 MISC DISTR EXP -- MAPPIN	OM588x	PDIST	-	-	-	-	-	-
589 RENTS	OM589	PDIST	915	-	1,564	2,490	430	654
Total Distribution Operation Expense	OMDO		$ 3,638,802	$ -	$ 3,165,501	$ 4,813,014	$ 1,016,029	$ 1,503,593
Distribution Maintenance Expense								
590 MAINTENANCE SUPERVISION AND EN	OM590	LBDM	4,736	-	21,381	32,085	7,138	10,498
591 STRUCTURES	OM591	P362	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	OM592	P362	1,167,866	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	OM593	P365	-	-	7,067,599	10,250,703	2,590,230	3,756,817
594 MAINTENANCE OF UNDERGROUND LIN	OM594	P367	-	-	503,514	909,660	68,012	122,871
595 MAINTENANCE OF LINE TRANSFORME	OM595	P368	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	OM596	P373	-	-	-	-	-	-
597 MAINTENANCE OF METERS	OM597	P370	-	-	-	-	-	-
598 MISCELLANEOUS DISTRIBUTION EXPENSES	OM598	PDIST	75,274	-	128,726	204,850	35,387	53,776
Total Distribution Maintenance Expense	OMDM		$ 1,247,876	$ -	$ 7,721,220	$ 11,397,299	$ 2,700,767	$ 3,943,963
Total Distribution Operation and Maintenance Expenses			4,886,677	-	10,886,721	16,210,312	3,716,796	5,447,555
Transmission and Distribution Expenses			4,886,677	-	10,886,721	16,210,312	3,716,796	5,447,555
Production, Transmission and Distribution Expenses	OMSUB		$ 4,886,677	$ -	$ 10,886,721	$ 16,210,312	$ 3,716,796	$ 5,447,555

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12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Operation and Maintenance Expenses (Continued)										
Distribution Operation Expense										
580 OPERATION SUPERVISION AND ENGI	OM580	LBDO	23,619	16,518	8,203	796,842	26,073	-	-	-
581 LOAD DISPATCHING	OM581	P362	-	-	-	-	-	-	-	-
582 STATION EXPENSES	OM582	P362	-	-	-	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	OM583	P365	-	-	-	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	OM584	P367	-	-	-	-	-	-	-	-
585 STREET LIGHTING EXPENSE	OM585	P373	-	-	-	-	-	-	-	-
586 METER EXPENSES	OM586	P370	-	-	-	8,277,541	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	OM586x	F012	-	-	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	OM587	PDIST	(5,767)	(4,033)	(2,003)	(2,323)	(6,366)	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	OM588	PDIST	407,277	284,830	141,452	164,080	449,592	-	-	-
588 MISC DISTR EXP -- MAPPIN	OM588x	PDIST	-	-	-	-	-	-	-	-
589 RENTS	OM589	PDIST	594	416	206	240	656	-	-	-
Total Distribution Operation Expense	OMDO		$ 425,724	$ 297,731	$ 147,859	$ 9,236,380	$ 469,956	$ -	$ -	$ -
Distribution Maintenance Expense										
590 MAINTENANCE SUPERVISION AND EN	OM590	LBDM	1,088	761	-	-	162	-	-	-
591 STRUCTURES	OM591	P362	-	-	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	OM592	P362	-	-	-	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	OM593	P365	-	-	-	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	OM594	P367	-	-	-	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	OM595	P368	196,978	137,757	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	OM596	P373	-	-	-	-	355,341	-	-	-
597 MAINTENANCE OF METERS	OM597	P370	-	-	-	1,427,898	-	-	-	-
598 MISCELLANEOUS DISTRIBUTION EXPENSES	OM598	PDIST	48,916	34,209	16,989	19,707	53,998	-	-	-
Total Distribution Maintenance Expense	OMDM		$ 246,982	$ 172,728	$ 16,989	$ 1,447,605	$ 409,501	$ -	$ -	$ -
Total Distribution Operation and Maintenance Expenses			672,706	470,459	164,848	10,683,985	879,457	-	-	-
Transmission and Distribution Expenses			672,706	470,459	164,848	10,683,985	879,457	-	-	-
Production, Transmission and Distribution Expenses	OMSUB		$ 672,706	$ 470,459	$ 164,848	$ 10,683,985	$ 879,457	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Operation and Maintenance Expenses (Continued)								
Customer Accounts Expense								
901 SUPERVISION/CUSTOMER ACCTS	OM901	F025	$ 1,267,537	-	-	-	-	-
902 METER READING EXPENSES	OM902	F025	2,546,374	-	-	-	-	-
903 RECORDS AND COLLECTION	OM903	F025	7,699,624	-	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	OM904	F025	2,477,177	-	-	-	-	-
905 MISC CUST ACCOUNTS	OM903	F025	1,288	-	-	-	-	-
Total Customer Accounts Expense	OMCA		$ 13,992,000	$ -	$ -	$ -	$ -	$ -
Customer Service Expense								
907 SUPERVISION	OM907	F026	$ 364,585	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	OM908	F026	289,821	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-INCENTIVES	OM908x	F026		-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	OM909	F026	257,472	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	OM909x	F026		-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	OM910	F026	823,663	-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	OM911	F026		-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	OM912	F026		-	-	-	-	-
913 ADVERTISING EXPENSES	OM913	F026	950,847	-	-	-	-	-
915 MDSE-JOBBING-CONTRACT	OM915	F026		-	-	-	-	-
916 MISC SALES EXPENSE	OM916	F026		-	-	-	-	-
Total Customer Service Expense	OMCS		$ 2,686,388	$ -	$ -	$ -	$ -	$ -
Sub-Total Prod, Trans, Dist, Cust Acct and Cust Service	OMSUB2		597,552,678	22,381,959	23,446,519	19,272,960	445,243,825	16,509,511

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12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Operation and Maintenance Expenses (Continued)								
Customer Accounts Expense								
901 SUPERVISION/CUSTOMER ACCTS	OM901	F025	-	-	-	-	-	-
902 METER READING EXPENSES	OM902	F025	-	-	-	-	-	-
903 RECORDS AND COLLECTION	OM903	F025	-	-	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	OM904	F025	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	OM903	F025	-	-	-	-	-	-
Total Customer Accounts Expense	OMCA		$ -	$ -	$ -	$ -	$ -	$ -
Customer Service Expense								
907 SUPERVISION	OM907	F026	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	OM908	F026	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-INCENTIVES	OM908x	F026	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	OM909	F026	-	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	OM909x	F026	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	OM910	F026	-	-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	OM911	F026	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	OM912	F026	-	-	-	-	-	-
913 ADVERTISING EXPENSES	OM913	F026	-	-	-	-	-	-
915 MDSE-JOBBING-CONTRACT	OM915	F026	-	-	-	-	-	-
916 MISC SALES EXPENSE	OM916	F026	-	-	-	-	-	-
Total Customer Service Expense	OMCS		$ -	$ -	$ -	$ -	$ -	$ -
Sub-Total Prod, Trans, Dist, Cust Acct and Cust Service	OMSUB2		4,886,677	-	10,886,721	16,210,312	3,716,796	5,447,555

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12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Operation and Maintenance Expenses (Continued)										
Customer Accounts Expense										
901 SUPERVISION/CUSTOMER ACCTS	OM901	F025	-	-	-	-	-	1,267,537	-	-
902 METER READING EXPENSES	OM902	F025	-	-	-	-	-	2,546,374	-	-
903 RECORDS AND COLLECTION	OM903	F025	-	-	-	-	-	7,699,624	-	-
904 UNCOLLECTIBLE ACCOUNTS	OM904	F025	-	-	-	-	-	2,477,177	-	-
905 MISC CUST ACCOUNTS	OM903	F025	-	-	-	-	-	1,288	-	-
Total Customer Accounts Expense	OMCA		$ -	$ -	$ -	$ -	$ -	$ 13,992,000	$ -	$ -
Customer Service Expense										
907 SUPERVISION	OM907	F026	-	-	-	-	-	-	364,585	-
908 CUSTOMER ASSISTANCE EXPENSES	OM908	F026	-	-	-	-	-	-	289,821	-
908 CUSTOMER ASSISTANCE EXP-INCENTIVES	OM908x	F026	-	-	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	OM909	F026	-	-	-	-	-	-	257,472	-
909 INFORM AND INSTRUC -LOAD MGMT	OM909x	F026	-	-	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	OM910	F026	-	-	-	-	-	-	823,663	-
911 DEMONSTRATION AND SELLING EXP	OM911	F026	-	-	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	OM912	F026	-	-	-	-	-	-	-	-
913 ADVERTISING EXPENSES	OM913	F026	-	-	-	-	-	-	950,847	-
915 MDSE-JOBBING-CONTRACT	OM915	F026	-	-	-	-	-	-	-	-
916 MISC SALES EXPENSE	OM916	F026	-	-	-	-	-	-	-	-
Total Customer Service Expense	OMCS		$ -	$ -	$ -	$ -	$ -	$ -	$ 2,686,388	$ -
Sub-Total Prod, Trans, Dist, Cust Acct and Cust Service	OMSUB2		672,706	470,459	164,848	10,683,985	879,457	13,992,000	2,686,388	-

LOUISVILLE GAS AND ELECTRIC COMPANY
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Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Operation and Maintenance Expenses (Continued)								
Administrative and General Expense								
920 ADMIN. & GEN. SALARIES-	OM920	LBSUB7	$ 27,330,835	3,179,339	3,330,558	2,737,708	6,907,180	1,638,279
921 OFFICE SUPPLIES AND EXPENSES	OM921	LBSUB7	5,910,353	687,539	720,241	592,035	1,493,693	354,281
922 ADMINISTRATIVE EXPENSES TRANSFERRED	OM922	LBSUB7	(4,320,827)	(502,633)	(526,540)	(432,814)	(1,091,980)	(259,001)
923 OUTSIDE SERVICES EMPLOYED	OM923	LBSUB7	15,873,533	1,846,535	1,934,362	1,590,039	4,011,635	951,499
924 PROPERTY INSURANCE	OM924	TUP	4,610,558	891,486	933,888	767,653	-	491,106
925 INJURIES AND DAMAGES	OM925	LBSUB7	2,835,056	329,796	345,482	283,985	716,489	169,940
926 EMPLOYEE BENEFITS	OM926	LBSUB7	29,197,096	3,396,437	3,557,983	2,924,650	7,378,830	1,750,147
927 FRANCHISE REQUIREMENTS	OM927	TUP	-	-	-	-	-	-
928 REGULATORY COMMISSION FEES	OM928	TUP	1,404,080	271,489	284,402	233,778	-	149,559
929 DUPLICATE CHARGES-CR	OM929	LBSUB7	(229,428)	(26,689)	(27,958)	(22,982)	(57,982)	(13,752)
930 MISCELLANEOUS GENERAL EXPENSES	OM930	LBSUB7	3,716,685	432,354	452,918	372,297	939,298	222,787
931 RENTS AND LEASES	OM931	PGP	1,123,825	216,717	227,025	186,614	-	120,907
935 MAINTENANCE OF GENERAL PLANT	OM935	PGP	617,459	119,070	124,734	102,531	-	66,430
Total Administrative and General Expense	OMAG		$ 88,069,225	$ 10,841,440	$ 11,357,095	$ 9,335,494	$ 20,297,163	$ 5,642,184
Total Operation and Maintenance Expenses	TOM		$ 685,621,903	$ 33,223,400	$ 34,803,614	$ 28,608,453	$ 465,540,988	$ 22,151,695
Operation and Maintenance Expenses Less Purchase Power	OMLPP		$ 631,684,225	$ 27,648,047	$ 28,963,079	$ 23,807,553	$ 427,820,099	$ 22,151,695

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LOLP METHODOLOGY

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Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Operation and Maintenance Expenses (Continued)								
Administrative and General Expense								
920 ADMIN. & GEN. SALARIES-	OM920	LBSUB7	1,025,946	-	970,304	1,465,760	317,639	468,593
921 OFFICE SUPPLIES AND EXPENSES	OM921	LBSUB7	221,863	-	209,830	316,974	68,690	101,334
922 ADMINISTRATIVE EXPENSES TRANSFERRED	OM922	LBSUB7	(162,195)	-	(153,399)	(231,727)	(50,217)	(74,082)
923 OUTSIDE SERVICES EMPLOYED	OM923	LBSUB7	595,861	-	563,545	851,302	184,482	272,155
924 PROPERTY INSURANCE	OM924	TUP	171,024	-	292,469	465,427	80,401	122,182
925 INJURIES AND DAMAGES	OM925	LBSUB7	106,422	-	100,651	152,045	32,949	48,608
926 EMPLOYEE BENEFITS	OM926	LBSUB7	1,096,001	-	1,036,560	1,565,849	339,329	500,590
927 FRANCHISE REQUIREMENTS	OM927	TUP	-	-	-	-	-	-
928 REGULATORY COMMISSION FEES	OM928	TUP	52,083	-	89,067	141,739	24,485	37,209
929 DUPLICATE CHARGES-CR	OM929	LBSUB7	(8,612)	-	(8,145)	(12,304)	(2,666)	(3,934)
930 MISCELLANEOUS GENERAL EXPENSES	OM930	LBSUB7	139,517	-	131,950	199,327	43,195	63,723
931 RENTS AND LEASES	OM931	PGP	41,743	-	71,384	113,599	19,624	29,821
935 MAINTENANCE OF GENERAL PLANT	OM935	PGP	22,934	-	39,220	62,414	10,782	16,385
Total Administrative and General Expense	OMAG		$ 3,302,587	$ -	$ 3,343,437	$ 5,090,404	$ 1,068,694	$ 1,582,585
Total Operation and Maintenance Expenses	TOM		$ 8,189,264	$ -	$ 14,230,158	$ 21,300,716	$ 4,785,490	$ 7,030,141
Operation and Maintenance Expenses Less Purchase Power	OMLPP		$ 8,189,264	$ -	$ 14,230,158	$ 21,300,716	$ 4,785,490	$ 7,030,141

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12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Operation and Maintenance Expenses (Continued)										
Administrative and General Expense										
920 ADMIN. & GEN. SALARIES-	OM920	LBSUB7	88,573	61,944	22,463	2,181,981	74,950	2,243,650	615,970	-
921 OFFICE SUPPLIES AND EXPENSES	OM921	LBSUB7	19,154	13,395	4,858	471,858	16,208	485,194	133,205	-
922 ADMINISTRATIVE EXPENSES TRANSFERRED	OM922	LBSUB7	(14,003)	(9,793)	(3,551)	(344,957)	(11,849)	(354,707)	(97,381)	-
923 OUTSIDE SERVICES EMPLOYED	OM923	LBSUB7	51,442	35,976	13,046	1,267,277	43,530	1,303,094	357,750	-
924 PROPERTY INSURANCE	OM924	TUP	111,138	77,725	38,600	44,774	122,685	-	-	-
925 INJURIES AND DAMAGES	OM925	LBSUB7	9,188	6,425	2,330	226,339	7,775	232,736	63,895	-
926 EMPLOYEE BENEFITS	OM926	LBSUB7	94,621	66,173	23,997	2,330,975	80,068	2,396,856	658,031	-
927 FRANCHISE REQUIREMENTS	OM927	TUP	-	-	-	-	-	-	-	-
928 REGULATORY COMMISSION FEES	OM928	TUP	33,846	23,670	11,755	13,635	37,362	-	-	-
929 DUPLICATE CHARGES-CR	OM929	LBSUB7	(744)	(520)	(189)	(18,317)	(629)	(18,834)	(5,171)	-
930 MISCELLANEOUS GENERAL EXPENSES	OM930	LBSUB7	12,045	8,424	3,055	296,725	10,192	305,111	83,765	-
931 RENTS AND LEASES	OM931	PGP	27,126	18,971	9,421	10,928	29,944	-	-	-
935 MAINTENANCE OF GENERAL PLANT	OM935	PGP	14,904	10,423	5,176	6,004	16,452	-	-	-
Total Administrative and General Expense	OMAG		$ 447,290	$ 312,813	$ 130,961	$ 6,487,224	$ 426,688	$ 6,593,101	$ 1,810,064	$ -
Total Operation and Maintenance Expenses	TOM		$ 1,119,996	$ 783,272	$ 295,809	$ 17,171,209	$ 1,306,145	$ 20,585,101	$ 4,496,452	$ -
Operation and Maintenance Expenses Less Purchase Power	OMLPP		$ 1,119,996	$ 783,272	$ 295,809	$ 17,171,209	$ 1,306,145	$ 20,585,101	$ 4,496,452	$ -
						$ 74,906,055				

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Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Labor Expenses								
Steam Power Generation Operation Expenses								
500 OPERATION SUPERVISION & ENGINEERING	LB500	F019	$ 3,138,068	912,472	955,872	785,724	484,001	-
501 FUEL	LB501	Energy	2,187,724	-	-	-	2,187,724	-
502 STEAM EXPENSES	LB502	PROFIX	8,374,877	2,879,294	3,016,242	2,479,341	-	-
504 STEAM TRANSFER EXPENSES	LB504	PROFIX	-	-	-	-	-	-
505 ELECTRIC EXPENSES	LB505	PROFIX	2,130,001	732,297	767,128	630,576	-	-
506 MISC. STEAM POWER EXPENSES	LB506	PROFIX	1,491,734	512,860	537,253	441,620	-	-
507 RENTS	LB507	PROFIX		-	-	-	-	-
Total Steam Power Operation Expenses	LBSUB1		$ 17,322,404	$ 5,036,923	$ 5,276,495	$ 4,337,261	$ 2,671,725	$ -
Steam Power Generation Maintenance Expenses								
510 MAINTENANCE SUPERVISION & ENGINEERING	LB510	F020	$ 3,390,539	-	-	-	3,390,539	-
511 MAINTENANCE OF STRUCTURES	LB511	PROFIX	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	LB512	Energy	4,117,208	-	-	-	4,117,208	-
513 MAINTENANCE OF ELECTRIC PLANT	LB513	Energy	2,830,954	-	-	-	2,830,954	-
514 MAINTENANCE OF MISC STEAM PLANT	LB514	Energy	57,828	-	-	-	57,828	-
Total Steam Power Generation Maintenance Expense	LBSUB2		$ 10,396,529	$ -	$ -	$ -	$ 10,396,529	$ -
Total Steam Power Generation Expense			$ 27,718,933	$ 5,036,923	$ 5,276,495	$ 4,337,261	$ 13,068,254	$ -
Hydraulic Power Generation Operation Expenses								
535 OPERATION SUPERVISION & ENGINEERING	LB535	F021	$ 95,870	32,960	34,528	28,382	-	-
536 WATER FOR POWER	LB536	PROFIX	-	-	-	-	-	-
537 HYDRAULIC EXPENSES	LB537	PROFIX		-	-	-	-	-
538 ELECTRIC EXPENSES	LB538	PROFIX	180,161	61,940	64,886	53,336	-	-
539 MISC. HYDRAULIC POWER EXPENSES	LB539	PROFIX	60,427	20,775	21,763	17,889	-	-
540 RENTS		PROFIX	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses	LBSUB3		$ 336,458	$ 115,675	$ 121,177	$ 99,607	$ -	$ -
Hydraulic Power Generation Maintenance Expenses								
541 MAINTENANCE SUPERVISION & ENGINEERING	LB541	F022	$ -	-	-	-	-	-
542 MAINTENANCE OF STRUCTURES	LB542	PROFIX	46,873	16,115	16,881	13,877	-	-
543 MAINT. OF RESERVES, DAMS, AND WATERWAYS	LB543	PROFIX	46,873	16,115	16,881	13,877	-	-
544 MAINTENANCE OF ELECTRIC PLANT	LB544	Energy	151,040	-	-	-	151,040	-
545 MAINTENANCE OF MISC HYDRAULIC PLANT	LB545	Energy	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense	LBSUB4		$ 244,786	$ 32,230	$ 33,763	$ 27,753	$ 151,040	$ -
Total Hydraulic Power Generation Expense			$ 581,244	$ 147,905	$ 154,940	$ 127,360	$ 151,040	$ -

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Labor Expenses								
Steam Power Generation Operation Expenses								
500 OPERATION SUPERVISION & ENGINEERING	LB500	F019	-	-	-	-	-	-
501 FUEL	LB501	Energy	-	-	-	-	-	-
502 STEAM EXPENSES	LB502	PROFIX	-	-	-	-	-	-
504 STEAM TRANSFER EXPENSES	LB504	PROFIX	-	-	-	-	-	-
505 ELECTRIC EXPENSES	LB505	PROFIX	-	-	-	-	-	-
506 MISC. STEAM POWER EXPENSES	LB506	PROFIX	-	-	-	-	-	-
507 RENTS	LB507	PROFIX	-	-	-	-	-	-
Total Steam Power Operation Expenses	LBSUB1		$ -	$ -	$ -	$ -	$ -	$ -
Steam Power Generation Maintenance Expenses								
510 MAINTENANCE SUPERVISION & ENGINEERING	LB510	F020	-	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	LB511	PROFIX	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	LB512	Energy	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	LB513	Energy	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	LB514	Energy	-	-	-	-	-	-
Total Steam Power Generation Maintenance Expense	LBSUB2		$ -	$ -	$ -	$ -	$ -	$ -
Total Steam Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Operation Expenses								
535 OPERATION SUPERVISION & ENGINEERING	LB535	F021	-	-	-	-	-	-
536 WATER FOR POWER	LB536	PROFIX	-	-	-	-	-	-
537 HYDRAULIC EXPENSES	LB537	PROFIX	-	-	-	-	-	-
538 ELECTRIC EXPENSES	LB538	PROFIX	-	-	-	-	-	-
539 MISC. HYDRAULIC POWER EXPENSES	LB539	PROFIX	-	-	-	-	-	-
540 RENTS		PROFIX	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses	LBSUB3		$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Maintenance Expenses								
541 MAINTENANCE SUPERVISION & ENGINEERING	LB541	F022	-	-	-	-	-	-
542 MAINTENANCE OF STRUCTURES	LB542	PROFIX	-	-	-	-	-	-
543 MAINT. OF RESERVES, DAMS, AND WATERWAYS	LB543	PROFIX	-	-	-	-	-	-
544 MAINTENANCE OF ELECTRIC PLANT	LB544	Energy	-	-	-	-	-	-
545 MAINTENANCE OF MISC HYDRAULIC PLANT	LB545	Energy	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense	LBSUB4		$ -	$ -	$ -	$ -	$ -	$ -
Total Hydraulic Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -

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Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Labor Expenses										
Steam Power Generation Operation Expenses										
500 OPERATION SUPERVISION & ENGINEERING	LB500	F019	-	-	-	-	-	-	-	-
501 FUEL	LB501	Energy	-	-	-	-	-	-	-	-
502 STEAM EXPENSES	LB502	PROFIX	-	-	-	-	-	-	-	-
504 STEAM TRANSFER EXPENSES	LB504	PROFIX	-	-	-	-	-	-	-	-
505 ELECTRIC EXPENSES	LB505	PROFIX	-	-	-	-	-	-	-	-
506 MISC. STEAM POWER EXPENSES	LB506	PROFIX	-	-	-	-	-	-	-	-
507 RENTS	LB507	PROFIX	-	-	-	-	-	-	-	-
Total Steam Power Operation Expenses	LBSUB1		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Steam Power Generation Maintenance Expenses										
510 MAINTENANCE SUPERVISION & ENGINEERING	LB510	F020	-	-	-	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	LB511	PROFIX	-	-	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	LB512	Energy	-	-	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	LB513	Energy	-	-	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	LB514	Energy	-	-	-	-	-	-	-	-
Total Steam Power Generation Maintenance Expense	LBSUB2		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Steam Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Operation Expenses										
535 OPERATION SUPERVISION & ENGINEERING	LB535	F021	-	-	-	-	-	-	-	-
536 WATER FOR POWER	LB536	PROFIX	-	-	-	-	-	-	-	-
537 HYDRAULIC EXPENSES	LB537	PROFIX	-	-	-	-	-	-	-	-
538 ELECTRIC EXPENSES	LB538	PROFIX	-	-	-	-	-	-	-	-
539 MISC. HYDRAULIC POWER EXPENSES	LB539	PROFIX	-	-	-	-	-	-	-	-
540 RENTS		PROFIX	-	-	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses	LBSUB3		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Hydraulic Power Generation Maintenance Expenses										
541 MAINTENANCE SUPERVISION & ENGINEERING	LB541	F022	-	-	-	-	-	-	-	-
542 MAINTENANCE OF STRUCTURES	LB542	PROFIX	-	-	-	-	-	-	-	-
543 MAINT. OF RESERVES, DAMS, AND WATERWAYS	LB543	PROFIX	-	-	-	-	-	-	-	-
544 MAINTENANCE OF ELECTRIC PLANT	LB544	Energy	-	-	-	-	-	-	-	-
545 MAINTENANCE OF MISC HYDRAULIC PLANT	LB545	Energy	-	-	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense	LBSUB4		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Hydraulic Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Labor Expenses (Continued)								
Other Power Generation Operation Expense								
546 OPERATION SUPERVISION & ENGINEERING	LB546	PROFIX	$ 468,874	161,199	168,867	138,808	-	-
547 FUEL	LB547	Energy	-	-	-	-	-	-
548 GENERATION EXPENSE	LB548	PROFIX	161,301	55,455	58,093	47,752	-	-
549 MISC OTHER POWER GENERATION	LB549	PROFIX	354,300	121,809	127,602	104,889	-	-
550 RENTS	LB550	PROFIX	-	-	-	-	-	-
Total Other Power Generation Expenses	LBSUB5		$ 984,475	$ 338,464	$ 354,562	$ 291,449	$ -	$ -
Other Power Generation Maintenance Expense								
551 MAINTENANCE SUPERVISION & ENGINEERING	LB551	PROFIX	$ 230,613	79,285	83,056	68,272	-	-
552 MAINTENANCE OF STRUCTURES	LB552	PROFIX	-	-	-	-	-	-
553 MAINTENANCE OF GENERATING & ELEC PLANT	LB553	PROFIX	606,788	208,615	218,537	179,637	-	-
554 MAINTENANCE OF MISC OTHER POWER GEN PLT	LB554	PROFIX	(160,951)	(55,335)	(57,967)	(47,649)	-	-
Total Other Power Generation Maintenance Expense	LBSUB6		$ 676,450	$ 232,564	$ 243,626	$ 200,260	$ -	$ -
Total Other Power Generation Expense			$ 1,660,925	$ 571,028	$ 598,188	$ 491,709	$ -	$ -
Total Production Expense	LPREX		$ 29,961,102	$ 5,755,856	$ 6,029,623	$ 4,956,330	$ 13,219,294	$ -
Purchased Power								
555 PURCHASED POWER	LB555	OMPP	$ -	-	-	-	-	-
556 SYSTEM CONTROL AND LOAD DISPATCH	LB556	PROFIX	956,703	328,916	344,560	283,227	-	-
557 OTHER EXPENSES	LB557	PROFIX	-	-	-	-	-	-
Total Purchased Power Labor	LBPP		$ 956,703	$ 328,916	$ 344,560	$ 283,227	$ -	$ -

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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Labor Expenses (Continued)								
Other Power Generation Operation Expense								
546 OPERATION SUPERVISION & ENGINEERING	LB546	PROFIX	-	-	-	-	-	-
547 FUEL	LB547	Energy	-	-	-	-	-	-
548 GENERATION EXPENSE	LB548	PROFIX	-	-	-	-	-	-
549 MISC OTHER POWER GENERATION	LB549	PROFIX	-	-	-	-	-	-
550 RENTS	LB550	PROFIX	-	-	-	-	-	-
Total Other Power Generation Expenses	LBSUB5		$ -	$ -	$ -	$ -	$ -	$ -
Other Power Generation Maintenance Expense								
551 MAINTENANCE SUPERVISION & ENGINEERING	LB551	PROFIX	-	-	-	-	-	-
552 MAINTENANCE OF STRUCTURES	LB552	PROFIX	-	-	-	-	-	-
553 MAINTENANCE OF GENERATING & ELEC PLANT	LB553	PROFIX	-	-	-	-	-	-
554 MAINTENANCE OF MISC OTHER POWER GEN PLT	LB554	PROFIX	-	-	-	-	-	-
Total Other Power Generation Maintenance Expense	LBSUB6		$ -	$ -	$ -	$ -	$ -	$ -
Total Other Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -
Total Production Expense	LPREX		$ -	$ -	$ -	$ -	$ -	$ -
Purchased Power								
555 PURCHASED POWER	LB555	OMPP	-	-	-	-	-	-
556 SYSTEM CONTROL AND LOAD DISPATCH	LB556	PROFIX	-	-	-	-	-	-
557 OTHER EXPENSES	LB557	PROFIX	-	-	-	-	-	-
Total Purchased Power Labor	LBPP		$ -	$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Labor Expenses (Continued)										
Other Power Generation Operation Expense										
546 OPERATION SUPERVISION & ENGINEERING	LB546	PROFIX	-	-	-	-	-	-	-	-
547 FUEL	LB547	Energy	-	-	-	-	-	-	-	-
548 GENERATION EXPENSE	LB548	PROFIX	-	-	-	-	-	-	-	-
549 MISC OTHER POWER GENERATION	LB549	PROFIX	-	-	-	-	-	-	-	-
550 RENTS	LB550	PROFIX	-	-	-	-	-	-	-	-
Total Other Power Generation Expenses	LBSUB5		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Power Generation Maintenance Expense										
551 MAINTENANCE SUPERVISION & ENGINEERING	LB551	PROFIX	-	-	-	-	-	-	-	-
552 MAINTENANCE OF STRUCTURES	LB552	PROFIX	-	-	-	-	-	-	-	-
553 MAINTENANCE OF GENERATING & ELEC PLANT	LB553	PROFIX	-	-	-	-	-	-	-	-
554 MAINTENANCE OF MISC OTHER POWER GEN PLT	LB554	PROFIX	-	-	-	-	-	-	-	-
Total Other Power Generation Maintenance Expense	LBSUB6		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Other Power Generation Expense			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Production Expense	LPREX		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchased Power										
555 PURCHASED POWER	LB555	OMPP	-	-	-	-	-	-	-	-
556 SYSTEM CONTROL AND LOAD DISPATCH	LB556	PROFIX	-	-	-	-	-	-	-	-
557 OTHER EXPENSES	LB557	PROFIX	-	-	-	-	-	-	-	-
Total Purchased Power Labor	LBPP		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Labor Expenses (Continued)								
Transmission Labor Expenses								
560 OPERATION SUPERVISION AND ENG	LB560	PTRAN	$ 642,049	-	-	-	-	642,049
561 LOAD DISPATCHING	LB561	PTRAN	1,454,366	-	-	-	-	1,454,366
562 STATION EXPENSES	LB562	PTRAN	433,996	-	-	-	-	433,996
563 OVERHEAD LINE EXPENSES	LB563	PTRAN	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	LB566	PTRAN	105,592	-	-	-	-	105,592
569 MAINTENACE OF STRUCTURES	LB569	PTRAN	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	LB570	PTRAN	416,335	-	-	-	-	416,335
571 MAINT OF OVERHEAD LINES	LB571	PTRAN	83,079	-	-	-	-	83,079
573 MAINT OF MISC. TRANSMISSION PLANT	LB573	PTRAN	-	-	-	-	-	-
Total Transmission Labor Expenses	LBTRAN		$ 3,135,417	$ -	$ -	$ -	$ -	$ 3,135,417
Distribution Operation Labor Expense								
580 OPERATION SUPERVISION AND ENGI	LB580	F023	$ 898,041	-	-	-	-	-
581 LOAD DISPATCHING	LB581	P362	574,384	-	-	-	-	-
582 STATION EXPENSES	LB582	P362	851,000	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	LB583	P365	1,741,898	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	LB584	P367	168,503	-	-	-	-	-
585 STREET LIGHTING EXPENSE	LB585	P373	-	-	-	-	-	-
586 METER EXPENSES	LB586	P370	3,736,471	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	LB586x	F012		-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	LB587	P371	-	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	LB588	PDIST	1,539,532	-	-	-	-	-
589 RENTS	LB589	PDIST	-	-	-	-	-	-
Total Distribution Operation Labor Expense	LBDO		$ 9,509,829	$ -	$ -	$ -	$ -	$ -

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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Labor Expenses (Continued)								
Transmission Labor Expenses								
560 OPERATION SUPERVISION AND ENG	LB560	PTRAN	-	-	-	-	-	-
561 LOAD DISPATCHING	LB561	PTRAN	-	-	-	-	-	-
562 STATION EXPENSES	LB562	PTRAN	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	LB563	PTRAN	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	LB566	PTRAN	-	-	-	-	-	-
569 MAINTENACE OF STRUCTURES	LB569	PTRAN	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	LB570	PTRAN	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	LB571	PTRAN	-	-	-	-	-	-
573 MAINT OF MISC. TRANSMISSION PLANT	LB573	PTRAN	-	-	-	-	-	-
Total Transmission Labor Expenses	LBTRAN		$ -	$ -	$ -	$ -	$ -	$ -
Distribution Operation Labor Expense								
580 OPERATION SUPERVISION AND ENGI	LB580	F023	166,627	-	90,525	137,597	29,083	43,032
581 LOAD DISPATCHING	LB581	P362	574,384	-	-	-	-	-
582 STATION EXPENSES	LB582	P362	851,000	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	LB583	P365	-	-	520,214	754,507	190,655	276,522
584 UNDERGROUND LINE EXPENSES	LB584	P367	-	-	52,893	95,558	7,144	12,907
585 STREET LIGHTING EXPENSE	LB585	P373	-	-	-	-	-	-
586 METER EXPENSES	LB586	P370	-	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	LB586x	F012	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	LB587	P371	-	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	LB588	PDIST	172,493	-	294,980	469,423	81,091	123,231
589 RENTS	LB589	PDIST	-	-	-	-	-	-
Total Distribution Operation Labor Expense	LBDO		$ 1,764,504	$ -	$ 958,612	$ 1,457,086	$ 307,973	$ 455,693

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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Labor Expenses (Continued)										
Transmission Labor Expenses										
560 OPERATION SUPERVISION AND ENG	LB560	PTRAN	-	-	-	-	-	-	-	-
561 LOAD DISPATCHING	LB561	PTRAN	-	-	-	-	-	-	-	-
562 STATION EXPENSES	LB562	PTRAN	-	-	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	LB563	PTRAN	-	-	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	LB566	PTRAN	-	-	-	-	-	-	-	-
569 MAINTENACE OF STRUCTURES	LB569	PTRAN	-	-	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	LB570	PTRAN	-	-	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	LB571	PTRAN	-	-	-	-	-	-	-	-
573 MAINT OF MISC. TRANSMISSION PLANT	LB573	PTRAN	-	-	-	-	-	-	-	-
Total Transmission Labor Expenses	LBTRAN		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Distribution Operation Labor Expense										
580 OPERATION SUPERVISION AND ENGI	LB580	F023	11,689	8,175	4,060	394,350	12,904	-	-	-
581 LOAD DISPATCHING	LB581	P362	-	-	-	-	-	-	-	-
582 STATION EXPENSES	LB582	P362	-	-	-	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	LB583	P365	-	-	-	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	LB584	P367	-	-	-	-	-	-	-	-
585 STREET LIGHTING EXPENSE	LB585	P373	-	-	-	-	-	-	-	-
586 METER EXPENSES	LB586	P370	-	-	-	3,736,471	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	LB586x	F012	-	-	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	LB587	P371	-	-	-	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	LB588	PDIST	112,093	78,392	38,931	45,159	123,739	-	-	-
589 RENTS	LB589	PDIST	-	-	-	-	-	-	-	-
Total Distribution Operation Labor Expense	LBDO		$ 123,782	$ 86,567	$ 42,991	$ 4,175,980	$ 136,642	$ -	$ -	$ -

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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Labor Expenses (Continued)								
Distribution Maintenance Labor Expense								
590 MAINTENANCE SUPERVISION AND EN	LB590	F024	$ -	-	-	-	-	-
591 MAINTENANCE OF STRUCTURES	LB591	P362	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	LB592	P362	199,000	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	LB593	P365	2,584,023	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	LB594	P367	403,600	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	LB595	P368	77,717	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	LB596	P373	6,800	-	-	-	-	-
597 MAINTENANCE OF METERS	LB597	P370	-	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	LB598	PDIST	-	-	-	-	-	-
Total Distribution Maintenance Labor Expense	LBDM		$ 3,271,140	$ -	$ -	$ -	$ -	$ -
Total Distribution Operation and Maintenance Labor Expenses		PDIST	$ 12,780,969	-	-	-	-	-
Transmission and Distribution Labor Expenses			$ 15,916,386	-	-	-	-	3,135,417
Production, Transmission and Distribution Labor Expenses	LBSUB		$ 46,834,191	$ 6,084,771	$ 6,374,183	$ 5,239,557	$ 13,219,294	$ 3,135,417
Customer Accounts Expense								
901 SUPERVISION/CUSTOMER ACCTS	LB901	F025	$ 869,231	-	-	-	-	-
902 METER READING EXPENSES	LB902	F025	340,095	-	-	-	-	-
903 RECORDS AND COLLECTION	LB903	F025	3,084,679	-	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	LB904	F025	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	LB903	F025	-	-	-	-	-	-
Total Customer Accounts Labor Expense	LBCA		$ 4,294,006	$ -	$ -	$ -	$ -	$ -
Customer Service Expense								
907 SUPERVISION	LB907	F026	$ 262,521	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	LB908	F026	916,352	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	LB908x	F026		-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	LB909	F026		-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	LB909x	F026		-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	LB910	F026		-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	LB911	F026		-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	LB912	F026		-	-	-	-	-
913 WATER HEATER - HEAT PUMP PROGRAM	LB913	F026		-	-	-	-	-
915 MDSE-JOBBING-CONTRACT	LB915	F026		-	-	-	-	-
916 MISC SALES EXPENSE	LB916	F026		-	-	-	-	-
Total Customer Service Labor Expense	LBCS		$ 1,178,872	$ -	$ -	$ -	$ -	$ -
Sub-Total Labor Exp	LBSUB7		$ 52,307,069	6,084,771	6,374,183	5,239,557	13,219,294	3,135,417

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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Labor Expenses (Continued)								
Distribution Maintenance Labor Expense								
590 MAINTENANCE SUPERVISION AND EN	LB590	F024	-	-	-	-	-	-
591 MAINTENANCE OF STRUCTURES	LB591	P362	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	LB592	P362	199,000	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	LB593	P365	-	-	771,712	1,119,276	282,828	410,207
594 MAINTENANCE OF UNDERGROUND LIN	LB594	P367	-	-	126,690	228,881	17,113	30,916
595 MAINTENANCE OF LINE TRANSFORME	LB595	P368	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	LB596	P373	-	-	-	-	-	-
597 MAINTENANCE OF METERS	LB597	P370	-	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	LB598	PDIST	-	-	-	-	-	-
Total Distribution Maintenance Labor Expense	LBDM		$ 199,000	$ -	$ 898,402	$ 1,348,157	$ 299,940	$ 441,123
Total Distribution Operation and Maintenance Labor Expenses		PDIST	1,963,504	-	1,857,014	2,805,243	607,914	896,816
Transmission and Distribution Labor Expenses			1,963,504	-	1,857,014	2,805,243	607,914	896,816
Production, Transmission and Distribution Labor Expenses	LBSUB		$ 1,963,504	$ -	$ 1,857,014	$ 2,805,243	$ 607,914	$ 896,816
Customer Accounts Expense								
901 SUPERVISION/CUSTOMER ACCTS	LB901	F025	-	-	-	-	-	-
902 METER READING EXPENSES	LB902	F025	-	-	-	-	-	-
903 RECORDS AND COLLECTION	LB903	F025	-	-	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	LB904	F025	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	LB903	F025	-	-	-	-	-	-
Total Customer Accounts Labor Expense	LBCA		$ -	$ -	$ -	$ -	$ -	$ -
Customer Service Expense								
907 SUPERVISION	LB907	F026	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	LB908	F026	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	LB908x	F026	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	LB909	F026	-	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	LB909x	F026	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	LB910	F026	-	-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	LB911	F026	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	LB912	F026	-	-	-	-	-	-
913 WATER HEATER - HEAT PUMP PROGRAM	LB913	F026	-	-	-	-	-	-
915 MDSE-JOBBING-CONTRACT	LB915	F026	-	-	-	-	-	-
916 MISC SALES EXPENSE	LB916	F026	-	-	-	-	-	-
Total Customer Service Labor Expense	LBCS		$ -	$ -	$ -	$ -	$ -	$ -
Sub-Total Labor Exp	LBSUB7		1,963,504	-	1,857,014	2,805,243	607,914	896,816

LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Labor Expenses (Continued)										
Distribution Maintenance Labor Expense										
590 MAINTENANCE SUPERVISION AND EN	LB590	F024	-	-	-	-	-	-	-	-
591 MAINTENANCE OF STRUCTURES	LB591	P362	-	-	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	LB592	P362	-	-	-	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	LB593	P365	-	-	-	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	LB594	P367	-	-	-	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	LB595	P368	45,733	31,984	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	LB596	P373	-	-	-	-	6,800	-	-	-
597 MAINTENANCE OF METERS	LB597	P370	-	-	-	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	LB598	PDIST	-	-	-	-	-	-	-	-
Total Distribution Maintenance Labor Expense	LBDM		$ 45,733	$ 31,984	$ -	$ -	$ 6,800	$ -	$ -	$ -
Total Distribution Operation and Maintenance Labor Expenses		PDIST	169,515	118,551	42,991	4,175,980	143,442	-	-	-
Transmission and Distribution Labor Expenses			169,515	118,551	42,991	4,175,980	143,442	-	-	-
Production, Transmission and Distribution Labor Expenses	LBSUB		$ 169,515	$ 118,551	$ 42,991	$ 4,175,980	$ 143,442	$ -	$ -	$ -
Customer Accounts Expense										
901 SUPERVISION/CUSTOMER ACCTS	LB901	F025	-	-	-	-	-	869,231	-	-
902 METER READING EXPENSES	LB902	F025	-	-	-	-	-	340,095	-	-
903 RECORDS AND COLLECTION	LB903	F025	-	-	-	-	-	3,084,679	-	-
904 UNCOLLECTIBLE ACCOUNTS	LB904	F025	-	-	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	LB903	F025	-	-	-	-	-	-	-	-
Total Customer Accounts Labor Expense	LBCA		$ -	$ -	$ -	$ -	$ -	$ 4,294,006	$ -	$ -
Customer Service Expense										
907 SUPERVISION	LB907	F026	-	-	-	-	-	-	262,521	-
908 CUSTOMER ASSISTANCE EXPENSES	LB908	F026	-	-	-	-	-	-	916,352	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	LB908x	F026	-	-	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	LB909	F026	-	-	-	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	LB909x	F026	-	-	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	LB910	F026	-	-	-	-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	LB911	F026	-	-	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	LB912	F026	-	-	-	-	-	-	-	-
913 WATER HEATER - HEAT PUMP PROGRAM	LB913	F026	-	-	-	-	-	-	-	-
915 MDSE-JOBBING-CONTRACT	LB915	F026	-	-	-	-	-	-	-	-
916 MISC SALES EXPENSE	LB916	F026	-	-	-	-	-	-	-	-
Total Customer Service Labor Expense	LBCS		$ -	$ -	$ -	$ -	$ -	$ -	$ 1,178,872	$ -
Sub-Total Labor Exp	LBSUB7		169,515	118,551	42,991	4,175,980	143,442	4,294,006	1,178,872	-

LOUISVILLE GAS AND ELECTRIC COMPANY
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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Total System	Production Demand Base	Production Demand Winter Peak	Production Demand Summer Peak	Production Energy	Transmission Demand Demand
Labor Expenses (Continued)								
Administrative and General Expense								
920 ADMIN. & GEN. SALARIES-	LB920	LBSUB7	$ 21,224,500	2,469,001	2,586,435	2,126,041	5,363,958	1,272,250
921 OFFICE SUPPLIES AND EXPENSES	LB920	LBSUB7		-	-	-	-	-
922 ADMIN. EXPENSES TRANSFERRED - CREDIT	LB922	LBSUB7	(2,423,558)	(281,927)	(295,337)	(242,766)	(612,493)	(145,274)
923 OUTSIDE SERVICES EMPLOYED	LB923	LBSUB7		-	-	-	-	-
924 PROPERTY INSURANCE	LB924	TUP		-	-	-	-	-
925 INJURIES AND DAMAGES	LB925	LBSUB7		-	-	-	-	-
926 EMPLOYEE BENEFITS	LB926	LBSUB7		-	-	-	-	-
928 REGULATORY COMMISSION FEES	LB928	TUP		-	-	-	-	-
929 DUPLICATE CHARGES-CR	LB929	LBSUB7		-	-	-	-	-
930 MISCELLANEOUS GENERAL EXPENSES	LB930	LBSUB7		-	-	-	-	-
931 RENTS AND LEASES	LB931	PGP		-	-	-	-	-
935 MAINTENANCE OF GENERAL PLANT	LB932	PGP	430,713	83,058	87,009	71,521	-	46,339
Total Administrative and General Expense	LBAG		$ 19,231,655	$ 2,270,132	$ 2,378,107	$ 1,954,796	$ 4,751,464	$ 1,173,314
Total Operation and Maintenance Expenses	TLB		$ 71,538,724	$ 8,354,904	$ 8,752,290	$ 7,194,353	$ 17,970,758	$ 4,308,731
Operation and Maintenance Expenses Less Purchase Power	LBLPP		$ 71,538,724	$ 8,354,904	$ 8,752,290	$ 7,194,353	$ 17,970,758	$ 4,308,731

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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Labor Expenses (Continued)								
Administrative and General Expense								
920 ADMIN. & GEN. SALARIES-	LB920	LBSUB7	796,726	-	753,516	1,138,276	246,671	363,899
921 OFFICE SUPPLIES AND EXPENSES	LB920	LBSUB7	-	-	-	-	-	-
922 ADMIN. EXPENSES TRANSFERRED - CREDIT	LB922	LBSUB7	(90,976)	-	(86,042)	(129,976)	(28,167)	(41,552)
923 OUTSIDE SERVICES EMPLOYED	LB923	LBSUB7	-	-	-	-	-	-
924 PROPERTY INSURANCE	LB924	TUP	-	-	-	-	-	-
925 INJURIES AND DAMAGES	LB925	LBSUB7	-	-	-	-	-	-
926 EMPLOYEE BENEFITS	LB926	LBSUB7	-	-	-	-	-	-
928 REGULATORY COMMISSION FEES	LB928	TUP	-	-	-	-	-	-
929 DUPLICATE CHARGES-CR	LB929	LBSUB7	-	-	-	-	-	-
930 MISCELLANEOUS GENERAL EXPENSES	LB930	LBSUB7	-	-	-	-	-	-
931 RENTS AND LEASES	LB931	PGP	-	-	-	-	-	-
935 MAINTENANCE OF GENERAL PLANT	LB932	PGP	15,998	-	27,358	43,537	7,521	11,429
Total Administrative and General Expense	LBAG		$ 721,748	$ -	$ 694,833	$ 1,051,837	$ 226,026	$ 333,775
Total Operation and Maintenance Expenses	TLB		$ 2,685,252	$ -	$ 2,551,847	$ 3,857,080	$ 833,939	$ 1,230,591
Operation and Maintenance Expenses Less Purchase Power	LBLPP		$ 2,685,252	$ -	$ 2,551,847	$ 3,857,080	$ 833,939	$ 1,230,591

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Labor Expenses (Continued)										
Administrative and General Expense										
920 ADMIN. & GEN. SALARIES-	LB920	LBSUB7	68,784	48,104	17,444	1,694,476	58,204	1,742,367	478,348	-
921 OFFICE SUPPLIES AND EXPENSES	LB920	LBSUB7	-	-	-	-	-	-	-	-
922 ADMIN. EXPENSES TRANSFERRED - CREDIT	LB922	LBSUB7	(7,854)	(5,493)	(1,992)	(193,487)	(6,646)	(198,955)	(54,621)	-
923 OUTSIDE SERVICES EMPLOYED	LB923	LBSUB7	-	-	-	-	-	-	-	-
924 PROPERTY INSURANCE	LB924	TUP	-	-	-	-	-	-	-	-
925 INJURIES AND DAMAGES	LB925	LBSUB7	-	-	-	-	-	-	-	-
926 EMPLOYEE BENEFITS	LB926	LBSUB7	-	-	-	-	-	-	-	-
928 REGULATORY COMMISSION FEES	LB928	TUP	-	-	-	-	-	-	-	-
929 DUPLICATE CHARGES-CR	LB929	LBSUB7	-	-	-	-	-	-	-	-
930 MISCELLANEOUS GENERAL EXPENSES	LB930	LBSUB7	-	-	-	-	-	-	-	-
931 RENTS AND LEASES	LB931	PGP	-	-	-	-	-	-	-	-
935 MAINTENANCE OF GENERAL PLANT	LB932	PGP	10,396	7,271	3,611	4,188	11,476	-	-	-
Total Administrative and General Expense	LBAG		$ 71,326	$ 49,882	$ 19,063	$ 1,505,178	$ 63,034	$ 1,543,412	$ 423,727	$ -
Total Operation and Maintenance Expenses	TLB		$ 240,841	$ 168,432	$ 62,054	$ 5,681,158	$ 206,477	$ 5,837,418	$ 1,602,599	$ -
Operation and Maintenance Expenses Less Purchase Power	LBLPP		$ 240,841	$ 168,432	$ 62,054	$ 5,681,158	$ 206,477	$ 5,837,418	$ 1,602,599	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector		Total System		Production Demand Base		Production Demand Winter Peak		Production Demand Summer Peak		Production Energy		Transmission Demand Demand
Other Expenses														
Depreciation Expenses														
Steam Production	DEPRTP	PPRTL	$	51,173,949		17,593,670		18,430,483		15,149,795		-		-
Hydraulic Production	DEPRDP1	PPRTL		4,023,933		1,383,433		1,449,234		1,191,265		-		-
Other Production	DEPRDP2	PPRTL		16,258,222		5,589,598		5,855,458		4,813,166		-		-
Transmission - Kentucky System Property	DEPRDP3	PTRAN		9,613,105		-		-		-		-		9,613,105
Transmission - Virginia Property	DEPRDP4	PTRAN				-		-		-		-		-
Distribution	DEPRDP5	PDIST		37,717,920		-		-		-		-		-
General & Common Plant	DEPRDP6	PGP		20,055,398		3,867,464		4,051,414		3,330,248		-		2,157,674
Intangible Plant	DEPRAADJ	PINT				-		-		-		-		-
Total Depreciation Expense	TDEPR		$	138,842,527		28,434,166		29,786,588		24,484,475		-		11,770,778
Regulatory Credits														
Production	RCTNP	F017	$	-		-		-		-		-		-
Transmission	RCTNT	PTRAN		-		-		-		-		-		-
Distribution	RDTND	PDIST		-		-		-		-		-		-
Common	RCTNC	PGP		-		-		-		-		-		-
Total Regulatory Credits	TRCTN		$	-	$	-	$	-	$	-	$	-	$	-
Accretion Expense														
Production	ACRTNP	F017	$	-		-		-		-		-		-
Transmission	ACRTNT	PTRAN		-		-		-		-		-		-
Distribution	ACRTND	PDIST		-		-		-		-		-		-
Common	ACRTNC	PGP		-		-		-		-		-		-
Total Accretion Expense	TACRTN		$	-	$	-	$	-	$	-	$	-	$	-
Property Taxes & Other	PTAX	TUP	$	32,529,209		6,289,767		6,588,929		5,416,077		-		3,464,937
Amortization of Investment Tax Credit	OTAX	TUP	$	(1,002,535)		(193,848)		(203,068)		(166,921)		-		(106,788)
Gain on Disposition of Allowances	OT	TUP	$	-		-		-		-		-		-
Interest	INTLTD	TUP	$	62,185,554		12,024,044		12,595,947		10,353,826		-		6,623,863
Other Deductions	DEDUCT	TUP	$	-		-		-		-		-		-
Total Other Expenses	TOE		$	232,554,755	$	46,554,129	$	48,768,397	$	40,087,458	$	-	$	21,752,790
Total Cost of Service (O&M + Other Expenses)			$	918,176,657	$	79,777,529	$	83,572,011	$	68,695,911	$	465,540,988	$	43,904,484

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Substation General	Distribution Primary Lines Specific	Distribution Primary Lines Demand	Distribution Primary Lines Customer	Distribution Sec. Lines Demand	Distribution Sec. Lines Customer
Other Expenses								
Depreciation Expenses								
Steam Production	DEPRTP	PPRTL	-	-	-	-	-	-
Hydraulic Production	DEPRDP1	PPRTL	-	-	-	-	-	-
Other Production	DEPRDP2	PPRTL	-	-	-	-	-	-
Transmission - Kentucky System Property	DEPRDP3	PTRAN	-	-	-	-	-	-
Transmission - Virginia Property	DEPRDP4	PTRAN	-	-	-	-	-	-
Distribution	DEPRDP5	PDIST	4,226,005	-	7,226,902	11,500,688	1,986,703	3,019,105
General & Common Plant	DEPRDP6	PGP	744,925	-	1,273,898	2,027,245	350,199	532,182
Intangible Plant	DEPRAADJ	PINT	-	-	-	-	-	-
Total Depreciation Expense	TDEPR		4,970,929	-	8,500,800	13,527,932	2,336,902	3,551,287
Regulatory Credits								
Production	RCTNP	F017	-	-	-	-	-	-
Transmission	RCTNT	PTRAN	-	-	-	-	-	-
Distribution	RDTND	PDIST	-	-	-	-	-	-
Common	RCTNC	PGP	-	-	-	-	-	-
Total Regulatory Credits	TRCTN		$ -	$ -	$ -	$ -	$ -	$ -
Accretion Expense								
Production	ACRTNP	F017	-	-	-	-	-	-
Transmission	ACRTNT	PTRAN	-	-	-	-	-	-
Distribution	ACRTND	PDIST	-	-	-	-	-	-
Common	ACRTNC	PGP	-	-	-	-	-	-
Total Accretion Expense	TACRTN		$ -	$ -	$ -	$ -	$ -	$ -
Property Taxes & Other	PTAX	TUP	1,206,640	-	2,063,479	3,283,761	567,258	862,037
Amortization of Investment Tax Credit	OTAX	TUP	(37,188)	-	(63,595)	(101,204)	(17,483)	(26,568)
Gain on Disposition of Allowances	OT	TUP	-	-	-	-	-	-
Interest	INTLTD	TUP	2,306,714	-	3,944,718	6,277,512	1,084,418	1,647,942
Other Deductions	DEDUCT	TUP	-	-	-	-	-	-
Total Other Expenses	TOE		$ 8,447,095	$ -	$ 14,445,401	$ 22,988,002	$ 3,971,095	$ 6,034,699
Total Cost of Service (O&M + Other Expenses)			$ 16,636,359	$ -	$ 28,675,559	$ 44,288,719	$ 8,756,585	$ 13,064,839

LOUISVILLE GAS AND ELECTRIC COMPANY
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LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
Other Expenses										
Depreciation Expenses										
Steam Production	DEPRTP	PPRTL	-	-	-	-	-	-	-	-
Hydraulic Production	DEPRDP1	PPRTL	-	-	-	-	-	-	-	-
Other Production	DEPRDP2	PPRTL	-	-	-	-	-	-	-	-
Transmission - Kentucky System Property	DEPRDP3	PTRAN	-	-	-	-	-	-	-	-
Transmission - Virginia Property	DEPRDP4	PTRAN	-	-	-	-	-	-	-	-
Distribution	DEPRDP5	PDIST	2,746,222	1,920,577	953,795	1,106,375	3,031,549	-	-	-
General & Common Plant	DEPRDP6	PGP	484,081	338,543	168,127	195,022	534,376	-	-	-
Intangible Plant	DEPRAADJ	PINT	-	-	-	-	-	-	-	-
Total Depreciation Expense	TDEPR		3,230,303	2,259,120	1,121,921	1,301,397	3,565,925	-	-	-
Regulatory Credits										
Production	RCTNP	F017	-	-	-	-	-	-	-	-
Transmission	RCTNT	PTRAN	-	-	-	-	-	-	-	-
Distribution	RDTND	PDIST	-	-	-	-	-	-	-	-
Common	RCTNC	PGP	-	-	-	-	-	-	-	-
Total Regulatory Credits	TRCTN		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accretion Expense										
Production	ACRTNP	F017	-	-	-	-	-	-	-	-
Transmission	ACRTNT	PTRAN	-	-	-	-	-	-	-	-
Distribution	ACRTND	PDIST	-	-	-	-	-	-	-	-
Common	ACRTNC	PGP	-	-	-	-	-	-	-	-
Total Accretion Expense	TACRTN		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property Taxes & Other	PTAX	TUP	784,122	548,377	272,334	315,900	865,590	-	-	-
Amortization of Investment Tax Credit	OTAX	TUP	(24,166)	(16,901)	(8,393)	(9,736)	(26,677)	-	-	-
Gain on Disposition of Allowances	OT	TUP	-	-	-	-	-	-	-	-
Interest	INTLTD	TUP	1,498,993	1,048,324	520,617	603,902	1,654,735	-	-	-
Other Deductions	DEDUCT	TUP	-	-	-	-	-	-	-	-
Total Other Expenses	TOE		$ 5,489,251	$ 3,838,921	$ 1,906,480	$ 2,211,463	$ 6,059,573	$ -	$ -	$ -
Total Cost of Service (O&M + Other Expenses)			$ 6,609,248	$ 4,622,193	$ 2,202,289	$ 19,382,672	$ 7,365,718	$ 20,585,101	$ 4,496,452	$ -

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12 Months Ended June 30, 2016

Description	Name	Functional Vector	Total System	Production Demand			Production Energy	Transmission Demand
				Base	Winter Peak	Summer Peak		Demand
External Functional Vectors								
Station Equipment	F001		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Poles, Towers and Fixtures	F002		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Overhead Conductors and Devices	F003		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Underground Conductors and Devices	F004		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Line Transformers	F005		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Services	F006		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meters	F007		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Street Lighting	F008		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meter Reading	F009		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Billing	F010		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Transmission	F011		1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
Load Management	F012		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Production Plant	F017		1.000000	0.343801	0.360154	0.296045	0.000000	0.000000
Provar	PROVAR		1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Fuel	F018		1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Steam Generation Operation Labor	F019		14,184,336	4,124,451	4,320,623	3,551,538	2,187,724	-
PROFIX	PROFIX		1.000000	0.343801	0.360154	0.296045	0.000000	0.000000
Steam Generation Maintenance Labor	F020		7,005,990	-	-	-	7,005,990	-
Hydraulic Generation Operation Labor	F021		240,588	82,714	86,649	71,225	-	-
Hydraulic Generation Maintenance Labor	F022		244,786	32,230	33,763	27,753	151,040	-
Distribution Operation Labor	F023		8,611,788	-	-	-	-	-
Distribution Maintenance Labor	F024		3,271,140	-	-	-	-	-
Customer Accounts Expense	F025		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Customer Service Expense	F026		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Customer Advances	F027		857,428,693	-	-	-	-	-
Purchase Power Demand		F017	20,765,366	7,139,160	7,478,722	6,147,484	-	-
Purchase Power Energy		F018	48,301,062	-	-	-	48,301,062	-
Purchased Power Expenses	OMPP		69,066,428	7,139,160	7,478,722	6,147,484	48,301,062	-
Intallations on Customer Premises - Plant in Service	F013		1.00000	-	-	-	-	-
Intallations on Customer Premises - Accum Depr	F014		1.00000	-	-	-	-	-
Generators -Energy	F015		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Generators - Demand	F016		1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
	Energy		1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Internally Generated Functional Vectors								
Total Prod, Trans, and Dist Plant		PT&D	1.000000	0.192839	0.202011	0.166052	-	0.107586
Total Distribution Plant		PDIST	1.000000	-	-	-	-	-
Total Transmission Plant		PTRAN	1.000000	-	-	-	-	1.000000
Operation and Maintenance Expenses Less Purchase Power		OMLPP	1.000000	0.043769	0.045851	0.037689	0.677269	0.035068
Total Plant in Service		TPIS	1.000000	0.192717	0.201883	0.165947	-	0.107508
Total Operation and Maintenance Expenses (Labor)		TLB	1.000000	0.116789	0.122343	0.100566	0.251203	0.060229
Sub-Total Prod, Trans, Dist, Cust Acct and Cust Service		OMSUB2	1.000000	0.037456	0.039238	0.032253	0.745112	0.027629
Total Steam Power Operation Expenses (Labor)		LBSUB1	1.000000	0.290775	0.304605	0.250384	0.154235	-
Total Steam Power Generation Maintenance Expense (Labor)		LBSUB2	1.000000	-	-	-	1.000000	-
Total Hydraulic Power Operation Expenses (Labor)		LBSUB3	1.000000	0.343801	0.360154	0.296045	-	-
Total Hydraulic Power Generation Maint. Expense (Labor)		LBSUB4	1.000000	0.131666	0.137928	0.113377	0.617029	-
Total Other Power Generation Expenses (Labor)		LBSUB5	1.000000	0.343801	0.360154	0.296045	-	-
Total Transmission Labor Expenses		LBTRAN	1.000000	-	-	-	-	1.0000000
Total Distribution Operation Labor Expense		LBDO	1.000000	-	-	-	-	-
Total Distribution Maintenance Labor Expense		LBDM	1.000000	-	-	-	-	-
Sub-Total Labor Exp		LBSUB7	1.000000	0.116328	0.121861	0.100169	0.252725	0.059943
Total General Plant		PGP	1.000000	0.192839	0.202011	0.166052	-	0.107586
Total Production Plant		PPRTL	1.000000	0.343801	0.360154	0.296045	-	-
Total Intangible Plant		PINT	1.000000	0.192839	0.202011	0.166052	-	0.107586

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

LOLP METHODOLOGY

12 Months Ended June 30, 2016

			Distribution Substation	Distribution Primary Lines			Distribution Sec. Lines	
Description	Name	Functional Vector	General	Specific	Demand	Customer	Demand	Customer
External Functional Vectors								
Station Equipment	F001		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Poles, Towers and Fixtures	F002		0.000000	0.000000	0.298648	0.433152	0.109452	0.158748
Overhead Conductors and Devices	F003		0.000000	0.000000	0.298648	0.433152	0.109452	0.158748
Underground Conductors and Devices	F004		0.000000	0.000000	0.313900	0.567100	0.042400	0.076600
Line Transformers	F005		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Services	F006		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meters	F007		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Street Lighting	F008		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meter Reading	F009		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Billing	F010		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Transmission	F011		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Load Management	F012		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Production Plant	F017		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Provar	PROVAR		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Fuel	F018		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Steam Generation Operation Labor	F019		-	-	-	-	-	-
PROFIX	PROFIX		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Steam Generation Maintenance Labor	F020		-	-	-	-	-	-
Hydraulic Generation Operation Labor	F021		-	-	-	-	-	-
Hydraulic Generation Maintenance Labor	F022		-	-	-	-	-	-
Distribution Operation Labor	F023		1,597,876.79	-	868,087.17	1,319,488.80	278,890.65	412,660.24
Distribution Maintenance Labor	F024		199,000.00	-	898,402.38	1,348,157.25	299,940.09	441,123.28
Customer Accounts Expense	F025		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Customer Service Expense	F026		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Customer Advances	F027		-	-	261,090,031	415,491,278	71,774,631	109,072,753
Purchase Power Demand		F017	-	-	-	-	-	-
Purchase Power Energy		F018	-	-	-	-	-	-
Purchased Power Expenses	OMPP		-	-	-	-	-	-
Intallations on Customer Premises - Plant in Service	F013		-	-	-	-	-	-
Intallations on Customer Premises - Accum Depr	F014		-	-	-	-	-	-
Generators -Energy	F015		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Generators - Demand	F016		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
	Energy		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Internally Generated Functional Vectors								
Total Prod, Trans, and Dist Plant		PT&D	0.037143	-	0.063519	0.101082	0.017462	0.026536
Total Distribution Plant		PDIST	0.112042	-	0.191604	0.304913	0.052673	0.080044
Total Transmission Plant		PTRAN	-	-	-	-	-	-
Operation and Maintenance Expenses Less Purchase Power		OMLPP	0.012964	-	0.022527	0.033721	0.007576	0.011129
Total Plant in Service		TPIS	0.037192	-	0.063602	0.101214	0.017484	0.026570
Total Operation and Maintenance Expenses (Labor)		TLB	0.037536	-	0.035671	0.053916	0.011657	0.017202
Sub-Total Prod, Trans, Dist, Cust Acct and Cust Service		OMSUB2	0.008178	-	0.018219	0.027128	0.006220	0.009116
Total Steam Power Operation Expenses (Labor)		LBSUB1	-	-	-	-	-	-
Total Steam Power Generation Maintenance Expense (Labor)		LBSUB2	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses (Labor)		LBSUB3	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense (Labor)		LBSUB4	-	-	-	-	-	-
Total Other Power Generation Expenses (Labor)		LBSUB5	-	-	-	-	-	-
Total Transmission Labor Expenses		LBTRAN	-	-	-	-	-	-
Total Distribution Operation Labor Expense		LBDO	0.185545	-	0.100802	0.153219	0.032385	0.047918
Total Distribution Maintenance Labor Expense		LBDM	0.060835	-	0.274645	0.412137	0.091693	0.134853
Sub-Total Labor Exp		LBSUB7	0.037538	-	0.035502	0.053630	0.011622	0.017145
Total General Plant		PGP	0.037143	-	0.063519	0.101082	0.017462	0.026536
Total Production Plant		PPRTL	-	-	-	-	-	-
Total Intangible Plant		PINT	0.037143	-	0.063519	0.101082	0.017462	0.026536

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Functional Assignment and Classification

LOLP METHODOLOGY

12 Months Ended June 30, 2016

Description	Name	Functional Vector	Distribution Line Trans. Demand	Distribution Line Trans. Customer	Distribution Services Customer	Distribution Meters	Distribution St. & Cust. Lighting	Customer Accounts Expense	Customer Service & Info.	Sales Expense
External Functional Vectors										
Station Equipment	F001		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Poles, Towers and Fixtures	F002		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Overhead Conductors and Devices	F003		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Underground Conductors and Devices	F004		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Line Transformers	F005		0.588459	0.411541	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Services	F006		0.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meters	F007		0.000000	0.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000
Street Lighting	F008		0.000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000	0.000000
Meter Reading	F009		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Billing	F010		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Transmission	F011		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Load Management	F012		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000
Production Plant	F017		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Provar	PROVAR		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Fuel	F018		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Steam Generation Operation Labor	F019		-	-	-	-	-	-	-	-
PROFIX	PROFIX		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Steam Generation Maintenance Labor	F020		-	-	-	-	-	-	-	-
Hydraulic Generation Operation Labor	F021		-	-	-	-	-	-	-	-
Hydraulic Generation Maintenance Labor	F022		-	-	-	-	-	-	-	-
Distribution Operation Labor	F023		112,092.54	78,392.18	38,931.02	3,781,629.90	123,738.72	-	-	-
Distribution Maintenance Labor	F024		45,733.31	31,983.69	-	-	6,800.00	-	-	-
Customer Accounts Expense	F025		0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000
Customer Service Expense	F026		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Customer Advances	F027		-	-	-	-	-	-	-	-
Purchase Power Demand		F017	-	-	-	-	-	-	-	-
Purchase Power Energy		F018	-	-	-	-	-	-	-	-
Purchased Power Expenses	OMPP		-	-	-	-	-	-	-	-
Intallations on Customer Premises - Plant in Service	F013		-	-	-	-	-	1.00000	-	-
Intallations on Customer Premises - Accum Depr	F014		-	-	-	-	-	1.00000	-	-
Generators -Energy	F015		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Generators - Demand	F016		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
	Energy		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Internally Generated Functional Vectors										
Total Prod, Trans, and Dist Plant		PT&D	0.024137	0.016880	0.008383	0.009724	0.026645	-	-	-
Total Distribution Plant		PDIST	0.072809	0.050919	0.025288	0.029333	0.080374	-	-	-
Total Transmission Plant		PTRAN	-	-	-	-	-	-	-	-
Operation and Maintenance Expenses Less Purchase Power		OMLPP	0.001773	0.001240	0.000468	0.027183	0.002068	0.032588	0.007118	-
Total Plant in Service		TPIS	0.024169	0.016902	0.008394	0.009737	0.026680	-	-	-
Total Operation and Maintenance Expenses (Labor)		TLB	0.003367	0.002354	0.000867	0.079414	0.002886	0.081598	0.022402	-
Sub-Total Prod, Trans, Dist, Cust Acct and Cust Service		OMSUB2	0.001126	0.000787	0.000276	0.017880	0.001472	0.023416	0.004496	-
Total Steam Power Operation Expenses (Labor)		LBSUB1	-	-	-	-	-	-	-	-
Total Steam Power Generation Maintenance Expense (Labor)		LBSUB2	-	-	-	-	-	-	-	-
Total Hydraulic Power Operation Expenses (Labor)		LBSUB3	-	-	-	-	-	-	-	-
Total Hydraulic Power Generation Maint. Expense (Labor)		LBSUB4	-	-	-	-	-	-	-	-
Total Other Power Generation Expenses (Labor)		LBSUB5	-	-	-	-	-	-	-	-
Total Transmission Labor Expenses		LBTRAN	-	-	-	-	-	-	-	-
Total Distribution Operation Labor Expense		LBDO	0.013016	0.009103	0.004521	0.439123	0.014369	-	-	-
Total Distribution Maintenance Labor Expense		LBDM	0.013981	0.009778	-	-	0.002079	-	-	-
Sub-Total Labor Exp		LBSUB7	0.003241	0.002266	0.000822	0.079836	0.002742	0.082092	0.022538	-
Total General Plant		PGP	0.024137	0.016880	0.008383	0.009724	0.026645	-	-	-
Total Production Plant		PPRTL	-	-	-	-	-	-	-	-
Total Intangible Plant		PINT	0.024137	0.016880	0.008383	0.009724	0.026645	-	-	-

Exhibit WSS-23

Electric Cost of Service Study
Class Allocation
BIP Methodology

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Plant in Service								
Power Production Plant								
Production Demand - Base	TPIS	PLPPDB	PPBDA	$ 834,776,533	$ 302,003,812	$ 98,140,428	$ 11,688,692	$ 135,428,654
Production Demand - Winter Peak	TPIS	PLPPDI	PPWDA	874,481,255	373,681,742	122,277,055	9,508,765	127,951,297
Production Demand - Summer Peak	TPIS	PLPPDP	PPSDA	718,820,643	281,094,822	101,580,706	8,377,545	118,251,071
Production Energy	TPIS	PLPPEB	E01	-	-	-	-	-
Total Power Production Plant		PLPPT		$ 2,428,078,430	$ 956,780,375	$ 321,998,189	$ 29,575,002	$ 381,631,022
Transmission Plant								
Transmission Demand	TPIS	PLTRB	NCPT	$ 465,684,635	$ 206,944,619	$ 59,568,432	$ 5,292,707	$ 61,430,381
Distribution Poles								
Specific	TPIS	PLDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TPIS	PLDSG	NCPP	$ 161,101,605	$ 77,296,277	$ 22,249,518	$ 1,976,889	$ 22,944,978
Distribution Primary & Secondary Lines								
Primary Specific	TPIS	PLDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TPIS	PLDPLD	NCPP	275,500,316	132,184,585	38,048,965	3,380,684	39,238,273
Primary Customer	TPIS	PLDPLC	Cust08	438,423,398	377,970,614	46,959,149	74,741	2,931,681
Secondary Demand	TPIS	PLDSLD	SICD	75,736,072	63,558,319	11,630,886	-	-
Secondary Customer	TPIS	PLDSLC	Cust07	115,092,782	99,999,544	12,423,965	-	-
Total Distribution Primary & Secondary Lines		PLDLT		$ 904,752,568	$ 673,713,063	$ 109,062,964	$ 3,455,425	$ 42,169,954
Distribution Line Transformers								
Demand	TPIS	PLDLTD	SICDT	$ 104,690,102	$ 72,634,069	$ 13,291,707	$ -	$ 11,706,101
Customer	TPIS	PLDLTC	Cust09	73,215,269	63,146,691	7,845,358	-	489,789
Total Distribution Line Transformers		PLDLTT		$ 177,905,371	$ 135,780,760	$ 21,137,065	$ -	$ 12,195,890
Distribution Services								
Customer	TPIS	PLDSC	C02	$ 36,360,072	$ 27,946,947	$ 7,033,360	$ -	$ 1,227,015
Distribution Meters								
Customer	TPIS	PLDMC	C03	$ 42,176,668	$ 29,520,292	$ 8,679,135	$ 337,865	$ 2,334,770
Distribution Street & Customer Lighting								
Customer	TPIS	PLDSCL	C04	$ 115,567,185	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	TPIS	PLCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TPIS	PLCSI	C06	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TPIS	PLSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		PLT		$ 4,331,626,534	$ 2,107,982,333	$ 549,728,664	$ 40,637,888	$ 523,934,009

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Plant in Service						
Power Production Plant						
Production Demand - Base	TPIS	PLPPDB	PPBDA	$ 130,726,251	$ 57,495,181	$ 79,602,275
Production Demand - Winter Peak	TPIS	PLPPDI	PPWDA	101,893,378	68,331,135	60,945,823
Production Demand - Summer Peak	TPIS	PLPPDP	PPSDA	89,436,342	60,407,075	51,725,640
Production Energy	TPIS	PLPPEB	E01	-	-	-
Total Power Production Plant		PLPPT		$ 322,055,971	$ 186,233,392	$ 192,273,738
Transmission Plant						
Transmission Demand	TPIS	PLTRB	NCPT	$ 55,882,901	$ 33,180,334	$ 34,368,776
Distribution Poles						
Specific	TPIS	PLDPS	NCPP	$ -	$ -	$ -
Distribution Substation						
General	TPIS	PLDSG	NCPP	$ 20,872,928	$ 12,393,249	$ -
Distribution Primary & Secondary Lines						
Primary Specific	TPIS	PLDPLS	NCPP	$ -	$ -	$ -
Primary Demand	TPIS	PLDPLD	NCPP	35,694,855	21,193,731	-
Primary Customer	TPIS	PLDPLC	Cust08	109,516	286,507	-
Secondary Demand	TPIS	PLDSLD	SICD	-	-	-
Secondary Customer	TPIS	PLDSLC	Cust07	-	-	-
Total Distribution Primary & Secondary Lines		PLDLT		$ 35,804,371	$ 21,480,239	$ -
Distribution Line Transformers						
Demand	TPIS	PLDLTD	SICDT	$ -	$ 6,433,268	$ -
Customer	TPIS	PLDLTC	Cust09	-	47,866	-
Total Distribution Line Transformers		PLDLTT		$ -	$ 6,481,134	$ -
Distribution Services						
Customer	TPIS	PLDSC	C02	$ -	$ 152,750	$ -
Distribution Meters						
Customer	TPIS	PLDMC	C03	$ 529,064	$ 245,966	$ 432,796
Distribution Street & Customer Lighting						
Customer	TPIS	PLDSCL	C04	$ -	$ -	$ -
Customer Accounts Expense						
Customer	TPIS	PLCAE	C05	$ -	$ -	$ -
Customer Service & Info.						
Customer	TPIS	PLCSI	C06	$ -	$ -	$ -
Sales Expense						
Customer	TPIS	PLSEC	C06	$ -	$ -	$ -
Total		PLT		$ 435,145,236	$ 260,167,064	$ 227,075,310

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1		Special Contract Customer #2		Street Lighting Rate RLS, LS, DSK		Street Lighting Rate LE		Traffic Street Lighting Rate TLE
Plant in Service													
Power Production Plant													
Production Demand - Base	TPIS	PLPPDB	PPBDA	$	7,769,583	$	4,104,643	$	7,352,742	$	239,672	$	224,599
Production Demand - Winter Peak	TPIS	PLPPDI	PPWDA		7,036,582		2,674,632		-		-		180,846
Production Demand - Summer Peak	TPIS	PLPPDP	PPSDA		5,585,173		2,260,914		-		-		101,354
Production Energy	TPIS	PLPPEB	E01		-		-		-		-		-
Total Power Production Plant		PLPPT		$	20,391,338	$	9,040,189	$	7,352,742	$	239,672	$	506,799
Transmission Plant													
Transmission Demand	TPIS	PLTRB	NCPT	$	3,464,524	$	1,813,382	$	3,572,282	$	114,252	$	52,046
Distribution Poles													
Specific	TPIS	PLDPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	TPIS	PLDSG	NCPP	$	1,294,041	$	677,320	$	1,334,290	$	42,674	$	19,440
Distribution Primary & Secondary Lines													
Primary Specific	TPIS	PLDPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	TPIS	PLDPLD	NCPP		2,212,943		1,158,286		2,281,773		72,978		33,244
Primary Customer	TPIS	PLDPLC	Cust08		1,038		1,038		9,965,698		19,031		104,384
Secondary Demand	TPIS	PLDSLD	SICD		-		-		522,542		16,712		7,613
Secondary Customer	TPIS	PLDSLC	Cust07		-		-		2,636,621		5,035		27,617
Total Distribution Primary & Secondary Lines		PLDLT		$	2,213,981	$	1,159,324	$	15,406,634	$	113,756	$	172,857
Distribution Line Transformers													
Demand	TPIS	PLDLTD	SICDT	$	-	$	-	$	597,158	$	19,099	$	8,700
Customer	TPIS	PLDLTC	Cust09		-		-		1,664,946		3,180		17,439
Total Distribution Line Transformers		PLDLTT		$	-	$	-	$	2,262,104	$	22,278	$	26,139
Distribution Services													
Customer	TPIS	PLDSC	C02	$	-	$	-	$	-	$	-	$	-
Distribution Meters													
Customer	TPIS	PLDMC	C03	$	5,015	$	5,015	$	-	$	13,377	$	73,373
Distribution Street & Customer Lighting													
Customer	TPIS	PLDSCL	C04	$	-	$	-	$	115,567,185	$	-	$	-
Customer Accounts Expense													
Customer	TPIS	PLCAE	C05	$	-	$	-	$	-	$	-	$	-
Customer Service & Info.													
Customer	TPIS	PLCSI	C06	$	-	$	-	$	-	$	-	$	-
Sales Expense													
Customer	TPIS	PLSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		PLT		$	27,368,898	$	12,695,230	$	145,495,237	$	546,010	$	850,654

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Net Utility Plant								
Power Production Plant								
Production Demand - Base	NTPLANT	UPPPDB	PPBDA	$ 529,045,729	$ 191,397,123	$ 62,197,214	$ 7,407,794	$ 85,828,899
Production Demand - Winter Peak	NTPLANT	UPPPDI	PPWDA	554,208,886	236,823,535	77,493,977	6,026,249	81,090,070
Production Demand - Summer Peak	NTPLANT	UPPPDP	PPSDA	455,557,836	178,145,898	64,377,515	5,309,331	74,942,480
Production Energy	NTPLANT	UPPPEB	E01	-	-	-	-	-
Total Power Production Plant		UPPPT		$ 1,538,812,451	$ 606,366,555	$ 204,068,706	$ 18,743,374	$ 241,861,449
Transmission Plant								
Transmission Demand	NTPLANT	UPTRB	NCPT	$ 302,524,467	$ 134,438,214	$ 38,697,666	$ 3,438,321	$ 39,907,250
Distribution Poles								
Specific	NTPLANT	UPDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	NTPLANT	UPDSG	NCPP	$ 104,174,581	$ 49,982,788	$ 14,387,406	$ 1,278,334	$ 14,837,118
Distribution Primary & Secondary Lines								
Primary Specific	NTPLANT	UPDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	NTPLANT	UPDPLD	NCPP	178,149,250	85,475,708	24,603,945	2,186,082	25,372,998
Primary Customer	NTPLANT	UPDPLC	Cust08	283,501,669	244,410,541	30,365,617	48,330	1,895,739
Secondary Demand	NTPLANT	UPDSLD	SICD	48,973,898	41,099,288	7,520,984	-	-
Secondary Customer	NTPLANT	UPDSLC	Cust07	74,423,481	64,663,606	8,033,820	-	-
Total Distribution Primary & Secondary Lines		UPDLT		$ 585,048,298	$ 435,649,143	$ 70,524,366	$ 2,234,412	$ 27,268,737
Distribution Line Transformers								
Demand	NTPLANT	UPDLTD	SICDT	$ 67,696,703	$ 46,968,022	$ 8,594,936	$ -	$ 7,569,621
Customer	NTPLANT	UPDLTC	Cust09	47,343,849	40,833,113	5,073,115	-	316,717
Total Distribution Line Transformers		UPDLTT		$ 115,040,552	$ 87,801,135	$ 13,668,051	$ -	$ 7,886,338
Distribution Services								
Customer	NTPLANT	UPDSC	C02	$ 23,511,840	$ 18,071,586	$ 4,548,045	$ -	$ 793,436
Distribution Meters								
Customer	NTPLANT	UPDMC	C03	$ 27,273,078	$ 19,088,972	$ 5,612,267	$ 218,476	$ 1,509,753
Distribution Street & Customer Lighting								
Customer	NTPLANT	UPDSCL	C04	$ 74,730,249	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	NTPLANT	UPCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	NTPLANT	UPCSI	C06	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	NTPLANT	UPSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		UPT		$ 2,771,115,517	$ 1,351,398,393	$ 351,506,507	$ 25,912,918	$ 334,064,081

LOUISVILLE GAS AND ELECTRIC COMPANY
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Net Utility Plant									
Power Production Plant									
Production Demand - Base	NTPLANT	UPPPDB	PPBDA	$	82,848,717	$	36,437,991	$	50,448,524
Production Demand - Winter Peak	NTPLANT	UPPPDI	PPWDA		64,575,673		43,305,356		38,624,861
Production Demand - Summer Peak	NTPLANT	UPPPDP	PPSDA		56,680,935		38,283,426		32,781,502
Production Energy	NTPLANT	UPPPEB	E01		-		-		-
Total Power Production Plant		UPPPT		$	204,105,325	$	118,026,773	$	121,854,887
Transmission Plant									
Transmission Demand	NTPLANT	UPTRB	NCPT	$	36,303,420	$	21,555,065	$	22,327,118
Distribution Poles									
Specific	NTPLANT	UPDPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	NTPLANT	UPDSG	NCPP	$	13,497,250	$	8,013,958	$	-
Distribution Primary & Secondary Lines									
Primary Specific	NTPLANT	UPDPLS	NCPP	$	-	$	-	$	-
Primary Demand	NTPLANT	UPDPLD	NCPP		23,081,685		13,704,693		-
Primary Customer	NTPLANT	UPDPLC	Cust08		70,818		185,267		-
Secondary Demand	NTPLANT	UPDSLD	SICD		-		-		-
Secondary Customer	NTPLANT	UPDSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		UPDLT		$	23,152,503	$	13,889,960	$	-
Distribution Line Transformers									
Demand	NTPLANT	UPDLTD	SICDT	$	-	$	4,160,002	$	-
Customer	NTPLANT	UPDLTC	Cust09		-		30,952		-
Total Distribution Line Transformers		UPDLTT		$	-	$	4,190,954	$	-
Distribution Services									
Customer	NTPLANT	UPDSC	C02	$	-	$	98,774	$	-
Distribution Meters									
Customer	NTPLANT	UPDMC	C03	$	342,113	$	159,051	$	279,863
Distribution Street & Customer Lighting									
Customer	NTPLANT	UPDSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	NTPLANT	UPCAE	C05	$	-	$	-	$	-
Customer Service & Info.									
Customer	NTPLANT	UPCSI	C06	$	-	$	-	$	-
Sales Expense									
Customer	NTPLANT	UPSEC	C06	$	-	$	-	$	-
Total		UPT		$	277,400,611	$	165,934,537	$	144,461,867

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1		Special Contract Customer #2		Street Lighting Rate RLS, LS, DSK		Street Lighting Rate LE		Traffic Street Lighting Rate TLE
Net Utility Plant													
Power Production Plant													
Production Demand - Base	NTPLANT	UPPPDB	PPBDA	$	4,924,030	$	2,601,348	$	4,659,854	$	151,894	$	142,341
Production Demand - Winter Peak	NTPLANT	UPPPDI	PPWDA		4,459,485		1,695,068		-		-		114,613
Production Demand - Summer Peak	NTPLANT	UPPPDP	PPSDA		3,539,644		1,432,871		-		-		64,234
Production Energy	NTPLANT	UPPPEB	E01		-		-		-		-		-
Total Power Production Plant		UPPPT		$	12,923,159	$	5,729,286	$	4,659,854	$	151,894	$	321,188
Transmission Plant													
Transmission Demand	NTPLANT	UPTRB	NCPT	$	2,250,672	$	1,178,034	$	2,320,675	$	74,222	$	33,811
Distribution Poles													
Specific	NTPLANT	UPDPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	NTPLANT	UPDSG	NCPP	$	836,777	$	437,981	$	862,804	$	27,595	$	12,570
Distribution Primary & Secondary Lines													
Primary Specific	NTPLANT	UPDPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	NTPLANT	UPDPLD	NCPP		1,430,975		748,993		1,475,483		47,190		21,497
Primary Customer	NTPLANT	UPDPLC	Cust08		671		671		6,444,209		12,306		67,499
Secondary Demand	NTPLANT	UPDSLD	SICD		-		-		337,896		10,807		4,923
Secondary Customer	NTPLANT	UPDSLC	Cust07		-		-		1,704,942		3,256		17,858
Total Distribution Primary & Secondary Lines		UPDLT		$	1,431,647	$	749,664	$	9,962,530	$	73,559	$	111,776
Distribution Line Transformers													
Demand	NTPLANT	UPDLTD	SICDT	$	-	$	-	$	386,146	$	12,350	$	5,626
Customer	NTPLANT	UPDLTC	Cust09		-		-		1,076,619		2,056		11,277
Total Distribution Line Transformers		UPDLTT		$	-	$	-	$	1,462,765	$	14,406	$	16,903
Distribution Services													
Customer	NTPLANT	UPDSC	C02	$	-	$	-	$	-	$	-	$	-
Distribution Meters													
Customer	NTPLANT	UPDMC	C03	$	3,243	$	3,243	$	-	$	8,650	$	47,446
Distribution Street & Customer Lighting													
Customer	NTPLANT	UPDSCL	C04	$	-	$	-	$	74,730,249	$	-	$	-
Customer Accounts Expense													
Customer	NTPLANT	UPCAE	C05	$	-	$	-	$	-	$	-	$	-
Customer Service & Info.													
Customer	NTPLANT	UPCSI	C06	$	-	$	-	$	-	$	-	$	-
Sales Expense													
Customer	NTPLANT	UPSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		UPT		$	17,445,498	$	8,098,208	$	93,998,877	$	350,326	$	543,694

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Net Cost Rate Base								
Power Production Plant								
Production Demand - Base	RB	RBPPDB	PPBDA	$ 449,333,293	$ 162,558,915	$ 52,825,828	$ 6,291,646	$ 72,896,878
Production Demand - Winter Peak	RB	RBPPDI	PPWDA	470,705,064	201,140,833	65,817,796	5,118,262	68,872,058
Production Demand - Summer Peak	RB	RBPPDP	PPSDA	386,917,976	151,304,279	54,677,619	4,509,362	63,650,739
Production Energy	RB	RBPPEB	E01	51,365,920	18,583,062	6,038,830	719,235	8,333,269
Total Power Production Plant		RBPPT		$ 1,358,322,253	$ 533,587,089	$ 179,360,073	$ 16,638,505	$ 213,752,944
Transmission Plant								
Transmission Demand	RB	RBTRB	NCPT	$ 251,904,274	$ 111,943,212	$ 32,222,542	$ 2,863,001	$ 33,229,732
Distribution Poles								
Specific	RB	RBDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	RB	RBDSG	NCPP	$ 86,725,894	$ 41,610,937	$ 11,977,592	$ 1,064,220	$ 12,351,980
Distribution Primary & Secondary Lines								
Primary Specific	RB	RBDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	RB	RBDPLD	NCPP	146,289,690	70,189,545	20,203,865	1,795,131	20,835,384
Primary Customer	RB	RBDPLC	Cust08	232,639,811	200,561,860	24,917,848	39,660	1,555,633
Secondary Demand	RB	RBDSLD	SICD	40,320,470	33,837,261	6,192,066	-	-
Secondary Customer	RB	RBDSLC	Cust07	61,244,172	53,212,627	6,611,148	-	-
Total Distribution Primary & Secondary Lines		RBDLT		$ 480,494,142	$ 357,801,294	$ 57,924,928	$ 1,834,791	$ 22,391,016
Distribution Line Transformers								
Demand	RB	RBDLTD	SICDT	$ 55,853,391	$ 38,751,123	$ 7,091,281	$ -	$ 6,245,341
Customer	RB	RBDLTC	Cust09	39,061,200	33,689,496	4,185,590	-	261,308
Total Distribution Line Transformers		RBDLTT		$ 94,914,591	$ 72,440,620	$ 11,276,871	$ -	$ 6,506,650
Distribution Services								
Customer	RB	RBDSC	C02	$ 19,387,335	$ 14,901,424	$ 3,750,215	$ -	$ 654,249
Distribution Meters								
Customer	RB	RBDMC	C03	$ 24,509,219	$ 17,154,491	$ 5,043,519	$ 196,336	$ 1,356,755
Distribution Street & Customer Lighting								
Customer	RB	RBDSCL	C04	$ 61,664,820	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	RB	RBCAE	C05	$ 2,471,536	$ 1,841,601	$ 457,602	$ 1,821	$ 71,421
Customer Service & Info.								
Customer	RB	RBCSI	C06	$ 539,863	$ 465,409	$ 57,823	$ 92	$ 3,610
Sales Expense								
Customer	RB	RBSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		RBT		$ 2,380,933,927	$ 1,151,746,077	$ 302,071,165	$ 22,598,765	$ 290,318,355

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Net Cost Rate Base									
Power Production Plant									
Production Demand - Base	RB	RBPPDB	PPBDA	$	70,365,726	$	30,947,802	$	42,847,338
Production Demand - Winter Peak	RB	RBPPDI	PPWDA		54,845,920		36,780,447		32,805,172
Production Demand - Summer Peak	RB	RBPPDP	PPSDA		48,140,699		32,515,181		27,842,244
Production Energy	RB	RBPPEB	E01		8,043,918		3,537,825		4,898,130
Total Power Production Plant		RBPPT		$	181,396,264	$	103,781,255	$	108,392,884
Transmission Plant									
Transmission Demand	RB	RBTRB	NCPT	$	30,228,916	$	17,948,344	$	18,591,212
Distribution Poles									
Specific	RB	RBDPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	RB	RBDSG	NCPP	$	11,236,532	$	6,671,663	$	-
Distribution Primary & Secondary Lines									
Primary Specific	RB	RBDPLS	NCPP	$	-	$	-	$	-
Primary Demand	RB	RBDPLD	NCPP		18,953,841		11,253,796		-
Primary Customer	RB	RBDPLC	Cust08		58,112		152,029		-
Secondary Demand	RB	RBDSLD	SICD		-		-		-
Secondary Customer	RB	RBDSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		RBDLT		$	19,011,954	$	11,405,825	$	-
Distribution Line Transformers									
Demand	RB	RBDLTD	SICDT	$	-	$	3,432,224	$	-
Customer	RB	RBDLTC	Cust09		-		25,537		-
Total Distribution Line Transformers		RBDLTT		$	-	$	3,457,761	$	-
Distribution Services									
Customer	RB	RBDSC	C02	$	-	$	81,447	$	-
Distribution Meters									
Customer	RB	RBDMC	C03	$	307,443	$	142,933	$	251,501
Distribution Street & Customer Lighting									
Customer	RB	RBDSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	RB	RBCAE	C05	$	13,340	$	34,899	$	1,644
Customer Service & Info.									
Customer	RB	RBCSI	C06	$	135	$	353	$	17
Sales Expense									
Customer	RB	RBSEC	C06	$	-	$	-	$	-
Total		RBT		$	242,194,584	$	143,524,479	$	127,237,257

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Net Cost Rate Base								
Power Production Plant								
Production Demand - Base	RB	RBPPDB	PPBDA	$ 4,182,116	$ 2,209,397	$ 3,957,744	$ 129,008	$ 120,894
Production Demand - Winter Peak	RB	RBPPDI	PPWDA	3,787,565	1,439,668	-	-	97,344
Production Demand - Summer Peak	RB	RBPPDP	PPSDA	3,006,318	1,216,977	-	-	54,556
Production Energy	RB	RBPPEB	E01	478,082	252,569	452,433	14,748	13,820
Total Power Production Plant		RBPPT		$ 11,454,082	$ 5,118,612	$ 4,410,177	$ 143,755	$ 286,614
Transmission Plant								
Transmission Demand	RB	RBTRB	NCPT	$ 1,874,076	$ 980,918	$ 1,932,366	$ 61,803	$ 28,153
Distribution Poles								
Specific	RB	RBDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	RB	RBDSG	NCPP	$ 696,622	$ 364,622	$ 718,289	$ 22,973	$ 10,465
Distribution Primary & Secondary Lines								
Primary Specific	RB	RBDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	RB	RBDPLD	NCPP	1,175,065	615,046	1,211,613	38,751	17,652
Primary Customer	RB	RBDPLC	Cust08	551	551	5,288,080	10,099	55,389
Secondary Demand	RB	RBDSLD	SICD	-	-	278,192	8,897	4,053
Secondary Customer	RB	RBDSLC	Cust07	-	-	1,403,022	2,679	14,696
Total Distribution Primary & Secondary Lines		RBDLT		$ 1,175,616	$ 615,597	$ 8,180,907	$ 60,426	$ 91,790
Distribution Line Transformers								
Demand	RB	RBDLTD	SICDT	$ -	$ -	$ 318,591	$ 10,189	$ 4,642
Customer	RB	RBDLTC	Cust09	-	-	888,268	1,696	9,304
Total Distribution Line Transformers		RBDLTT		$ -	$ -	$ 1,206,859	$ 11,886	$ 13,946
Distribution Services								
Customer	RB	RBDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	RB	RBDMC	C03	$ 2,914	$ 2,914	$ -	$ 7,774	$ 42,638
Distribution Street & Customer Lighting								
Customer	RB	RBDSCL	C04	$ -	$ -	$ 61,664,820	$ -	$ -
Customer Accounts Expense								
Customer	RB	RBCAE	C05	$ 25	$ 25	$ 48,556	$ 93	$ 509
Customer Service & Info.								
Customer	RB	RBCSI	C06	$ 1	$ 1	$ 12,271	$ 23	$ 129
Sales Expense								
Customer	RB	RBSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		RBT		$ 15,203,336	$ 7,082,689	$ 78,174,245	$ 308,733	$ 474,243

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Operation and Maintenance Expenses								
Power Production Plant								
Production Demand - Base	TOM	OMPPDB	PPBDA	$ 33,223,400	$ 12,019,496	$ 3,905,906	$ 465,200	$ 5,389,946
Production Demand - Winter Peak	TOM	OMPPDI	PPWDA	34,803,614	14,872,217	4,866,523	378,441	5,092,353
Production Demand - Summer Peak	TOM	OMPPDP	PPSDA	28,608,453	11,187,336	4,042,826	333,419	4,706,293
Production Energy	TOM	OMPPEB	E01	465,540,988	168,422,502	54,731,284	6,518,588	75,526,309
Total Power Production Plant		OMPPT		$ 562,176,455	$ 206,501,552	$ 67,546,539	$ 7,695,648	$ 90,714,900
Transmission Plant								
Transmission Demand	TOM	OMTRB	NCPT	$ 22,151,695	$ 9,843,945	$ 2,833,552	$ 251,764	$ 2,922,121
Distribution Poles								
Specific	TOM	OMDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TOM	OMDSG	NCPP	$ 8,189,264	$ 3,929,195	$ 1,131,008	$ 100,491	$ 1,166,360
Distribution Primary & Secondary Lines								
Primary Specific	TOM	OMDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TOM	OMDPLD	NCPP	14,230,158	6,827,606	1,965,307	174,619	2,026,737
Primary Customer	TOM	OMDPLC	Cust08	21,300,716	18,363,629	2,281,501	3,631	142,435
Secondary Demand	TOM	OMDSLD	SICD	4,785,490	4,016,022	734,914	-	-
Secondary Customer	TOM	OMDSLC	Cust07	7,030,141	6,108,210	758,885	-	-
Total Distribution Primary & Secondary Lines		OMDLT		$ 47,346,505	$ 35,315,466	$ 5,740,608	$ 178,251	$ 2,169,173
Distribution Line Transformers								
Demand	TOM	OMDLTD	SICDT	$ 1,119,996	$ 777,054	$ 142,197	$ -	$ 125,234
Customer	TOM	OMDLTC	Cust09	783,272	675,556	83,931	-	5,240
Total Distribution Line Transformers		OMDLTT		$ 1,903,268	$ 1,452,610	$ 226,129	$ -	$ 130,474
Distribution Services								
Customer	TOM	OMDSC	C02	$ 295,809	$ 227,363	$ 57,220	$ -	$ 9,982
Distribution Meters								
Customer	TOM	OMDMC	C03	$ 17,171,209	$ 12,018,472	$ 3,533,500	$ 137,553	$ 950,545
Distribution Street & Customer Lighting								
Customer	TOM	OMDSCL	C04	$ 1,306,145	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	TOM	OMCAE	C05	$ 20,585,101	$ 15,338,459	$ 3,811,307	$ 15,165	$ 594,854
Customer Service & Info.								
Customer	TOM	OMCSI	C05	$ 4,496,452	$ 3,350,416	$ 832,513	$ 3,313	$ 129,935
Sales Expense								
Customer	TOM	OMSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		OMT		$ 685,621,903	$ 287,977,479	$ 85,712,375	$ 8,382,184	$ 98,788,346

LOUISVILLE GAS AND ELECTRIC COMPANY
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Operation and Maintenance Expenses						
Power Production Plant						
Production Demand - Base	TOM	OMPPDB	PPBDA	$ 5,202,794	$ 2,288,260	$ 3,168,103
Production Demand - Winter Peak	TOM	OMPPDI	PPWDA	4,055,270	2,719,521	2,425,592
Production Demand - Summer Peak	TOM	OMPPDP	PPSDA	3,559,491	2,404,150	2,058,637
Production Energy	TOM	OMPPEB	E01	72,903,855	32,064,108	44,392,865
Total Power Production Plant		OMPPT		$ 85,721,410	$ 39,476,039	$ 52,045,197
Transmission Plant						
Transmission Demand	TOM	OMTRB	NCPT	$ 2,658,239	$ 1,578,323	$ 1,634,855
Distribution Poles						
Specific	TOM	OMDPS	NCPP	$ -	$ -	$ -
Distribution Substation						
General	TOM	OMDSG	NCPP	$ 1,061,032	$ 629,985	$ -
Distribution Primary & Secondary Lines						
Primary Specific	TOM	OMDPLS	NCPP	$ -	$ -	$ -
Primary Demand	TOM	OMDPLD	NCPP	1,843,713	1,094,700	-
Primary Customer	TOM	OMDPLC	Cust08	5,321	13,920	-
Secondary Demand	TOM	OMDSLD	SICD	-	-	-
Secondary Customer	TOM	OMDSLC	Cust07	-	-	-
Total Distribution Primary & Secondary Lines		OMDLT		$ 1,849,033	$ 1,108,620	$ -
Distribution Line Transformers						
Demand	TOM	OMDLTD	SICDT	$ -	$ 68,824	$ -
Customer	TOM	OMDLTC	Cust09	-	512	-
Total Distribution Line Transformers		OMDLTT		$ -	$ 69,337	$ -
Distribution Services						
Customer	TOM	OMDSC	C02	$ -	$ 1,243	$ -
Distribution Meters						
Customer	TOM	OMDMC	C03	$ 215,396	$ 100,139	$ 176,202
Distribution Street & Customer Lighting						
Customer	TOM	OMDSCL	C04	$ -	$ -	$ -
Customer Accounts Expense						
Customer	TOM	OMCAE	C05	$ 111,107	$ 290,669	$ 13,691
Customer Service & Info.						
Customer	TOM	OMCSI	C05	$ 24,269	$ 63,492	$ 2,991
Sales Expense						
Customer	TOM	OMSEC	C06	$ -	$ -	$ -
Total		OMT		$ 91,640,486	$ 43,317,846	$ 53,872,936

LOUISVILLE GAS AND ELECTRIC COMPANY
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1		Special Contract Customer #2		Street Lighting Rate RLS, LS, DSK		Street Lighting Rate LE		Traffic Street Lighting Rate TLE
Operation and Maintenance Expenses													
Power Production Plant													
Production Demand - Base	TOM	OMPPDB	PPBDA	$	309,223	$	163,361	$	292,633	$	9,539	$	8,939
Production Demand - Winter Peak	TOM	OMPPDI	PPWDA		280,050		106,448		-		-		7,198
Production Demand - Summer Peak	TOM	OMPPDP	PPSDA		222,285		89,982		-		-		4,034
Production Energy	TOM	OMPPEB	E01		4,332,969		2,289,091		4,100,500		133,662		125,255
Total Power Production Plant		OMPPT		$	5,144,527	$	2,648,883	$	4,393,133	$	143,201	$	145,425
Transmission Plant													
Transmission Demand	TOM	OMTRB	NCPT	$	164,801	$	86,259	$	169,926	$	5,435	$	2,476
Distribution Poles													
Specific	TOM	OMDPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	TOM	OMDSG	NCPP	$	65,780	$	34,430	$	67,826	$	2,169	$	988
Distribution Primary & Secondary Lines													
Primary Specific	TOM	OMDPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	TOM	OMDPLD	NCPP		114,303		59,828		117,858		3,769		1,717
Primary Customer	TOM	OMDPLC	Cust08		50		50		484,182		925		5,071
Secondary Demand	TOM	OMDSLD	SICD		-		-		33,018		1,056		481
Secondary Customer	TOM	OMDSLC	Cust07		-		-		161,051		308		1,687
Total Distribution Primary & Secondary Lines		OMDLT		$	114,353	$	59,878	$	796,108	$	6,058	$	8,957
Distribution Line Transformers													
Demand	TOM	OMDLTD	SICDT	$	-	$	-	$	6,389	$	204	$	93
Customer	TOM	OMDLTC	Cust09		-		-		17,812		34		187
Total Distribution Line Transformers		OMDLTT		$	-	$	-	$	24,200	$	238	$	280
Distribution Services													
Customer	TOM	OMDSC	C02	$	-	$	-	$	-	$	-	$	-
Distribution Meters													
Customer	TOM	OMDMC	C03	$	2,042	$	2,042	$	-	$	5,446	$	29,872
Distribution Street & Customer Lighting													
Customer	TOM	OMDSCL	C04	$	-	$	-	$	1,306,145	$	-	$	-
Customer Accounts Expense													
Customer	TOM	OMCAE	C05	$	211	$	211	$	404,419	$	772	$	4,236
Customer Service & Info.													
Customer	TOM	OMCSI	C05	$	46	$	46	$	88,338	$	169	$	925
Sales Expense													
Customer	TOM	OMSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		OMT		$	5,491,759	$	2,831,749	$	7,250,096	$	163,488	$	193,159

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Total System		Residential Rate RS		General Service Rate GS		Rate PS Primary		Rate PS Secondary
					3.43%		4.01%						
Labor Expenses													
Power Production Plant													
Production Demand - Base	TLB	LBPPDB	PPBDA	$	8,354,904	$	3,022,621	$	982,243	$	116,987	$	1,355,445
Production Demand - Winter Peak	TLB	LBPPDI	PPWDA		8,752,290		3,740,013		1,223,816		95,169		1,280,607
Production Demand - Summer Peak	TLB	LBPPDP	PPSDA		7,194,353		2,813,352		1,016,676		83,847		1,183,522
Production Energy	TLB	LBPPEB	E01		17,970,758		6,501,425		2,112,730		251,630		2,915,458
Production Energy - Not Used	TLB	LBPPEI	E01		-		-		-		-		-
Production Energy - Not Used	TLB	LBPPEP	E01		-		-		-		-		-
Total Power Production Plant		LBPPT		$	42,272,305	$	16,077,411	$	5,335,466	$	547,633	$	6,735,031
Transmission Plant													
Transmission Demand	TLB	LBTRB	NCPT	$	4,308,731	$	1,914,748	$	551,155	$	48,971	$	568,382
Distribution Poles													
Specific	TLB	LBDPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	TLB	LBDSG	NCPP	$	2,685,252	$	1,288,380	$	370,856	$	32,951	$	382,448
Distribution Primary & Secondary Lines													
Primary Specific	TLB	LBDPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	TLB	LBDPLD	NCPP		2,551,847		1,224,372		352,432		31,314		363,448
Primary Customer	TLB	LBDPLC	Cust08		3,857,080		3,325,240		413,129		658		25,792
Secondary Demand	TLB	LBDSLD	SICD		833,939		699,849		128,069		-		-
Secondary Customer	TLB	LBDSLC	Cust07		1,230,591		1,069,212		132,839		-		-
Total Distribution Primary & Secondary Lines		LBDLT		$	8,473,457	$	6,318,672	$	1,026,469	$	31,971	$	389,240
Distribution Line Transformers													
Demand	TLB	LBDLTD	SICDT	$	240,841	$	167,095	$	30,578	$	-	$	26,930
Customer	TLB	LBDLTC	Cust09		168,432		145,270		18,048		-		1,127
Total Distribution Line Transformers		LBDLTT		$	409,273	$	312,365	$	48,626	$	-	$	28,057
Distribution Services													
Customer	TLB	LBDSC	C02	$	62,054	$	47,696	$	12,003	$	-	$	2,094
Distribution Meters													
Customer	TLB	LBDMC	C03	$	5,681,158	$	3,976,356	$	1,169,071	$	45,510	$	314,491
Distribution Street & Customer Lighting													
Customer	TLB	LBDSCL	C04	$	206,477	$	-	$	-	$	-	$	-
Customer Accounts Expense													
Customer	TLB	LBCAE	C05	$	5,837,418	$	4,349,602	$	1,080,791	$	4,301	$	168,686
Customer Service & Info.													
Customer	TLB	LBCSI	C05	$	1,602,599	$	1,194,136	$	296,719	$	1,181	$	46,311
Sales Expense													
Customer	TLB	LBSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		LBT		$	71,538,724	$	35,479,364	$	9,891,157	$	712,517	$	8,634,741

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Labor Expenses									
Power Production Plant									
Production Demand - Base	TLB	LBPPDB	PPBDA	$	1,308,380	$	575,443	$	796,703
Production Demand - Winter Peak	TLB	LBPPDI	PPWDA		1,019,805		683,896		609,979
Production Demand - Summer Peak	TLB	LBPPDP	PPSDA		895,128		604,587		517,699
Production Energy	TLB	LBPPEB	E01		2,814,226		1,237,735		1,713,648
Production Energy - Not Used	TLB	LBPPEI	E01		-		-		-
Production Energy - Not Used	TLB	LBPPEP	E01		-		-		-
Total Power Production Plant		LBPPT		$	6,037,540	$	3,101,661	$	3,638,030
Transmission Plant									
Transmission Demand	TLB	LBTRB	NCPT	$	517,055	$	307,000	$	317,996
Distribution Poles									
Specific	TLB	LBDPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	TLB	LBDSG	NCPP	$	347,911	$	206,572	$	-
Distribution Primary & Secondary Lines									
Primary Specific	TLB	LBDPLS	NCPP	$	-	$	-	$	-
Primary Demand	TLB	LBDPLD	NCPP		330,627		196,309		-
Primary Customer	TLB	LBDPLC	Cust08		963		2,521		-
Secondary Demand	TLB	LBDSLD	SICD		-		-		-
Secondary Customer	TLB	LBDSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		LBDLT		$	331,590	$	198,829	$	-
Distribution Line Transformers									
Demand	TLB	LBDLTD	SICDT	$	-	$	14,800	$	-
Customer	TLB	LBDLTC	Cust09		-		110		-
Total Distribution Line Transformers		LBDLTT		$	-	$	14,910	$	-
Distribution Services									
Customer	TLB	LBDSC	C02	$	-	$	261	$	-
Distribution Meters									
Customer	TLB	LBDMC	C03	$	71,264	$	33,131	$	58,297
Distribution Street & Customer Lighting									
Customer	TLB	LBDSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	TLB	LBCAE	C05	$	31,507	$	82,427	$	3,882
Customer Service & Info.									
Customer	TLB	LBCSI	C05	$	8,650	$	22,629	$	1,066
Sales Expense									
Customer	TLB	LBSEC	C06	$	-	$	-	$	-
Total		LBT		$	7,345,518	$	3,967,420	$	4,019,271

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Labor Expenses								
Power Production Plant								
Production Demand - Base	TLB	LBPPDB	PPBDA	$ 77,762	$ 41,082	$ 73,590	$ 2,399	$ 2,248
Production Demand - Winter Peak	TLB	LBPPDI	PPWDA	70,426	26,769	-	-	1,810
Production Demand - Summer Peak	TLB	LBPPDP	PPSDA	55,899	22,628	-	-	1,014
Production Energy	TLB	LBPPEB	E01	167,261	88,363	158,287	5,160	4,835
Production Energy - Not Used	TLB	LBPPEI	E01	-	-	-	-	-
Production Energy - Not Used	TLB	LBPPEP	E01	-	-	-	-	-
Total Power Production Plant		LBPPT		$ 371,348	$ 178,842	$ 231,877	$ 7,558	$ 9,907
Transmission Plant								
Transmission Demand	TLB	LBTRB	NCPT	$ 32,055	$ 16,778	$ 33,052	$ 1,057	$ 482
Distribution Poles								
Specific	TLB	LBDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TLB	LBDSG	NCPP	$ 21,569	$ 11,290	$ 22,240	$ 711	$ 324
Distribution Primary & Secondary Lines								
Primary Specific	TLB	LBDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TLB	LBDPLD	NCPP	20,498	10,729	21,135	676	308
Primary Customer	TLB	LBDPLC	Cust08	9	9	87,674	167	918
Secondary Demand	TLB	LBDSLD	SICD	-	-	5,754	184	84
Secondary Customer	TLB	LBDSLC	Cust07	-	-	28,191	54	295
Total Distribution Primary & Secondary Lines		LBDLT		$ 20,507	$ 10,738	$ 142,754	$ 1,081	$ 1,605
Distribution Line Transformers								
Demand	TLB	LBDLTD	SICDT	$ -	$ -	$ 1,374	$ 44	$ 20
Customer	TLB	LBDLTC	Cust09	-	-	3,830	7	40
Total Distribution Line Transformers		LBDLTT		$ -	$ -	$ 5,204	$ 51	$ 60
Distribution Services								
Customer	TLB	LBDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	TLB	LBDMC	C03	$ 675	$ 675	$ -	$ 1,802	$ 9,883
Distribution Street & Customer Lighting								
Customer	TLB	LBDSCL	C04	$ -	$ -	$ 206,477	$ -	$ -
Customer Accounts Expense								
Customer	TLB	LBCAE	C05	$ 60	$ 60	$ 114,683	$ 219	$ 1,201
Customer Service & Info.								
Customer	TLB	LBCSI	C05	$ 16	$ 16	$ 31,485	$ 60	$ 330
Sales Expense								
Customer	TLB	LBSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		LBT		$ 446,231	$ 218,400	$ 787,773	$ 12,540	$ 23,793

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Depreciation Expenses								
Power Production Plant								
Production Demand - Base	TDEPR	DEPPDB	PPBDA	$ 28,434,166	$ 10,286,857	$ 3,342,860	$ 398,140	$ 4,612,972
Production Demand - Winter Peak	TDEPR	DEPPDI	PPWDA	29,786,588	12,728,351	4,165,002	323,888	4,358,278
Production Demand - Summer Peak	TDEPR	DEPPDP	PPSDA	24,484,475	9,574,654	3,460,043	285,356	4,027,869
Production Energy	TDEPR	DEPPEB	E01	-	-	-	-	-
Production Energy - Not Used	TDEPR	DEPPEI	E01	-	-	-	-	-
Production Energy - Not Used	TDEPR	DEPPEP	E01	-	-	-	-	-
Total Power Production Plant		DEPPT		$ 82,705,230	$ 32,589,862	$ 10,967,905	$ 1,007,384	$ 12,999,119
Transmission Plant								
Transmission Demand	TDEPR	DETRB	NCPT	$ 11,770,778	$ 5,230,792	$ 1,505,669	$ 133,780	$ 1,552,732
Distribution Poles								
Specific	TDEPR	DEDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TDEPR	DEDSG	NCPP	$ 4,970,929	$ 2,385,043	$ 686,528	$ 60,999	$ 707,987
Distribution Primary & Secondary Lines								
Primary Specific	TDEPR	DEDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TDEPR	DEDPLD	NCPP	8,500,800	4,078,669	1,174,034	104,314	1,210,731
Primary Customer	TDEPR	DEDPLC	Cust08	13,527,932	11,662,610	1,448,965	2,306	90,460
Secondary Demand	TDEPR	DEDSLD	SICD	2,336,902	1,961,147	358,881	-	-
Secondary Customer	TDEPR	DEDSLC	Cust07	3,551,287	3,085,572	383,352	-	-
Total Distribution Primary & Secondary Lines		DEDLT		$ 27,916,921	$ 20,787,998	$ 3,365,232	$ 106,620	$ 1,301,190
Distribution Line Transformers								
Demand	TDEPR	DEDLTD	SICDT	$ 3,230,303	$ 2,241,187	$ 410,127	$ -	$ 361,202
Customer	TDEPR	DEDLTC	Cust09	2,259,120	1,948,446	242,075	-	15,113
Total Distribution Line Transformers		DEDLTT		$ 5,489,424	$ 4,189,633	$ 652,202	$ -	$ 376,315
Distribution Services								
Customer	TDEPR	DEDSC	C02	$ 1,121,921	$ 862,327	$ 217,020	$ -	$ 37,861
Distribution Meters								
Customer	TDEPR	DEDMC	C03	$ 1,301,397	$ 910,874	$ 267,802	$ 10,425	$ 72,041
Distribution Street & Customer Lighting								
Customer	TDEPR	DEDSCL	C04	$ 3,565,925	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	TDEPR	DECAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TDEPR	DECSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TDEPR	DESEC	C06	$ -	$ -	$ -	$ -	$ -
Total		DET		$ 138,842,527	$ 66,956,529	$ 17,662,359	$ 1,319,208	$ 17,047,245

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Depreciation Expenses									
Power Production Plant									
Production Demand - Base	TDEPR	DEPPDB	PPBDA	$	4,452,799	$	1,958,401	$	2,711,413
Production Demand - Winter Peak	TDEPR	DEPPDI	PPWDA		3,470,693		2,327,496		2,075,937
Production Demand - Summer Peak	TDEPR	DEPPDP	PPSDA		3,046,381		2,057,586		1,761,879
Production Energy	TDEPR	DEPPEB	E01		-		-		-
Production Energy - Not Used	TDEPR	DEPPEI	E01		-		-		-
Production Energy - Not Used	TDEPR	DEPPEP	E01		-		-		-
Total Power Production Plant		DEPPT		$	10,969,873	$	6,343,484	$	6,549,230
Transmission Plant									
Transmission Demand	TDEPR	DETRB	NCPT	$	1,412,512	$	838,676	$	868,715
Distribution Poles									
Specific	TDEPR	DEDPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	TDEPR	DEDSG	NCPP	$	644,052	$	382,404	$	-
Distribution Primary & Secondary Lines									
Primary Specific	TDEPR	DEDPLS	NCPP	$	-	$	-	$	-
Primary Demand	TDEPR	DEDPLD	NCPP		1,101,396		653,951		-
Primary Customer	TDEPR	DEDPLC	Cust08		3,379		8,840		-
Secondary Demand	TDEPR	DEDSLD	SICD		-		-		-
Secondary Customer	TDEPR	DEDSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		DEDLT		$	1,104,775	$	662,791	$	-
Distribution Line Transformers									
Demand	TDEPR	DEDLTD	SICDT	$	-	$	198,504	$	-
Customer	TDEPR	DEDLTC	Cust09		-		1,477		-
Total Distribution Line Transformers		DEDLTT		$	-	$	199,981	$	-
Distribution Services									
Customer	TDEPR	DEDSC	C02	$	-	$	4,713	$	-
Distribution Meters									
Customer	TDEPR	DEDMC	C03	$	16,325	$	7,590	$	13,354
Distribution Street & Customer Lighting									
Customer	TDEPR	DEDSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	TDEPR	DECAE	C05	$	-	$	-	$	-
Customer Service & Info.									
Customer	TDEPR	DECSI	C05	$	-	$	-	$	-
Sales Expense									
Customer	TDEPR	DESEC	C06	$	-	$	-	$	-
Total		DET		$	14,147,537	$	8,439,639	$	7,431,299

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Depreciation Expenses								
Power Production Plant								
Production Demand - Base	TDEPR	DEPPDB	PPBDA	$ 264,648	$ 139,812	$ 250,449	$ 8,164	$ 7,650
Production Demand - Winter Peak	TDEPR	DEPPDI	PPWDA	239,680	91,103	-	-	6,160
Production Demand - Summer Peak	TDEPR	DEPPDP	PPSDA	190,242	77,011	-	-	3,452
Production Energy	TDEPR	DEPPEB	E01	-	-	-	-	-
Production Energy - Not Used	TDEPR	DEPPEI	E01	-	-	-	-	-
Production Energy - Not Used	TDEPR	DEPPEP	E01	-	-	-	-	-
Total Power Production Plant		DEPPT		$ 694,570	$ 307,927	$ 250,449	$ 8,164	$ 17,263
Transmission Plant								
Transmission Demand	TDEPR	DETRB	NCPT	$ 87,570	$ 45,836	$ 90,294	$ 2,888	$ 1,316
Distribution Poles								
Specific	TDEPR	DEDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TDEPR	DEDSG	NCPP	$ 39,929	$ 20,899	$ 41,171	$ 1,317	$ 600
Distribution Primary & Secondary Lines								
Primary Specific	TDEPR	DEDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TDEPR	DEDPLD	NCPP	68,282	35,740	70,406	2,252	1,026
Primary Customer	TDEPR	DEDPLC	Cust08	32	32	307,500	587	3,221
Secondary Demand	TDEPR	DEDSLD	SICD	-	-	16,123	516	235
Secondary Customer	TDEPR	DEDSLC	Cust07	-	-	81,355	155	852
Total Distribution Primary & Secondary Lines		DEDLT		$ 68,314	$ 35,772	$ 475,385	$ 3,510	$ 5,334
Distribution Line Transformers								
Demand	TDEPR	DEDLTD	SICDT	$ -	$ -	$ 18,426	$ 589	$ 268
Customer	TDEPR	DEDLTC	Cust09	-	-	51,373	98	538
Total Distribution Line Transformers		DEDLTT		$ -	$ -	$ 69,799	$ 687	$ 807
Distribution Services								
Customer	TDEPR	DEDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	TDEPR	DEDMC	C03	$ 155	$ 155	$ -	$ 413	$ 2,264
Distribution Street & Customer Lighting								
Customer	TDEPR	DEDSCL	C04	$ -	$ -	$ 3,565,925	$ -	$ -
Customer Accounts Expense								
Customer	TDEPR	DECAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TDEPR	DECSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TDEPR	DESEC	C06	$ -	$ -	$ -	$ -	$ -
Total		DET		$ 890,538	$ 410,589	$ 4,493,023	$ 16,979	$ 27,582

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Regulatory Credits								
Power Production Plant								
Production Demand - Base	TRCTN	RCPDB	PPBDA	$ -	$ -	$ -	$ -	$ -
Production Demand - Winter Peak	TRCTN	RCPDI	PPWDA	-	-	-	-	-
Production Demand - Summer Peak	TRCTN	RCPDP	PPSDA	-	-	-	-	-
Production Energy	TRCTN	RCPEB	E01	-	-	-	-	-
Production Energy - Not Used	TRCTN	RCPEI	E01	-	-	-	-	-
Production Energy - Not Used	TRCTN	RCPEP	E01	-	-	-	-	-
Total Power Production Plant		RCPT		$ -	$ -	$ -	$ -	$ -
Transmission Plant								
Transmission Demand	TRCTN	RCRB	NCPT	$ -	$ -	$ -	$ -	$ -
Distribution Poles								
Specific	TRCTN	RCPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TRCTN	RCSG	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Primary & Secondary Lines								
Primary Specific	TRCTN	RCPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TRCTN	RCPLD	NCPP	-	-	-	-	-
Primary Customer	TRCTN	RCPLC	Cust08	-	-	-	-	-
Secondary Demand	TRCTN	RCSLD	SICD	-	-	-	-	-
Secondary Customer	TRCTN	RCSLC	Cust07	-	-	-	-	-
Total Distribution Primary & Secondary Lines		RCLT		$ -	$ -	$ -	$ -	$ -
Distribution Line Transformers								
Demand	TRCTN	RCLTD	SICDT	$ -	$ -	$ -	$ -	$ -
Customer	TRCTN	RCLTC	Cust09	-	-	-	-	-
Total Distribution Line Transformers		RCLTT		$ -	$ -	$ -	$ -	$ -
Distribution Services								
Customer	TRCTN	RCSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	TRCTN	RCMC	C03	$ -	$ -	$ -	$ -	$ -
Distribution Street & Customer Lighting								
Customer	TRCTN	RCSCL	C04	$ -	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	TRCTN	RCCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TRCTN	RCCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TRCTN	RCSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		RCT		$ -	$ -	$ -	$ -	$ -

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Regulatory Credits						
Power Production Plant						
Production Demand - Base	TRCTN	RCPDB	PPBDA	$ -	$ -	$ -
Production Demand - Winter Peak	TRCTN	RCPDI	PPWDA	-	-	-
Production Demand - Summer Peak	TRCTN	RCPDP	PPSDA	-	-	-
Production Energy	TRCTN	RCPEB	E01	-	-	-
Production Energy - Not Used	TRCTN	RCPEI	E01	-	-	-
Production Energy - Not Used	TRCTN	RCPEP	E01	-	-	-
Total Power Production Plant		RCPT		$ -	$ -	$ -
Transmission Plant						
Transmission Demand	TRCTN	RCRB	NCPT	$ -	$ -	$ -
Distribution Poles						
Specific	TRCTN	RCPS	NCPP	$ -	$ -	$ -
Distribution Substation						
General	TRCTN	RCSG	NCPP	$ -	$ -	$ -
Distribution Primary & Secondary Lines						
Primary Specific	TRCTN	RCPLS	NCPP	$ -	$ -	$ -
Primary Demand	TRCTN	RCPLD	NCPP	-	-	-
Primary Customer	TRCTN	RCPLC	Cust08	-	-	-
Secondary Demand	TRCTN	RCSLD	SICD	-	-	-
Secondary Customer	TRCTN	RCSLC	Cust07	-	-	-
Total Distribution Primary & Secondary Lines		RCLT		$ -	$ -	$ -
Distribution Line Transformers						
Demand	TRCTN	RCLTD	SICDT	$ -	$ -	$ -
Customer	TRCTN	RCLTC	Cust09	-	-	-
Total Distribution Line Transformers		RCLTT		$ -	$ -	$ -
Distribution Services						
Customer	TRCTN	RCSC	C02	$ -	$ -	$ -
Distribution Meters						
Customer	TRCTN	RCMC	C03	$ -	$ -	$ -
Distribution Street & Customer Lighting						
Customer	TRCTN	RCSCL	C04	$ -	$ -	$ -
Customer Accounts Expense						
Customer	TRCTN	RCCAE	C05	$ -	$ -	$ -
Customer Service & Info.						
Customer	TRCTN	RCCSI	C05	$ -	$ -	$ -
Sales Expense						
Customer	TRCTN	RCSEC	C06	$ -	$ -	$ -
Total		RCT		$ -	$ -	$ -

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Regulatory Credits								
Power Production Plant								
Production Demand - Base	TRCTN	RCPDB	PPBDA	$ -	$ -	$ -	$ -	$ -
Production Demand - Winter Peak	TRCTN	RCPDI	PPWDA	-	-	-	-	-
Production Demand - Summer Peak	TRCTN	RCPDP	PPSDA	-	-	-	-	-
Production Energy	TRCTN	RCPEB	E01	-	-	-	-	-
Production Energy - Not Used	TRCTN	RCPEI	E01	-	-	-	-	-
Production Energy - Not Used	TRCTN	RCPEP	E01	-	-	-	-	-
Total Power Production Plant		RCPT		$ -	$ -	$ -	$ -	$ -
Transmission Plant								
Transmission Demand	TRCTN	RCRB	NCPT	$ -	$ -	$ -	$ -	$ -
Distribution Poles								
Specific	TRCTN	RCPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TRCTN	RCSG	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Primary & Secondary Lines								
Primary Specific	TRCTN	RCPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TRCTN	RCPLD	NCPP	-	-	-	-	-
Primary Customer	TRCTN	RCPLC	Cust08	-	-	-	-	-
Secondary Demand	TRCTN	RCSLD	SICD	-	-	-	-	-
Secondary Customer	TRCTN	RCSLC	Cust07	-	-	-	-	-
Total Distribution Primary & Secondary Lines		RCLT		$ -	$ -	$ -	$ -	$ -
Distribution Line Transformers								
Demand	TRCTN	RCLTD	SICDT	$ -	$ -	$ -	$ -	$ -
Customer	TRCTN	RCLTC	Cust09	-	-	-	-	-
Total Distribution Line Transformers		RCLTT		$ -	$ -	$ -	$ -	$ -
Distribution Services								
Customer	TRCTN	RCSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	TRCTN	RCMC	C03	$ -	$ -	$ -	$ -	$ -
Distribution Street & Customer Lighting								
Customer	TRCTN	RCSCL	C04	$ -	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	TRCTN	RCCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TRCTN	RCCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TRCTN	RCSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		RCT		$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Total System		Residential Rate RS		General Service Rate GS		Rate PS Primary		Rate PS Secondary
Accretion Expenses													
Power Production Plant													
Production Demand - Base	TACRTN	ACRPDB	PPBDA	$	-	$	-	$	-	$	-	$	-
Production Demand - Winter Peak	TACRTN	ACRPDI	PPWDA		-		-		-		-		-
Production Demand - Summer Peak	TACRTN	ACRPDP	PPSDA		-		-		-		-		-
Production Energy	TACRTN	ACRPEB	E01		-		-		-		-		-
Production Energy - Not Used	TACRTN	ACRPEI	E01		-		-		-		-		-
Production Energy - Not Used	TACRTN	ACRPEP	E01		-		-		-		-		-
Total Power Production Plant		ACRPT		$	-	$	-	$	-	$	-	$	-
Transmission Plant													
Transmission Demand	TACRTN	ACRRB	NCPT	$	-	$	-	$	-	$	-	$	-
Distribution Poles													
Specific	TACRTN	ACRPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	TACRTN	ACRSG	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Primary & Secondary Lines													
Primary Specific	TACRTN	ACRPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	TACRTN	ACRPLD	NCPP		-		-		-		-		-
Primary Customer	TACRTN	ACRPLC	Cust08		-		-		-		-		-
Secondary Demand	TACRTN	ACRSLD	SICD		-		-		-		-		-
Secondary Customer	TACRTN	ACRSLC	Cust07		-		-		-		-		-
Total Distribution Primary & Secondary Lines		ACRLT		$	-	$	-	$	-	$	-	$	-
Distribution Line Transformers													
Demand	TACRTN	ACRLTD	SICDT	$	-	$	-	$	-	$	-	$	-
Customer	TACRTN	ACRLTC	Cust09		-		-		-		-		-
Total Distribution Line Transformers		ACRLTT		$	-	$	-	$	-	$	-	$	-
Distribution Services													
Customer	TACRTN	ACRSC	C02	$	-	$	-	$	-	$	-	$	-
Distribution Meters													
Customer	TACRTN	ACRMC	C03	$	-	$	-	$	-	$	-	$	-
Distribution Street & Customer Lighting													
Customer	TACRTN	ACRSCL	C04	$	-	$	-	$	-	$	-	$	-
Customer Accounts Expense													
Customer	TACRTN	ACRCAE	C05	$	-	$	-	$	-	$	-	$	-
Customer Service & Info.													
Customer	TACRTN	ACRCSI	C05	$	-	$	-	$	-	$	-	$	-
Sales Expense													
Customer	TACRTN	ACRSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		ACRT		$	-	$	-	$	-	$	-	$	-

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Accretion Expenses									
Power Production Plant									
Production Demand - Base	TACRTN	ACRPDB	PPBDA	$	-	$	-	$	-
Production Demand - Winter Peak	TACRTN	ACRPDI	PPWDA		-		-		-
Production Demand - Summer Peak	TACRTN	ACRPDP	PPSDA		-		-		-
Production Energy	TACRTN	ACRPEB	E01		-		-		-
Production Energy - Not Used	TACRTN	ACRPEI	E01		-		-		-
Production Energy - Not Used	TACRTN	ACRPEP	E01		-		-		-
Total Power Production Plant		ACRPT		$	-	$	-	$	-
Transmission Plant									
Transmission Demand	TACRTN	ACRRB	NCPT	$	-	$	-	$	-
Distribution Poles									
Specific	TACRTN	ACRPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	TACRTN	ACRSG	NCPP	$	-	$	-	$	-
Distribution Primary & Secondary Lines									
Primary Specific	TACRTN	ACRPLS	NCPP	$	-	$	-	$	-
Primary Demand	TACRTN	ACRPLD	NCPP		-		-		-
Primary Customer	TACRTN	ACRPLC	Cust08		-		-		-
Secondary Demand	TACRTN	ACRSLD	SICD		-		-		-
Secondary Customer	TACRTN	ACRSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		ACRLT		$	-	$	-	$	-
Distribution Line Transformers									
Demand	TACRTN	ACRLTD	SICDT	$	-	$	-	$	-
Customer	TACRTN	ACRLTC	Cust09		-		-		-
Total Distribution Line Transformers		ACRLTT		$	-	$	-	$	-
Distribution Services									
Customer	TACRTN	ACRSC	C02	$	-	$	-	$	-
Distribution Meters									
Customer	TACRTN	ACRMC	C03	$	-	$	-	$	-
Distribution Street & Customer Lighting									
Customer	TACRTN	ACRSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	TACRTN	ACRCAE	C05	$	-	$	-	$	-
Customer Service & Info.									
Customer	TACRTN	ACRCSI	C05	$	-	$	-	$	-
Sales Expense									
Customer	TACRTN	ACRSEC	C06	$	-	$	-	$	-
Total		ACRT		$	-	$	-	$	-

LOUISVILLE GAS AND ELECTRIC COMPANY
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Accretion Expenses								
Power Production Plant								
Production Demand - Base	TACRTN	ACRPDB	PPBDA	$ -	$ -	$ -	$ -	$ -
Production Demand - Winter Peak	TACRTN	ACRPDI	PPWDA	-	-	-	-	-
Production Demand - Summer Peak	TACRTN	ACRPDP	PPSDA	-	-	-	-	-
Production Energy	TACRTN	ACRPEB	E01	-	-	-	-	-
Production Energy - Not Used	TACRTN	ACRPEI	E01	-	-	-	-	-
Production Energy - Not Used	TACRTN	ACRPEP	E01	-	-	-	-	-
Total Power Production Plant		ACRPT		$ -	$ -	$ -	$ -	$ -
Transmission Plant								
Transmission Demand	TACRTN	ACRRB	NCPT	$ -	$ -	$ -	$ -	$ -
Distribution Poles								
Specific	TACRTN	ACRPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TACRTN	ACRSG	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Primary & Secondary Lines								
Primary Specific	TACRTN	ACRPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TACRTN	ACRPLD	NCPP	-	-	-	-	-
Primary Customer	TACRTN	ACRPLC	Cust08	-	-	-	-	-
Secondary Demand	TACRTN	ACRSLD	SICD	-	-	-	-	-
Secondary Customer	TACRTN	ACRSLC	Cust07	-	-	-	-	-
Total Distribution Primary & Secondary Lines		ACRLT		$ -	$ -	$ -	$ -	$ -
Distribution Line Transformers								
Demand	TACRTN	ACRLTD	SICDT	$ -	$ -	$ -	$ -	$ -
Customer	TACRTN	ACRLTC	Cust09	-	-	-	-	-
Total Distribution Line Transformers		ACRLTT		$ -	$ -	$ -	$ -	$ -
Distribution Services								
Customer	TACRTN	ACRSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	TACRTN	ACRMC	C03	$ -	$ -	$ -	$ -	$ -
Distribution Street & Customer Lighting								
Customer	TACRTN	ACRSCL	C04	$ -	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	TACRTN	ACRCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TACRTN	ACRCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TACRTN	ACRSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		ACRT		$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Property and Other Taxes								
Power Production Plant								
Production Demand - Base	PTAX	PTPPDB	PPBDA	$ 6,289,767	$ 2,275,499	$ 739,456	$ 88,070	$ 1,020,410
Production Demand - Winter Peak	PTAX	PTPPDI	PPWDA	6,588,929	2,815,569	921,317	71,645	964,071
Production Demand - Summer Peak	PTAX	PTPPDP	PPSDA	5,416,077	2,117,957	765,377	63,122	890,983
Production Energy	PTAX	PTPPEB	E01	-	-	-	-	-
Production Energy - Not Used	PTAX	PTPPEI	E01	-	-	-	-	-
Production Energy - Not Used	PTAX	PTPPEP	E01	-	-	-	-	-
Total Power Production Plant		PTPPT		$ 18,294,773	$ 7,209,026	$ 2,426,151	$ 222,838	$ 2,875,464
Transmission Plant								
Transmission Demand	PTAX	PTTRB	NCPT	$ 3,464,937	$ 1,539,776	$ 443,220	$ 39,381	$ 457,074
Distribution Poles								
Specific	PTAX	PTDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	PTAX	PTDSG	NCPP	$ 1,206,640	$ 578,944	$ 166,647	$ 14,807	$ 171,856
Distribution Primary & Secondary Lines								
Primary Specific	PTAX	PTDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	PTAX	PTDPLD	NCPP	2,063,479	990,054	284,984	25,321	293,892
Primary Customer	PTAX	PTDPLC	Cust08	3,283,761	2,830,974	351,721	560	21,958
Secondary Demand	PTAX	PTDSLD	SICD	567,258	476,047	87,115	-	-
Secondary Customer	PTAX	PTDSLC	Cust07	862,037	748,990	93,055	-	-
Total Distribution Primary & Secondary Lines		PTDLT		$ 6,776,535	$ 5,046,065	$ 816,874	$ 25,881	$ 315,850
Distribution Line Transformers								
Demand	PTAX	PTDLTD	SICDT	$ 784,122	$ 544,024	$ 99,554	$ -	$ 87,678
Customer	PTAX	PTDLTC	Cust09	548,377	472,964	58,761	-	3,668
Total Distribution Line Transformers		PTDLTT		$ 1,332,499	$ 1,016,989	$ 158,315	$ -	$ 91,346
Distribution Services								
Customer	PTAX	PTDSC	C02	$ 272,334	$ 209,321	$ 52,679	$ -	$ 9,190
Distribution Meters								
Customer	PTAX	PTDMC	C03	$ 315,900	$ 221,105	$ 65,006	$ 2,531	$ 17,487
Distribution Street & Customer Lighting								
Customer	PTAX	PTDSCL	C04	$ 865,590	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	PTAX	PTCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	PTAX	PTCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	PTAX	PTSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		PTT		$ 32,529,209	$ 15,821,225	$ 4,128,893	$ 305,437	$ 3,938,269

LOUISVILLE GAS AND ELECTRIC COMPANY
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BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Property and Other Taxes									
Power Production Plant									
Production Demand - Base	PTAX	PTPPDB	PPBDA	$	984,979	$	433,207	$	599,777
Production Demand - Winter Peak	PTAX	PTPPDI	PPWDA		767,733		514,853		459,207
Production Demand - Summer Peak	PTAX	PTPPDP	PPSDA		673,873		455,147		389,736
Production Energy	PTAX	PTPPEB	E01		-		-		-
Production Energy - Not Used	PTAX	PTPPEI	E01		-		-		-
Production Energy - Not Used	PTAX	PTPPEP	E01		-		-		-
Total Power Production Plant		PTPPT		$	2,426,586	$	1,403,207	$	1,448,719
Transmission Plant									
Transmission Demand	PTAX	PTTRB	NCPT	$	415,798	$	246,879	$	255,722
Distribution Poles									
Specific	PTAX	PTDPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	PTAX	PTDSG	NCPP	$	156,337	$	92,825	$	-
Distribution Primary & Secondary Lines									
Primary Specific	PTAX	PTDPLS	NCPP	$	-	$	-	$	-
Primary Demand	PTAX	PTDPLD	NCPP		267,352		158,740		-
Primary Customer	PTAX	PTDPLC	Cust08		820		2,146		-
Secondary Demand	PTAX	PTDSLD	SICD		-		-		-
Secondary Customer	PTAX	PTDSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		PTDLT		$	268,172	$	160,886	$	-
Distribution Line Transformers									
Demand	PTAX	PTDLTD	SICDT	$	-	$	48,185	$	-
Customer	PTAX	PTDLTC	Cust09		-		359		-
Total Distribution Line Transformers		PTDLTT		$	-	$	48,543	$	-
Distribution Services									
Customer	PTAX	PTDSC	C02	$	-	$	1,144	$	-
Distribution Meters									
Customer	PTAX	PTDMC	C03	$	3,963	$	1,842	$	3,242
Distribution Street & Customer Lighting									
Customer	PTAX	PTDSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	PTAX	PTCAE	C05	$	-	$	-	$	-
Customer Service & Info.									
Customer	PTAX	PTCSI	C05	$	-	$	-	$	-
Sales Expense									
Customer	PTAX	PTSEC	C06	$	-	$	-	$	-
Total		PTT		$	3,270,856	$	1,955,326	$	1,707,683

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Property and Other Taxes								
Power Production Plant								
Production Demand - Base	PTAX	PTPPDB	PPBDA	$ 58,541	$ 30,927	$ 55,400	$ 1,806	$ 1,692
Production Demand - Winter Peak	PTAX	PTPPDI	PPWDA	53,018	20,152	-	-	1,363
Production Demand - Summer Peak	PTAX	PTPPDP	PPSDA	42,082	17,035	-	-	764
Production Energy	PTAX	PTPPEB	E01	-	-	-	-	-
Production Energy - Not Used	PTAX	PTPPEI	E01	-	-	-	-	-
Production Energy - Not Used	PTAX	PTPPEP	E01	-	-	-	-	-
Total Power Production Plant		PTPPT		$ 153,642	$ 68,115	$ 55,400	$ 1,806	$ 3,819
Transmission Plant								
Transmission Demand	PTAX	PTTRB	NCPT	$ 25,778	$ 13,493	$ 26,580	$ 850	$ 387
Distribution Poles								
Specific	PTAX	PTDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	PTAX	PTDSG	NCPP	$ 9,692	$ 5,073	$ 9,994	$ 320	$ 146
Distribution Primary & Secondary Lines								
Primary Specific	PTAX	PTDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	PTAX	PTDPLD	NCPP	16,575	8,675	17,090	547	249
Primary Customer	PTAX	PTDPLC	Cust08	8	8	74,642	143	782
Secondary Demand	PTAX	PTDSLD	SICD	-	-	3,914	125	57
Secondary Customer	PTAX	PTDSLC	Cust07	-	-	19,748	38	207
Total Distribution Primary & Secondary Lines		PTDLT		$ 16,583	$ 8,683	$ 115,395	$ 852	$ 1,295
Distribution Line Transformers								
Demand	PTAX	PTDLTD	SICDT	$ -	$ -	$ 4,473	$ 143	$ 65
Customer	PTAX	PTDLTC	Cust09	-	-	12,470	24	131
Total Distribution Line Transformers		PTDLTT		$ -	$ -	$ 16,943	$ 167	$ 196
Distribution Services								
Customer	PTAX	PTDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	PTAX	PTDMC	C03	$ 38	$ 38	$ -	$ 100	$ 550
Distribution Street & Customer Lighting								
Customer	PTAX	PTDSCL	C04	$ -	$ -	$ 865,590	$ -	$ -
Customer Accounts Expense								
Customer	PTAX	PTCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	PTAX	PTCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	PTAX	PTSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		PTT		$ 205,732	$ 95,401	$ 1,089,902	$ 4,095	$ 6,391

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Amortization of ITC									
Power Production Plant									
Production Demand - Base	OTAX	OTPPDB	PPBDA	$	(193,848) $	(70,130) $	(22,790) $	(2,714) $	(31,449)
Production Demand - Winter Peak	OTAX	OTPPDI	PPWDA		(203,068)	(86,775)	(28,395)	(2,208)	(29,712)
Production Demand - Summer Peak	OTAX	OTPPDP	PPSDA		(166,921)	(65,274)	(23,589)	(1,945)	(27,460)
Production Energy	OTAX	OTPPEB	E01		-	-	-	-	-
Production Energy - Not Used	OTAX	OTPPEI	E01		-	-	-	-	-
Production Energy - Not Used	OTAX	OTPPEP	E01		-	-	-	-	-
Total Power Production Plant		OTPPT		$	(563,836) $	(222,179) $	(74,773) $	(6,868) $	(88,620)
Transmission Plant									
Transmission Demand	OTAX	OTTRB	NCPT	$	(106,788) $	(47,455) $	(13,660) $	(1,214) $	(14,087)
Distribution Poles									
Specific	OTAX	OTDPS	NCPP	$	- $	- $	- $	- $	-
Distribution Substation									
General	OTAX	OTDSG	NCPP	$	(37,188) $	(17,843) $	(5,136) $	(456) $	(5,297)
Distribution Primary & Secondary Lines									
Primary Specific	OTAX	OTDPLS	NCPP	$	- $	- $	- $	- $	-
Primary Demand	OTAX	OTDPLD	NCPP		(63,595)	(30,513)	(8,783)	(780)	(9,058)
Primary Customer	OTAX	OTDPLC	Cust08		(101,204)	(87,249)	(10,840)	(17)	(677)
Secondary Demand	OTAX	OTDSLD	SICD		(17,483)	(14,672)	(2,685)	-	-
Secondary Customer	OTAX	OTDSLC	Cust07		(26,568)	(23,084)	(2,868)	-	-
Total Distribution Primary & Secondary Lines		OTDLT		$	(208,850) $	(155,517) $	(25,176) $	(798) $	(9,734)
Distribution Line Transformers									
Demand	OTAX	OTDLTD	SICDT	$	(24,166) $	(16,767) $	(3,068) $	- $	(2,702)
Customer	OTAX	OTDLTC	Cust09		(16,901)	(14,577)	(1,811)	-	(113)
Total Distribution Line Transformers		OTDLTT		$	(41,067) $	(31,343) $	(4,879) $	- $	(2,815)
Distribution Services									
Customer	OTAX	OTDSC	C02	$	(8,393) $	(6,451) $	(1,624) $	- $	(283)
Distribution Meters									
Customer	OTAX	OTDMC	C03	$	(9,736) $	(6,814) $	(2,003) $	(78) $	(539)
Distribution Street & Customer Lighting									
Customer	OTAX	OTDSCL	C04	$	(26,677) $	- $	- $	- $	-
Customer Accounts Expense									
Customer	OTAX	OTCAE	C05	$	- $	- $	- $	- $	-
Customer Service & Info.									
Customer	OTAX	OTCSI	C05	$	- $	- $	- $	- $	-
Sales Expense									
Customer	OTAX	OTSEC	C06	$	- $	- $	- $	- $	-
Total		OTT		$	(1,002,535) $	(487,603) $	(127,251) $	(9,413) $	(121,376)

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Amortization of ITC									
Power Production Plant									
Production Demand - Base	OTAX	OTPPDB	PPBDA	$	(30,357)	$	(13,351)	$	(18,485)
Production Demand - Winter Peak	OTAX	OTPPDI	PPWDA		(23,661)		(15,868)		(14,153)
Production Demand - Summer Peak	OTAX	OTPPDP	PPSDA		(20,768)		(14,027)		(12,011)
Production Energy	OTAX	OTPPEB	E01		-		-		-
Production Energy - Not Used	OTAX	OTPPEI	E01		-		-		-
Production Energy - Not Used	OTAX	OTPPEP	E01		-		-		-
Total Power Production Plant		OTPPT		$	(74,786)	$	(43,246)	$	(44,649)
Transmission Plant									
Transmission Demand	OTAX	OTTRB	NCPT	$	(12,815)	$	(7,609)	$	(7,881)
Distribution Poles									
Specific	OTAX	OTDPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	OTAX	OTDSG	NCPP	$	(4,818)	$	(2,861)	$	-
Distribution Primary & Secondary Lines									
Primary Specific	OTAX	OTDPLS	NCPP	$	-	$	-	$	-
Primary Demand	OTAX	OTDPLD	NCPP		(8,240)		(4,892)		-
Primary Customer	OTAX	OTDPLC	Cust08		(25)		(66)		-
Secondary Demand	OTAX	OTDSLD	SICD		-		-		-
Secondary Customer	OTAX	OTDSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		OTDLT		$	(8,265)	$	(4,958)	$	-
Distribution Line Transformers									
Demand	OTAX	OTDLTD	SICDT	$	-	$	(1,485)	$	-
Customer	OTAX	OTDLTC	Cust09		-		(11)		-
Total Distribution Line Transformers		OTDLTT		$	-	$	(1,496)	$	-
Distribution Services									
Customer	OTAX	OTDSC	C02	$	-	$	(35)	$	-
Distribution Meters									
Customer	OTAX	OTDMC	C03	$	(122)	$	(57)	$	(100)
Distribution Street & Customer Lighting									
Customer	OTAX	OTDSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	OTAX	OTCAE	C05	$	-	$	-	$	-
Customer Service & Info.									
Customer	OTAX	OTCSI	C05	$	-	$	-	$	-
Sales Expense									
Customer	OTAX	OTSEC	C06	$	-	$	-	$	-
Total		OTT		$	(100,806)	$	(60,262)	$	(52,630)

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1		Special Contract Customer #2		Street Lighting Rate RLS, LS, DSK		Street Lighting Rate LE		Traffic Street Lighting Rate TLE
Amortization of ITC													
Power Production Plant													
Production Demand - Base	OTAX	OTPPDB	PPBDA	$	(1,804)	$	(953)	$	(1,707)	$	(56)	$	(52)
Production Demand - Winter Peak	OTAX	OTPPDI	PPWDA		(1,634)		(621)		-		-		(42)
Production Demand - Summer Peak	OTAX	OTPPDP	PPSDA		(1,297)		(525)		-		-		(24)
Production Energy	OTAX	OTPPEB	E01		-		-		-		-		-
Production Energy - Not Used	OTAX	OTPPEI	E01		-		-		-		-		-
Production Energy - Not Used	OTAX	OTPPEP	E01		-		-		-		-		-
Total Power Production Plant		OTPPT		$	(4,735)	$	(2,099)	$	(1,707)	$	(56)	$	(118)
Transmission Plant													
Transmission Demand	OTAX	OTTRB	NCPT	$	(794)	$	(416)	$	(819)	$	(26)	$	(12)
Distribution Poles													
Specific	OTAX	OTDPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	OTAX	OTDSG	NCPP	$	(299)	$	(156)	$	(308)	$	(10)	$	(4)
Distribution Primary & Secondary Lines													
Primary Specific	OTAX	OTDPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	OTAX	OTDPLD	NCPP		(511)		(267)		(527)		(17)		(8)
Primary Customer	OTAX	OTDPLC	Cust08		(0)		(0)		(2,300)		(4)		(24)
Secondary Demand	OTAX	OTDSLD	SICD		-		-		(121)		(4)		(2)
Secondary Customer	OTAX	OTDSLC	Cust07		-		-		(609)		(1)		(6)
Total Distribution Primary & Secondary Lines		OTDLT		$	(511)	$	(268)	$	(3,556)	$	(26)	$	(40)
Distribution Line Transformers													
Demand	OTAX	OTDLTD	SICDT	$	-	$	-	$	(138)	$	(4)	$	(2)
Customer	OTAX	OTDLTC	Cust09		-		-		(384)		(1)		(4)
Total Distribution Line Transformers		OTDLTT		$	-	$	-	$	(522)	$	(5)	$	(6)
Distribution Services													
Customer	OTAX	OTDSC	C02	$	-	$	-	$	-	$	-	$	-
Distribution Meters													
Customer	OTAX	OTDMC	C03	$	(1)	$	(1)	$	-	$	(3)	$	(17)
Distribution Street & Customer Lighting													
Customer	OTAX	OTDSCL	C04	$	-	$	-	$	(26,677)	$	-	$	-
Customer Accounts Expense													
Customer	OTAX	OTCAE	C05	$	-	$	-	$	-	$	-	$	-
Customer Service & Info.													
Customer	OTAX	OTCSI	C05	$	-	$	-	$	-	$	-	$	-
Sales Expense													
Customer	OTAX	OTSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		OTT		$	(6,341)	$	(2,940)	$	(33,590)	$	(126)	$	(197)

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Other Expenses								
Power Production Plant								
Production Demand - Base	OT	OTPPDB	PPBDA	$ -	$ -	$ -	$ -	$ -
Production Demand - Winter Peak	OT	OTPPDI	PPWDA	-	-	-	-	-
Production Demand - Summer Peak	OT	OTPPDP	PPSDA	-	-	-	-	-
Production Energy	OT	OTPPEB	E01	-	-	-	-	-
Production Energy - Not Used	OT	OTPPEI	E01	-	-	-	-	-
Production Energy - Not Used	OT	OTPPEP	E01	-	-	-	-	-
Total Power Production Plant		OTPPT		$ -	$ -	$ -	$ -	$ -
Transmission Plant								
Transmission Demand	OT	OTTRB	NCPT	$ -	$ -	$ -	$ -	$ -
Distribution Poles								
Specific	OT	OTDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	OT	OTDSG	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Primary & Secondary Lines								
Primary Specific	OT	OTDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	OT	OTDPLD	NCPP	-	-	-	-	-
Primary Customer	OT	OTDPLC	Cust08	-	-	-	-	-
Secondary Demand	OT	OTDSLD	SICD	-	-	-	-	-
Secondary Customer	OT	OTDSLC	Cust07	-	-	-	-	-
Total Distribution Primary & Secondary Lines		OTDLT		$ -	$ -	$ -	$ -	$ -
Distribution Line Transformers								
Demand	OT	OTDLTD	SICDT	$ -	$ -	$ -	$ -	$ -
Customer	OT	OTDLTC	Cust09	-	-	-	-	-
Total Distribution Line Transformers		OTDLTT		$ -	$ -	$ -	$ -	$ -
Distribution Services								
Customer	OT	OTDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	OT	OTDMC	C03	$ -	$ -	$ -	$ -	$ -
Distribution Street & Customer Lighting								
Customer	OT	OTDSCL	C04	$ -	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	OT	OTCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	OT	OTCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	OT	OTSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		OTT		$ -	$ -	$ -	$ -	$ -

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Other Expenses						
Power Production Plant						
Production Demand - Base	OT	OTPPDB	PPBDA	$ -	$ -	$ -
Production Demand - Winter Peak	OT	OTPPDI	PPWDA	-	-	-
Production Demand - Summer Peak	OT	OTPPDP	PPSDA	-	-	-
Production Energy	OT	OTPPEB	E01	-	-	-
Production Energy - Not Used	OT	OTPPEI	E01	-	-	-
Production Energy - Not Used	OT	OTPPEP	E01	-	-	-
Total Power Production Plant		OTPPT		$ -	$ -	$ -
Transmission Plant						
Transmission Demand	OT	OTTRB	NCPT	$ -	$ -	$ -
Distribution Poles						
Specific	OT	OTDPS	NCPP	$ -	$ -	$ -
Distribution Substation						
General	OT	OTDSG	NCPP	$ -	$ -	$ -
Distribution Primary & Secondary Lines						
Primary Specific	OT	OTDPLS	NCPP	$ -	$ -	$ -
Primary Demand	OT	OTDPLD	NCPP	-	-	-
Primary Customer	OT	OTDPLC	Cust08	-	-	-
Secondary Demand	OT	OTDSLD	SICD	-	-	-
Secondary Customer	OT	OTDSLC	Cust07	-	-	-
Total Distribution Primary & Secondary Lines		OTDLT		$ -	$ -	$ -
Distribution Line Transformers						
Demand	OT	OTDLTD	SICDT	$ -	$ -	$ -
Customer	OT	OTDLTC	Cust09	-	-	-
Total Distribution Line Transformers		OTDLTT		$ -	$ -	$ -
Distribution Services						
Customer	OT	OTDSC	C02	$ -	$ -	$ -
Distribution Meters						
Customer	OT	OTDMC	C03	$ -	$ -	$ -
Distribution Street & Customer Lighting						
Customer	OT	OTDSCL	C04	$ -	$ -	$ -
Customer Accounts Expense						
Customer	OT	OTCAE	C05	$ -	$ -	$ -
Customer Service & Info.						
Customer	OT	OTCSI	C05	$ -	$ -	$ -
Sales Expense						
Customer	OT	OTSEC	C06	$ -	$ -	$ -
Total		OTT		$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Other Expenses								
Power Production Plant								
Production Demand - Base	OT	OTPPDB	PPBDA	$ -	$ -	$ -	$ -	$ -
Production Demand - Winter Peak	OT	OTPPDI	PPWDA	-	-	-	-	-
Production Demand - Summer Peak	OT	OTPPDP	PPSDA	-	-	-	-	-
Production Energy	OT	OTPPEB	E01	-	-	-	-	-
Production Energy - Not Used	OT	OTPPEI	E01	-	-	-	-	-
Production Energy - Not Used	OT	OTPPEP	E01	-	-	-	-	-
Total Power Production Plant		OTPPT		$ -	$ -	$ -	$ -	$ -
Transmission Plant								
Transmission Demand	OT	OTTRB	NCPT	$ -	$ -	$ -	$ -	$ -
Distribution Poles								
Specific	OT	OTDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	OT	OTDSG	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Primary & Secondary Lines								
Primary Specific	OT	OTDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	OT	OTDPLD	NCPP	-	-	-	-	-
Primary Customer	OT	OTDPLC	Cust08	-	-	-	-	-
Secondary Demand	OT	OTDSLD	SICD	-	-	-	-	-
Secondary Customer	OT	OTDSLC	Cust07	-	-	-	-	-
Total Distribution Primary & Secondary Lines		OTDLT		$ -	$ -	$ -	$ -	$ -
Distribution Line Transformers								
Demand	OT	OTDLTD	SICDT	$ -	$ -	$ -	$ -	$ -
Customer	OT	OTDLTC	Cust09	-	-	-	-	-
Total Distribution Line Transformers		OTDLTT		$ -	$ -	$ -	$ -	$ -
Distribution Services								
Customer	OT	OTDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	OT	OTDMC	C03	$ -	$ -	$ -	$ -	$ -
Distribution Street & Customer Lighting								
Customer	OT	OTDSCL	C04	$ -	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	OT	OTCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	OT	OTCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	OT	OTSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		OTT		$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Total System		Residential Rate RS		General Service Rate GS		Rate PS Primary		Rate PS Secondary
Interest Expenses													
Power Production Plant													
Production Demand - Base	INTLTD	INTPDB	PPBDA	$	12,024,044	$	4,350,035	$	1,413,606	$	168,363	$	1,950,702
Production Demand - Winter Peak	INTLTD	INTPDI	PPWDA		12,595,947		5,382,477		1,761,267		136,963		1,842,999
Production Demand - Summer Peak	INTLTD	INTPDP	PPSDA		10,353,826		4,048,864		1,463,159		120,669		1,703,277
Production Energy	INTLTD	INTPEB	E01		-		-		-		-		-
Production Energy - Not Used	INTLTD	INTPEI	E01		-		-		-		-		-
Production Energy - Not Used	INTLTD	INTPEP	E01		-		-		-		-		-
Total Power Production Plant		INTPT		$	34,973,817	$	13,781,376	$	4,638,032	$	425,996	$	5,496,978
Transmission Plant													
Transmission Demand	INTLTD	INTTRB	NCPT	$	6,623,863	$	2,943,564	$	847,297	$	75,283	$	873,781
Distribution Poles													
Specific	INTLTD	INTDPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	INTLTD	INTDSG	NCPP	$	2,306,714	$	1,106,757	$	318,577	$	28,306	$	328,535
Distribution Primary & Secondary Lines													
Primary Specific	INTLTD	INDPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	INTLTD	INDPLD	NCPP		3,944,718		1,892,669		544,800		48,406		561,828
Primary Customer	INTLTD	INDPLC	Cust08		6,277,512		5,411,927		672,379		1,070		41,977
Secondary Demand	INTLTD	INDSLD	SICD		1,084,418		910,052		166,535		-		-
Secondary Customer	INTLTD	INDSLC	Cust07		1,647,942		1,431,831		177,891		-		-
Total Distribution Primary & Secondary Lines		INDLT		$	12,954,590	$	9,646,479	$	1,561,605	$	49,476	$	603,805
Distribution Line Transformers													
Demand	INTLTD	INDLTD	SICDT	$	1,498,993	$	1,040,002	$	190,316	$	-	$	167,612
Customer	INTLTD	INDLTC	Cust09		1,048,324		904,158		112,333		-		7,013
Total Distribution Line Transformers		INDLTT		$	2,547,317	$	1,944,160	$	302,649	$	-	$	174,625
Distribution Services													
Customer	INTLTD	INDSC	C02	$	520,617	$	400,155	$	100,706	$	-	$	17,569
Distribution Meters													
Customer	INTLTD	INDMC	C03	$	603,902	$	422,683	$	124,271	$	4,838	$	33,430
Distribution Street & Customer Lighting													
Customer	INTLTD	INDSCL	C04	$	1,654,735	$	-	$	-	$	-	$	-
Customer Accounts Expense													
Customer	INTLTD	INCAE	C05	$	-	$	-	$	-	$	-	$	-
Customer Service & Info.													
Customer	INTLTD	INCSI	C05	$	-	$	-	$	-	$	-	$	-
Sales Expense													
Customer	INTLTD	INSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		INTT		$	62,185,554	$	30,245,175	$	7,893,137	$	583,898	$	7,528,724

LOUISVILLE GAS AND ELECTRIC COMPANY
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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Interest Expenses									
Power Production Plant									
Production Demand - Base	INTLTD	INTPDB	PPBDA	$	1,882,969	$	828,155	$	1,146,584
Production Demand - Winter Peak	INTLTD	INTPDI	PPWDA		1,467,663		984,235		877,858
Production Demand - Summer Peak	INTLTD	INTPDP	PPSDA		1,288,233		870,098		745,051
Production Energy	INTLTD	INTPEB	E01		-		-		-
Production Energy - Not Used	INTLTD	INTPEI	E01		-		-		-
Production Energy - Not Used	INTLTD	INTPEP	E01		-		-		-
Total Power Production Plant		INTPT		$	4,638,864	$	2,682,489	$	2,769,493
Transmission Plant									
Transmission Demand	INTLTD	INTTRB	NCPT	$	794,874	$	471,955	$	488,859
Distribution Poles									
Specific	INTLTD	INTDPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	INTLTD	INTDSG	NCPP	$	298,867	$	177,451	$	-
Distribution Primary & Secondary Lines									
Primary Specific	INTLTD	INDPLS	NCPP	$	-	$	-	$	-
Primary Demand	INTLTD	INDPLD	NCPP		511,092		303,460		-
Primary Customer	INTLTD	INDPLC	Cust08		1,568		4,102		-
Secondary Demand	INTLTD	INDSLD	SICD		-		-		-
Secondary Customer	INTLTD	INDSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		INDLT		$	512,661	$	307,562	$	-
Distribution Line Transformers									
Demand	INTLTD	INDLTD	SICDT	$	-	$	92,114	$	-
Customer	INTLTD	INDLTC	Cust09		-		685		-
Total Distribution Line Transformers		INDLTT		$	-	$	92,799	$	-
Distribution Services									
Customer	INTLTD	INDSC	C02	$	-	$	2,187	$	-
Distribution Meters									
Customer	INTLTD	INDMC	C03	$	7,575	$	3,522	$	6,197
Distribution Street & Customer Lighting									
Customer	INTLTD	INDSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	INTLTD	INCAE	C05	$	-	$	-	$	-
Customer Service & Info.									
Customer	INTLTD	INCSI	C05	$	-	$	-	$	-
Sales Expense									
Customer	INTLTD	INSEC	C06	$	-	$	-	$	-
Total		INTT		$	6,252,841	$	3,737,965	$	3,264,549

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1		Special Contract Customer #2		Street Lighting Rate RLS, LS, DSK		Street Lighting Rate LE		Traffic Street Lighting Rate TLE
Interest Expenses													
Power Production Plant													
Production Demand - Base	INTLTD	INTPDB	PPBDA	$	111,912	$	59,123	$	105,908	$	3,452	$	3,235
Production Demand - Winter Peak	INTLTD	INTPDI	PPWDA		101,354		38,525		-		-		2,605
Production Demand - Summer Peak	INTLTD	INTPDP	PPSDA		80,448		32,566		-		-		1,460
Production Energy	INTLTD	INTPEB	E01		-		-		-		-		-
Production Energy - Not Used	INTLTD	INTPEI	E01		-		-		-		-		-
Production Energy - Not Used	INTLTD	INTPEP	E01		-		-		-		-		-
Total Power Production Plant		INTPT		$	293,715	$	130,214	$	105,908	$	3,452	$	7,300
Transmission Plant													
Transmission Demand	INTLTD	INTTRB	NCPT	$	49,279	$	25,793	$	50,812	$	1,625	$	740
Distribution Poles													
Specific	INTLTD	INTDPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	INTLTD	INTDSG	NCPP	$	18,529	$	9,698	$	19,105	$	611	$	278
Distribution Primary & Secondary Lines													
Primary Specific	INTLTD	INDPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	INTLTD	INDPLD	NCPP		31,686		16,585		32,671		1,045		476
Primary Customer	INTLTD	INDPLC	Cust08		15		15		142,693		272		1,495
Secondary Demand	INTLTD	INDSLD	SICD		-		-		7,482		239		109
Secondary Customer	INTLTD	INDSLC	Cust07		-		-		37,752		72		395
Total Distribution Primary & Secondary Lines		INDLT		$	31,701	$	16,600	$	220,598	$	1,629	$	2,475
Distribution Line Transformers													
Demand	INTLTD	INDLTD	SICDT	$	-	$	-	$	8,550	$	273	$	125
Customer	INTLTD	INDLTC	Cust09		-		-		23,839		46		250
Total Distribution Line Transformers		INDLTT		$	-	$	-	$	32,390	$	319	$	374
Distribution Services													
Customer	INTLTD	INDSC	C02	$	-	$	-	$	-	$	-	$	-
Distribution Meters													
Customer	INTLTD	INDMC	C03	$	72	$	72	$	-	$	192	$	1,051
Distribution Street & Customer Lighting													
Customer	INTLTD	INDSCL	C04	$	-	$	-	$	1,654,735	$	-	$	-
Customer Accounts Expense													
Customer	INTLTD	INCAE	C05	$	-	$	-	$	-	$	-	$	-
Customer Service & Info.													
Customer	INTLTD	INCSI	C05	$	-	$	-	$	-	$	-	$	-
Sales Expense													
Customer	INTLTD	INSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		INTT		$	393,295	$	182,377	$	2,083,547	$	7,828	$	12,218

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Cost of Service Summary -- Unadjusted								
Operating Revenues								
Sales to Ultimate Consumers		REVUC	R01	$ 965,204,065	$ 379,200,073	$ 135,825,835	$ 11,517,853	$ 151,571,212
Sales for Resale			Energy	42,971,045	15,545,980	5,051,887	601,688	6,971,340
Curtailable Service Rider		CSR	INTCRE	(4,334,522)	(1,781,297)	(608,997)	(48,659)	(669,785)
Forfeited Discounts		FORDIS	FDIS	2,623,527	2,068,557	375,660	4,867	83,927
Misc Service Revenues		REVMISC	MISCR	3,775,989	3,513,478	227,290	848	33,247
Rent From Electric Property			RBT	3,785,840	1,831,351	480,313	35,934	461,625
Other Electric Revenue			RBT	11,598,968	5,610,851	1,471,571	110,092	1,414,316
Unbilled Revenue		UNBREV	R01	-	-	-	-	-
Total Operating Revenues		TOR		$ 1,025,624,912	$ 405,988,994	$ 142,823,559	$ 12,222,623	$ 159,865,882
Operating Expenses								
Operation and Maintenance Expenses				$ 685,621,903	$ 287,977,479	$ 85,712,375	$ 8,382,184	$ 98,788,346
Depreciation Expenses				138,842,527	66,956,529	17,662,359	1,319,208	17,047,245
Regulatory Credits				-	-	-	-	-
Accretion Expense				-	-	-	-	-
Depreciation for Asset Retirement Costs			DET	-	-	-	-	-
Amortization Expense			DET	-	-	-	-	-
Property and Other Taxes			NPT	32,529,209	15,821,225	4,128,893	305,437	3,938,269
Amortization of Investment Tax Credit				(1,002,535)	(487,603)	(127,251)	(9,413)	(121,376)
Other Expenses				-	-	-	-	-
State and Federal Income Taxes			TAXINC	48,157,086	2,454,366	12,349,410	735,616	14,648,899
Total Operating Expenses		TOE		$ 904,148,189	$ 372,721,995	$ 119,725,786	$ 10,733,031	$ 134,301,383
Utility Operating Income		TOM		$ 121,476,723	$ 33,266,999	$ 23,097,773	$ 1,489,591	$ 25,564,498
Net Cost Rate Base				$ 2,380,933,927	$ 1,151,746,077	$ 302,071,165	$ 22,598,765	$ 290,318,355

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Cost of Service Summary -- Unadjusted						
Operating Revenues						
Sales to Ultimate Consumers		REVUC	R01	$ 116,918,595	$ 77,629,237	$ 64,284,636
Sales for Resale			Energy	6,729,278	2,959,628	4,097,615
Curtailable Service Rider		CSR	INTCRE	(520,506)	(350,228)	(306,519)
Forfeited Discounts		FORDIS	FDIS	29,247	50,540	10,395
Misc Service Revenues		REVMISC	MISCR	100	262	12
Rent From Electric Property			RBT	385,105	228,213	202,316
Other Electric Revenue			RBT	1,179,876	699,194	619,850
Unbilled Revenue		UNBREV	R01	-	-	-
Total Operating Revenues		TOR		$ 124,721,696	$ 81,216,847	$ 68,908,304
Operating Expenses						
Operation and Maintenance Expenses				$ 91,640,486	$ 43,317,846	$ 53,872,936
Depreciation Expenses				14,147,537	8,439,639	7,431,299
Regulatory Credits				-	-	-
Accretion Expense				-	-	-
Depreciation for Asset Retirement Costs			DET	-	-	-
Amortization Expense			DET	-	-	-
Property and Other Taxes			NPT	3,270,856	1,955,326	1,707,683
Amortization of Investment Tax Credit				(100,806)	(60,262)	(52,630)
Other Expenses				-	-	-
State and Federal Income Taxes			TAXINC	4,262,624	10,678,692	1,203,148
Total Operating Expenses		TOE		$ 113,220,697	$ 64,331,240	$ 64,162,436
Utility Operating Income		TOM		$ 11,500,999	$ 16,885,607	$ 4,745,869
Net Cost Rate Base				$ 242,194,584	$ 143,524,479	$ 127,237,257

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1		Special Contract Customer #2		Street Lighting Rate RLS, LS, DSK		Street Lighting Rate LE		Traffic Street Lighting Rate TLE
Cost of Service Summary -- Unadjusted													
Operating Revenues													
Sales to Ultimate Consumers		REVUC	R01	$	6,341,748	$	3,292,762	$	18,141,167	$	210,819	$	270,128
Sales for Resale			Energy		399,948		211,291		378,490		12,337		11,561
Curtailable Service Rider		CSR	INTCRE		(34,337)		(13,427)		-		-		(768)
Forfeited Discounts		FORDIS	FDIS		-		-		334		-		-
Misc Service Revenues		REVMISC	MISCR		-		-		751		-		-
Rent From Electric Property			RBT		24,174		11,262		124,302		491		754
Other Electric Revenue			RBT		74,065		34,504		380,834		1,504		2,310
Unbilled Revenue		UNBREV	R01		-		-		-		-		-
Total Operating Revenues		TOR		$	6,805,598	$	3,536,392	$	19,025,879	$	225,151	$	283,986
Operating Expenses													
Operation and Maintenance Expenses				$	5,491,759	$	2,831,749	$	7,250,096	$	163,488	$	193,159
Depreciation Expenses					890,538		410,589		4,493,023		16,979		27,582
Regulatory Credits					-		-		-		-		-
Accretion Expense					-		-		-		-		-
Depreciation for Asset Retirement Costs			DET		-		-		-		-		-
Amortization Expense			DET		-		-		-		-		-
Property and Other Taxes			NPT		205,732		95,401		1,089,902		4,095		6,391
Amortization of Investment Tax Credit					(6,341)		(2,940)		(33,590)		(126)		(197)
Other Expenses					-		-		-		-		-
State and Federal Income Taxes			TAXINC		(75,917)		8,613		1,856,801		14,740		20,093
Total Operating Expenses		TOE		$	6,505,772	$	3,343,411	$	14,656,232	$	199,176	$	247,029
Utility Operating Income		TOM		$	299,826	$	192,981	$	4,369,647	$	25,976	$	36,957
Net Cost Rate Base				$	15,203,336	$	7,082,689	$	78,174,245	$	308,733	$	474,243

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Taxable Income Unadjusted								
Total Operating Revenue				$ 1,025,624,912	$ 405,988,994	$ 142,823,559	$ 12,222,623	$ 159,865,882
Operating Expenses				$ 855,991,103	$ 370,267,630	$ 107,376,376	$ 9,997,415	$ 119,652,484
Interest Expense		INTEXP		$ 62,185,554	$ 30,245,175	$ 7,893,137	$ 583,898	$ 7,528,724
Taxable Income		TAXINC		$ 107,448,255	$ 5,476,189	$ 27,554,046	$ 1,641,309	$ 32,684,674

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Taxable Income Unadjusted						
Total Operating Revenue				$ 124,721,696	$ 81,216,847	$ 68,908,304
Operating Expenses				$ 108,958,073	$ 53,652,548	$ 62,959,288
Interest Expense		INTEXP		$ 6,252,841	$ 3,737,965	$ 3,264,549
Taxable Income		TAXINC		$ 9,510,782	$ 23,826,334	$ 2,684,468

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Taxable Income Unadjusted								
Total Operating Revenue				$ 6,805,598	$ 3,536,392	$ 19,025,879	$ 225,151	$ 283,986
Operating Expenses				$ 6,581,689	$ 3,334,798	$ 12,799,431	$ 184,435	$ 226,935
Interest Expense		INTEXP		$ 393,295	$ 182,377	$ 2,083,547	$ 7,828	$ 12,218
Taxable Income		TAXINC		$ (169,386)	$ 19,217	$ 4,142,901	$ 32,888	$ 44,832

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Cost of Service Summary -- Pro-Forma								
Operating Revenues								
Total Operating Revenue -- Actual				$ 1,025,624,912	$ 405,988,994	$ 142,823,559	$ 12,222,623	$ 159,865,882
Pro-Forma Adjustments:								
Remove Off-System ECR revenues			ECRREV	(8,423,260)	(3,297,837)	(1,848,542)	(80,619)	(1,002,890)
Customer Account Changes				-				
Total Pro-Forma Operating Revenue				$ 1,017,201,652	$ 402,691,158	$ 140,975,017	$ 12,142,004	$ 158,862,992
Operating Expenses								
Operation and Maintenance Expenses				$ 685,621,903	$ 287,977,479	$ 85,712,375	$ 8,382,184	$ 98,788,346
Depreciation and Amortization Expenses				138,842,527	66,956,529	17,662,359	1,319,208	17,047,245
Property and Other Taxes			NPT	32,529,209	15,821,225	4,128,893	305,437	3,938,269
Amortization of Investment Tax Credit				(1,002,535)	(487,603)	(127,251)	(9,413)	(121,376)
State and Federal Income Taxes			TAXINC	48,157,086	2,454,366	12,349,410	735,616	14,648,899
Specific Assignment of Interruptible Credit				-	-	-	-	-
Allocation of Interruptible Credits			INTCRE	-	-	-	-	-
Adjustments to Operating Expenses:								
Eliminate advertising expenses			REVUC	(984,863)	(386,924)	(138,592)	(11,752)	(154,658)
Federal & State Income Tax Adjustment			TAXINC	(3,074,551)	(156,697)	(788,438)	(46,965)	(935,247)
Federal & State Income Tax Interest Adjustment			TAXINC	-	-	-	-	-
Total Expense Adjustments				(4,059,414)	(543,621)	(927,031)	(58,717)	(1,089,906)
Total Operating Expenses		TOE		$ 900,088,775	$ 372,178,375	$ 118,798,756	$ 10,674,314	$ 133,211,478
Net Operating Income -- Pro-Forma				$ 117,112,877	$ 30,512,783	$ 22,176,261	$ 1,467,690	$ 25,651,514
Cost of Service Summary -- Pro-Forma								
Net Operating Income -- Pro-Forma				$ 117,112,877	$ 30,512,783	$ 22,176,261	$ 1,467,690	$ 25,651,514
Net Cost Rate Base				$ 2,380,933,927	$ 1,151,746,077	$ 302,071,165	$ 22,598,765	$ 290,318,355
ECR Plan Eliminations			PLPPT	-	-	-	-	-
Adjustment to Reflect Depreciation Reserve			DET	-	-	-	-	-
Cash Working Capital			OMLF	-	-	-	-	-
Adjusted Net Cost Rate Base				$ 2,380,933,927	$ 1,151,746,077	$ 302,071,165	$ 22,598,765	$ 290,318,355
Rate of Return				**4.92%**	**2.65%**	**7.34%**	**6.49%**	**8.84%**

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Cost of Service Summary -- Pro-Forma						
Operating Revenues						
Total Operating Revenue -- Actual				$ 124,721,696	$ 81,216,847	$ 68,908,304
Pro-Forma Adjustments:						
Remove Off-System ECR revenues			ECRREV	(833,194)	(537,754)	(461,699)
Customer Account Changes					-	
Total Pro-Forma Operating Revenue				$ 123,888,502	$ 80,679,094	$ 68,446,605
Operating Expenses						
Operation and Maintenance Expenses				$ 91,640,486	$ 43,317,846	$ 53,872,936
Depreciation and Amortization Expenses				14,147,537	8,439,639	7,431,299
Property and Other Taxes			NPT	3,270,856	1,955,326	1,707,683
Amortization of Investment Tax Credit				(100,806)	(60,262)	(52,630)
State and Federal Income Taxes			TAXINC	4,262,624	10,678,692	1,203,148
Specific Assignment of Interruptible Credit				-	-	-
Allocation of Interruptible Credits			INTCRE	-	-	-
Adjustments to Operating Expenses:						
Eliminate advertising expenses			REVUC	(119,300)	(79,210)	(65,594)
Federal & State Income Tax Adjustment			TAXINC	(272,144)	(681,773)	(76,814)
Federal & State Income Tax Interest Adjustment			TAXINC	-	-	-
Total Expense Adjustments				(391,444)	(760,983)	(142,408)
Total Operating Expenses		TOE		$ 112,829,254	$ 63,570,257	$ 64,020,028
Net Operating Income -- Pro-Forma				$ 11,059,249	$ 17,108,836	$ 4,426,578
Cost of Service Summary -- Pro-Forma						
Net Operating Income -- Pro-Forma				$ 11,059,249	$ 17,108,836	$ 4,426,578
Net Cost Rate Base				$ 242,194,584	$ 143,524,479	$ 127,237,257
ECR Plan Eliminations			PLPPT	-	-	-
Adjustment to Reflect Depreciation Reserve			DET	-	-	-
Cash Working Capital			OMLF	-	-	-
Adjusted Net Cost Rate Base				$ 242,194,584	$ 143,524,479	$ 127,237,257
Rate of Return				**4.57%**	**11.92%**	**3.48%**

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Cost of Service Summary -- Pro-Forma								
Operating Revenues								
Total Operating Revenue -- Actual				$ 6,805,598	$ 3,536,392	$ 19,025,879	$ 225,151	$ 283,986
Pro-Forma Adjustments:								
Remove Off-System ECR revenues			ECRREV	(42,712)	(23,117)	(290,133)	(2,399)	(2,365)
Customer Account Changes				-				
Total Pro-Forma Operating Revenue				$ 6,762,886	$ 3,513,275	$ 18,735,746	$ 222,752	$ 281,621
Operating Expenses								
Operation and Maintenance Expenses				$ 5,491,759	$ 2,831,749	$ 7,250,096	$ 163,488	$ 193,159
Depreciation and Amortization Expenses				890,538	410,589	4,493,023	16,979	27,582
Property and Other Taxes			NPT	205,732	95,401	1,089,902	4,095	6,391
Amortization of Investment Tax Credit				(6,341)	(2,940)	(33,590)	(126)	(197)
State and Federal Income Taxes			TAXINC	(75,917)	8,613	1,856,801	14,740	20,093
Specific Assignment of Interruptible Credit				-	-	-	-	-
Allocation of Interruptible Credits			INTCRE	-	-	-	-	-
Adjustments to Operating Expenses:								
Eliminate advertising expenses			REVUC	(6,471)	(3,360)	(18,511)	(215)	(276)
Federal & State Income Tax Adjustment			TAXINC	4,847	(550)	(118,546)	(941)	(1,283)
Federal & State Income Tax Interest Adjustment			TAXINC	-	-	-	-	-
Total Expense Adjustments				(1,624)	(3,910)	(137,057)	(1,156)	(1,558)
Total Operating Expenses		TOE		$ 6,504,148	$ 3,339,501	$ 14,519,175	$ 198,019	$ 245,470
Net Operating Income -- Pro-Forma				$ 258,738	$ 173,774	$ 4,216,571	$ 24,733	$ 36,151
Cost of Service Summary -- Pro-Forma								
Net Operating Income -- Pro-Forma				$ 258,738	$ 173,774	$ 4,216,571	$ 24,733	$ 36,151
Net Cost Rate Base				$ 15,203,336	$ 7,082,689	$ 78,174,245	$ 308,733	$ 474,243
ECR Plan Eliminations			PLPPT	-	-	-	-	-
Adjustment to Reflect Depreciation Reserve			DET	-	-	-	-	-
Cash Working Capital			OMLF	-	-	-	-	-
Adjusted Net Cost Rate Base				$ 15,203,336	$ 7,082,689	$ 78,174,245	$ 308,733	$ 474,243
Rate of Return				**1.70%**	**2.45%**	**5.39%**	**8.01%**	**7.62%**

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Taxable Income Pro-Forma								
Total Operating Revenue				$ 1,017,201,652	$ 402,691,158	$ 140,975,017	$ 12,142,004	$ 158,862,992
Operating Expenses				$ 851,931,689	$ 369,724,009	$ 106,449,346	$ 9,938,698	$ 118,562,578
Interest Expense		INTEXP		$ 62,185,554	$ 30,245,175	$ 7,893,137	$ 583,898	$ 7,528,724
Interest Syncronization Adjustment			INTEXP	$ 7,354,012	$ 3,576,769	$ 933,436	$ 69,051	$ 890,341
Taxable Income		TXINCPF		$ 95,730,397	$ (854,796)	$ 25,699,099	$ 1,550,357	$ 31,881,349

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Taxable Income Pro-Forma						
Total Operating Revenue				$ 123,888,502	$ 80,679,094	$ 68,446,605
Operating Expenses				$ 108,566,629	$ 52,891,565	$ 62,816,880
Interest Expense		INTEXP		$ 6,252,841	$ 3,737,965	$ 3,264,549
Interest Syncronization Adjustment			INTEXP	$ 739,456	$ 442,049	$ 386,063
Taxable Income		TXINCPF		$ 8,329,576	$ 23,607,515	$ 1,979,114

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Taxable Income Pro-Forma								
Total Operating Revenue				$ 6,762,886	$ 3,513,275	$ 18,735,746	$ 222,752	$ 281,621
Operating Expenses				$ 6,580,065	$ 3,330,889	$ 12,662,374	$ 183,279	$ 225,377
Interest Expense		INTEXP		$ 393,295	$ 182,377	$ 2,083,547	$ 7,828	$ 12,218
Interest Syncronization Adjustment			INTEXP	$ 46,511	$ 21,568	$ 246,399	$ 926	$ 1,445
Taxable Income		TXINCPF		$ (256,985)	$ (21,558)	$ 3,743,426	$ 30,720	$ 42,581

LOUISVILLE GAS AND ELECTRIC COMPANY
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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Cost of Service Summary -- Pro-Forma (Adjusted for Proposed Increase)									
Operating Revenues									
Total Operating Revenue -- Actual					$ 1,017,201,652	$ 402,691,158	$ 140,975,017	$ 12,142,004	$ 158,862,992
Pro-Forma Adjustments:									
Proposed Increase					$ 91,719,847	$ 42,131,735	$ 12,180,705	$ 1,034,517	$ 11,631,167
Proposed Reduction in CSR Credit			INTCRE		$ 1,920,271	$ 789,146	$ 269,797	$ 21,557	$ 296,727
Proposed Changes to Miscellaneous Charges			MISCR		$ (22,391)	$ (20,834)	$ (1,348)	$ (5)	$ (197)
Total Pro-Forma Operating Revenue					$ 1,110,819,379	$ 445,591,205	$ 153,424,171	$ 13,198,073	$ 170,790,688
				9.20%					
Operating Expenses									
Total Operating Expenses					$ 904,148,189	$ 372,721,995	$ 119,725,786	$ 10,733,031	$ 134,301,383
Total Pro-Forma Adjustments					(4,059,414)	(543,621)	(927,031)	(58,717)	(1,089,906)
Reflect Increase in Uncollectibles Expense			Cust01		211,583	$ 154,044	$ 19,139	$ 30	$ 1,195
Reflect Increase in PSC Fees			R01		181,718	$ 71,392	$ 25,572	$ 2,168	$ 28,536
Incremental Income Taxes					36,172,979	16,576,161	4,810,232	408,055	4,608,746
Total Pro-forma Operating Expenses					$ 936,655,055	$ 388,979,972	$ 123,653,698	$ 11,084,568	$ 137,849,954
Net Operating Income -- Pro-Forma					$ 174,164,325	$ 56,611,233	$ 29,770,473	$ 2,113,505	$ 32,940,734
Net Cost Rate Base					$ 2,380,933,927	$ 1,151,746,077	$ 302,071,165	$ 22,598,765	$ 290,318,355
Rate of Return					**7.31%**	**4.92%**	**9.86%**	**9.35%**	**11.35%**

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Cost of Service Summary -- Pro-Forma (Adjusted for Proposed Increase)							
Operating Revenues							
Total Operating Revenue -- Actual					$ 123,888,502	$ 80,679,094	$ 68,446,605
Pro-Forma Adjustments:							
Proposed Increase					$ 10,385,231	$ 5,698,088	$ 5,824,465
Proposed Reduction in CSR Credit			INTCRE		$ 230,593	$ 155,157	$ 135,793
Proposed Changes to Miscellaneous Charges			MISCR		$ (1)	$ (2)	$ (0)
Total Pro-Forma Operating Revenue					$ 134,504,326	$ 86,532,337	$ 74,406,863
				9.20%			
Operating Expenses							
Total Operating Expenses					$ 113,220,697	$ 64,331,240	$ 64,162,436
Total Pro-Forma Adjustments					(391,444)	(760,983)	(142,408)
Reflect Increase in Uncollectibles Expense			Cust01		$ 45	$ 117	$ 5
Reflect Increase in PSC Fees			R01		$ 22,012	$ 14,615	$ 12,103
Incremental Income Taxes					4,101,851	2,261,636	2,302,986
Total Pro-forma Operating Expenses					$ 116,953,161	$ 65,846,626	$ 66,335,122
Net Operating Income -- Pro-Forma					$ 17,551,165	$ 20,685,712	$ 8,071,742
Net Cost Rate Base					$ 242,194,584	$ 143,524,479	$ 127,237,257
Rate of Return					**7.25%**	**14.41%**	**6.34%**

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

BIP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Cost of Service Summary -- Pro-Forma (Adjusted for Proposed Increase)									
Operating Revenues									
Total Operating Revenue -- Actual				$	6,762,886	$ 3,513,275	$ 18,735,746	$ 222,752	$ 281,621
Pro-Forma Adjustments:									
Proposed Increase				$	604,641	$ 288,490	$ 1,920,228	$ -	$ 20,580
Proposed Reduction in CSR Credit			INTCRE	$	15,212	$ 5,948	$ -	$ -	$ 340
Proposed Changes to Miscellaneous Charges			MISCR	$	-	$ -	$ (4)	$ -	$ -
Total Pro-Forma Operating Revenue				$	7,382,738	$ 3,807,714	$ 20,655,970	$ 222,752	$ 302,541
				9.20%					
Operating Expenses									
Total Operating Expenses				$	6,505,772	$ 3,343,411	$ 14,656,232	$ 199,176	$ 247,029
Total Pro-Forma Adjustments					(1,624)	(3,910)	(137,057)	(1,156)	(1,558)
Reflect Increase in Uncollectibles Expense			Cust01	$	0	$ 0	$ 36,554	$ 70	$ 383
Reflect Increase in PSC Fees			R01	$	1,194	$ 620	$ 3,415	$ 40	$ 51
Incremental Income Taxes					239,505	113,768	741,956	-	8,083
Total Pro-forma Operating Expenses				$	6,744,847	$ 3,453,890	$ 15,301,101	$ 198,129	$ 253,987
Net Operating Income -- Pro-Forma				$	637,891	$ 353,824	$ 5,354,869	$ 24,624	$ 48,554
Net Cost Rate Base				$	15,203,336	$ 7,082,689	$ 78,174,245	$ 308,733	$ 474,243
Rate of Return					**4.20%**	**5.00%**	**6.85%**	**7.98%**	**10.24%**

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Allocation Factors								
Energy Allocation Factors								
Energy Usage by Class		E01	Energy	1.000000	0.361778	0.117565	0.014002	0.162233
Customer Allocation Factors								
Primary Distribution Plant -- Average Number of Customers		C01	Cust08	1.000000	0.86211	0.10711	0.00017	0.00669
Customer Services -- Weighted cost of Services		C02		1.000000	0.76862	0.19344	-	0.03375
Meter Costs -- Weighted Cost of Meters		C03		1.000000	0.69992	0.20578	0.00801	0.05536
Lighting Systems -- Lighting Customers		C04	Cust04	1.000000	-	-	-	-
Meter Reading and Billing -- Weighted Cost		C05	Cust05	1.000000	0.74512	0.18515	0.00074	0.02890
Marketing/Economic Development		C06	Cust06	1.000000	0.86209	0.10711	0.00017	0.00669
Revenue per Billing Determinants		R01		965,204,065	379,200,073	135,825,835	11,517,853	151,571,212
Energy				11,646,473,901	4,180,088,831	1,358,379,221	165,297,553	1,874,492,273
Energy (Loss Adjusted)		Energy		12,308,166,695	4,452,824,321	1,447,008,491	172,341,135	1,996,796,030
O&M Customer Allocators								
Customers (Monthly Bills)				6,001,330	4,369,310	542,844	864	33,890
Average Customers (Bills/12)				500,111	364,109	45,237	72	2,824
Average Customers (Lighting = Lights)				500,111	364,109	45,237	72	2,824
Weighted Average Customers (Lighting = 9 Lights per Custor		Cust05		488,656	364,109	90,474	360	14,121
Street Lighting		Cust04		86,402				
Average Customers		Cust01		500,111	364,109	45,237	72	2,824
Average Customers (Lighting = 9 Lights per Cust)		Cust06		422,358	364,109	45,237	72	2,824
Average Secondary Customers		Cust07		419,065	364,109	45,237	-	-
Average Primary Customers		Cust08		422,345	364,109	45,237	72	2,824
Average Transformer Customers		Cust09		422,165	364,109	45,237		2,824
Plant Customer Allocators								
Average Customers				500,111	364,109	45,237	72	2,824
Average Customers (Lighting = 10 Lights)				422,349	364,109	45,237	72	2,824
Weighted Average Customers				487,696	364,109	90,474	360	14,121
Street Lighting (plant in service balance)				99,670,958				
Average Customers				500,111	364,109	45,237	72	2,824
Average Customers (Lighting = 10 Lights per Cust)				421,398	364,109	45,237	72	2,824
Average Secondary Customers				421,205	364,109	45,237	-	2,824
Average Primary Customers				421,385	364,109	45,237	72	2,824
Average Transformer Customers				422,165	364,109	45,237	-	2,824
Demand Allocators								
Max Class Non-Coincident Peak Demands (Transmission)		NCPT		3,508,847	1,559,289	448,837	39,880	462,867
Max Class Non-Coincident Peak Demands (Primary)		NCPP		3,249,885	1,559,289	448,837	39,880	462,867
Sum of the Individual Customer Demands (Transformers)		SICDT		4,718,835	3,273,932	599,115	-	527,645
Sum of the Individual Customer Demands (Secondary)		SICD		3,901,216	3,273,932	599,115	-	-
Summer Peak Period Demand Allocator		SCP		2,733,721	1,069,022	386,318	31,860	449,716
Winter Peak Period Demand Allocator		WCP		1,868,157	798,297	261,221	20,314	273,343
Base Demand Allocator		BDEM		1,405,042	508,313	165,184	19,674	227,945

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Allocation Factors						
Energy Allocation Factors						
Energy Usage by Class		E01	Energy	0.156600	0.068875	0.095358
Customer Allocation Factors						
Primary Distribution Plant -- Average Number of Customers		C01	Cust08	0.00025	0.00065	-
Customer Services -- Weighted cost of Services		C02		-	0.00420	-
Meter Costs -- Weighted Cost of Meters		C03		0.01254	0.00583	0.01026
Lighting Systems -- Lighting Customers		C04	Cust04	-	-	-
Meter Reading and Billing -- Weighted Cost		C05	Cust05	0.00540	0.01412	0.00067
Marketing/Economic Development		C06	Cust06	0.00025	0.00065	0.00003
Revenue per Billing Determinants		R01		116,918,595	77,629,237	64,284,636
Energy				1,848,687,110	795,801,135	1,147,609,709
Energy (Loss Adjusted)		Energy		1,927,462,502	847,724,245	1,173,677,077
O&M Customer Allocators						
Customers (Monthly Bills)				1,266	3,312	156
Average Customers (Bills/12)				106	276	13
Average Customers (Lighting = Lights)				106	276	13
Weighted Average Customers (Lighting = 9 Lights per Custor		Cust05		2,638	6,900	325
Street Lighting		Cust04		-	-	-
Average Customers		Cust01		106	276	13
Average Customers (Lighting = 9 Lights per Cust)		Cust06		106	276	13
Average Secondary Customers		Cust07		-	-	-
Average Primary Customers		Cust08		106	276	-
Average Transformer Customers		Cust09			276	
Plant Customer Allocators						
Average Customers				106	276	13
Average Customers (Lighting = 10 Lights)				106	276	13
Weighted Average Customers				2,638	6,900	325
Street Lighting (plant in service balance)				-	-	-
Average Customers				106	276	13
Average Customers (Lighting = 10 Lights per Cust)				106	276	13
Average Secondary Customers				-	276	-
Average Primary Customers				106	276	-
Average Transformer Customers				-	276	-
Demand Allocators						
Max Class Non-Coincident Peak Demands (Transmission)		NCPT		421,067	250,008	258,962
Max Class Non-Coincident Peak Demands (Primary)		NCPP		421,067	250,008	-
Sum of the Individual Customer Demands (Transformers)		SICDT		-	289,975	-
Sum of the Individual Customer Demands (Secondary)		SICD		-	-	-
Summer Peak Period Demand Allocator		SCP		340,132	229,732	196,716
Winter Peak Period Demand Allocator		WCP		217,675	145,976	130,199
Base Demand Allocator		BDEM		220,030	96,772	133,981

LOUISVILLE GAS AND ELECTRIC COMPANY
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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Allocation Factors								
Energy Allocation Factors								
Energy Usage by Class		E01	Energy	0.009307	0.004917	0.008808	0.000287	0.000269
Customer Allocation Factors								
Primary Distribution Plant -- Average Number of Customers		C01	Cust08	0.00000	0.00000	0.02273	0.00004	0.00024
Customer Services -- Weighted cost of Services		C02		-	-	-	-	-
Meter Costs -- Weighted Cost of Meters		C03		0.00012	0.00012	-	0.00032	0.00174
Lighting Systems -- Lighting Customers		C04	Cust04	-	-	1.00000	-	-
Meter Reading and Billing -- Weighted Cost		C05	Cust05	0.00001	0.00001	0.01965	0.00004	0.00021
Marketing/Economic Development		C06	Cust06	0.00000	0.00000	0.02273	0.00004	0.00024
Revenue per Billing Determinants		R01		6,341,748	3,292,762	18,141,167	210,819	270,128
Energy				109,874,900	58,046,500	101,770,582	3,317,374	3,108,713
Energy (Loss Adjusted)		Energy		114,556,838	60,519,950	108,410,740	3,533,821	3,311,545
O&M Customer Allocators								
Customers (Monthly Bills)				12	12	1,036,824	1,980	10,860
Average Customers (Bills/12)				1	1	86,402	165	905
Average Customers (Lighting = Lights)				1	1	86,402	165	905
Weighted Average Customers (Lighting = 9 Lights per Custor		Cust05		5	5	9,600	18	101
Street Lighting		Cust04		-	-	86,402		
Average Customers		Cust01		1	1	86,402	165	905
Average Customers (Lighting = 9 Lights per Cust)		Cust06		1	1	9,600	18	101
Average Secondary Customers		Cust07		-	-	9,600	18	101
Average Primary Customers		Cust08		1	1	9,600	18	101
Average Transformer Customers		Cust09				9,600	18	101
Plant Customer Allocators								
Average Customers				1	1	86,402	165	905
Average Customers (Lighting = 10 Lights)				1	1	8,640	165	905
Weighted Average Customers				5	5	8,640	18	101
Street Lighting (plant in service balance)				-	-	99,670,958	-	-
Average Customers				1	1	86,402	165	905
Average Customers (Lighting = 10 Lights per Cust)				1	1	8,640	18	101
Average Secondary Customers				-	-	8,640	18	101
Average Primary Customers				1	1	8,640	18	101
Average Transformer Customers				-	-	9,600	18	101
Demand Allocators								
Max Class Non-Coincident Peak Demands (Transmission)		NCPT		26,105	13,663	26,916	861	392
Max Class Non-Coincident Peak Demands (Primary)		NCPP		26,105	13,663	26,916	861	392
Sum of the Individual Customer Demands (Transformers)		SICDT		-	-	26,916	861	392
Sum of the Individual Customer Demands (Secondary)		SICD		-	-	26,916	861	392
Summer Peak Period Demand Allocator		SCP		21,241	8,598	-	-	385
Winter Peak Period Demand Allocator		WCP		15,032	5,714	-	-	386
Base Demand Allocator		BDEM		13,077	6,909	12,376	403	378

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Total System		Residential Rate RS		General Service Rate GS		Rate PS Primary		Rate PS Secondary
Allocation Factors (Continued)							12,828,260						
Production Allocation													
Production Residual Winter Demand Allocator		PPWDRA			1,868,157		798,297		261,221		20,314		273,343
Production Winter Demand Costs				$	34,803,614								
Customer Specific Assignment				$	-				-		-		-
Production Winter Demand Residual			PPWDRA	$	34,803,614	$	14,872,217	$	4,866,523	$	378,441	$	5,092,353
Production Winter Demand Total		PPWDT		$	34,803,614	$	14,872,217	$	4,866,523	$	378,441	$	5,092,353
Production Winter Demand Allocator		PPWDA	PPWDT		1.000000		0.42732		0.13983		0.01087		0.14632
Production Residual Summer Demand Allocator		PPSDRA			2,733,721		1,069,022		386,318		31,860		449,716
Production Summer Demand Costs				$	28,608,453								
Customer Specific Assignment				$	-				-		-		-
Production Summer Demand Residual			PPSDRA	$	28,608,453	$	11,187,336	$	4,042,826	$	333,419	$	4,706,293
Production Summer Demand Total		PPSDT		$	28,608,453	$	11,187,336	$	4,042,826	$	333,419	$	4,706,293
Production Summer Demand Allocator		PPSDA	PPSDT		1.000000		0.39105		0.14132		0.01165		0.16451
Production Residual Base Demand Allocator		PPBDRA			1,405,042		508,313		165,184		19,674		227,945
Production Base Demand Costs				$	33,223,400								
Customer Specific Assignment				$	-				-		-		-
Production Base Demand Residual			PPBDRA	$	33,223,400	$	12,019,496	$	3,905,906	$	465,200	$	5,389,946
Production Base Demand Total		PPBDT		$	33,223,400	$	12,019,496	$	3,905,906	$	465,200	$	5,389,946
Production Base Demand Allocator		PPBDA	PPBDT		1.000000		0.36178		0.11756		0.01400		0.16223

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Allocation Factors (Continued)									
Production Allocation									
Production Residual Winter Demand Allocator		PPWDRA			217,675		145,976		130,199
Production Winter Demand Costs									
Customer Specific Assignment					-		-		-
Production Winter Demand Residual			PPWDRA	$	4,055,270	$	2,719,521	$	2,425,592
Production Winter Demand Total		PPWDT		$	4,055,270	$	2,719,521	$	2,425,592
Production Winter Demand Allocator		PPWDA	PPWDT		0.11652		0.07814		0.06969
Production Residual Summer Demand Allocator		PPSDRA			340,132		229,732		196,716
Production Summer Demand Costs									
Customer Specific Assignment					-		-		-
Production Summer Demand Residual			PPSDRA	$	3,559,491	$	2,404,150	$	2,058,637
Production Summer Demand Total		PPSDT		$	3,559,491	$	2,404,150	$	2,058,637
Production Summer Demand Allocator		PPSDA	PPSDT		0.12442		0.08404		0.07196
Production Residual Base Demand Allocator		PPBDRA			220,030		96,772		133,981
Production Base Demand Costs									
Customer Specific Assignment					-		-		-
Production Base Demand Residual			PPBDRA	$	5,202,794	$	2,288,260	$	3,168,103
Production Base Demand Total		PPBDT		$	5,202,794	$	2,288,260	$	3,168,103
Production Base Demand Allocator		PPBDA	PPBDT		0.15660		0.06887		0.09536

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Allocation Factors (Continued)								
Production Allocation								
Production Residual Winter Demand Allocator		PPWDRA		15,032	5,714	-	-	386
Production Winter Demand Costs								
Customer Specific Assignment							-	
Production Winter Demand Residual			PPWDRA	$ 280,050	$ 106,448	$ -	$ -	$ 7,198
Production Winter Demand Total		PPWDT		$ 280,050	$ 106,448	$ -	$ -	$ 7,198
Production Winter Demand Allocator		PPWDA	PPWDT	0.00805	0.00306	-	-	0.00021
Production Residual Summer Demand Allocator		PPSDRA		21,241	8,598	-	-	385
Production Summer Demand Costs								
Customer Specific Assignment							-	
Production Summer Demand Residual			PPSDRA	$ 222,285	$ 89,982	$ -	$ -	$ 4,034
Production Summer Demand Total		PPSDT		$ 222,285	$ 89,982	$ -	$ -	$ 4,034
Production Summer Demand Allocator		PPSDA	PPSDT	0.00777	0.00315	-	-	0.00014
Production Residual Base Demand Allocator		PPBDRA		13,077	6,909	12,376	403	378
Production Base Demand Costs								
Customer Specific Assignment							-	
Production Base Demand Residual			PPBDRA	$ 309,223	$ 163,361	$ 292,633	$ 9,539	$ 8,939
Production Base Demand Total		PPBDT		$ 309,223	$ 163,361	$ 292,633	$ 9,539	$ 8,939
Production Base Demand Allocator		PPBDA	PPBDT	0.00931	0.00492	0.00881	0.00029	0.00027

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Allocation Factors (Continued)								
Revenue Adjustment Allocators								
Forfeited Discounts		FDIS		2,689,127	2,120,280	385,054	4,989	86,025
Misc Service Revenue Allocator		MISCR		(1,630,992)	(1,517,603)	(98,175)	(366)	(14,360)
Revenue and Expense Adjust before IT		ITADJ		$ (7,438,396)	$ (2,910,913)	$ (1,709,950)	$ (68,866)	$ (848,232)
Full Year FAC Base Rate Change		REV01		-				
Temperature Normalization - Revenue		TREV01		-				
Temperature Normalization - Expenses		TEXP01		-				
VDT Revenue		VDTREV		-				
Merger Surcredit Revenue		MSCREV		-				
ECR Revenue		ECRREV		163,886,444	64,164,081	35,966,001	1,568,548	19,512,643
ECR Revenue for Roll-In		ECRREV2		-				
DSM revenue		DSMREV		-				
Year Customers		YREND		-				
Expense Adjustment Allocators								
Interruptible Credit Allocator (Winter & Summer Peak Prod Pl		INTCRE		1,593,301,897	654,776,563	223,857,761	17,886,310	246,202,368
O&M less fuel		OMLF		220,080,914.46	119,554,976.60	30,981,091.21	1,863,596.59	23,262,037.05
Base Rate Revenue at Current Rates				965,204,065	379,200,073	135,825,835	11,517,853	151,571,212

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Allocation Factors (Continued)						
Revenue Adjustment Allocators						
Forfeited Discounts		FDIS		29,978	51,804	10,655
Misc Service Revenue Allocator		MISCR		(43)	(113)	(5)
Revenue and Expense Adjust before IT		ITADJ		$ (713,894)	$ (458,543)	$ (396,105)
Full Year FAC Base Rate Change		REV01				
Temperature Normalization - Revenue		TREV01				
Temperature Normalization - Expenses		TEXP01				
VDT Revenue		VDTREV				
Merger Surcredit Revenue		MSCREV				
ECR Revenue		ECRREV		16,210,961	10,462,757	8,983,013
ECR Revenue for Roll-In		ECRREV2				
DSM revenue		DSMREV				
Year Customers		YREND				
Expense Adjustment Allocators						
Interruptible Credit Allocator (Winter & Summer Peak Prod Pl		INTCRE		191,329,720	128,738,211	112,671,463
O&M less fuel		OMLF		18,736,631.49	11,253,738.17	9,480,070.36
Base Rate Revenue at Current Rates				116,918,595	77,629,237	64,284,636

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Allocation Factors (Continued)								
Revenue Adjustment Allocators								
Forfeited Discounts		FDIS		-	-	342	-	-
Misc Service Revenue Allocator		MISCR				(324.55000)		
Revenue and Expense Adjust before IT		ITADJ		$ (36,241)	$ (19,757)	$ (271,622)	$ (2,184)	$ (2,089)
Full Year FAC Base Rate Change		REV01						
Temperature Normalization - Revenue		TREV01						
Temperature Normalization - Expenses		TEXP01						
VDT Revenue		VDTREV						
Merger Surcredit Revenue		MSCREV						
ECR Revenue		ECRREV		831,030	449,773	5,644,950	46,675	46,012
ECR Revenue for Roll-In		ECRREV2						
DSM revenue		DSMREV						
Year Customers		YREND						
Expense Adjustment Allocators								
Interruptible Credit Allocator (Winter & Summer Peak Prod Pl		INTCRE		12,621,754	4,935,546	-	-	282,201
O&M less fuel		OMLF		1,158,790.19	542,657.59	3,149,595.57	29,826.01	67,903.63
Base Rate Revenue at Current Rates				6,341,748	3,292,762	18,141,167	210,819	270,128

Exhibit WSS-24

Electric Cost of Service Study
Class Allocation
LOLP Methodology

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Plant in Service								
Power Production Plant								
Production Demand - Base	TPIS	PLPPDB	PPBDA	$ 834,776,533	$ 376,560,087	$ 95,141,310	$ 9,625,543	$ 121,881,821
Production Demand - Winter Peak	TPIS	PLPPDI	PPWDA	874,481,255	394,470,525	99,666,544	10,083,365	127,678,921
Production Demand - Summer Peak	TPIS	PLPPDP	PPSDA	718,820,643	324,253,441	81,925,563	8,288,492	104,951,643
Production Energy	TPIS	PLPPEB	E01	-	-	-	-	-
Total Power Production Plant		PLPPT		$ 2,428,078,430	$ 1,095,284,053	$ 276,733,417	$ 27,997,400	$ 354,512,385
Transmission Plant								
Transmission Demand	TPIS	PLTRB	NCPT	$ 465,684,635	$ 206,944,619	$ 59,568,432	$ 5,292,707	$ 61,430,381
Distribution Poles								
Specific	TPIS	PLDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TPIS	PLDSG	NCPP	$ 161,101,605	$ 77,296,277	$ 22,249,518	$ 1,976,889	$ 22,944,978
Distribution Primary & Secondary Lines								
Primary Specific	TPIS	PLDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TPIS	PLDPLD	NCPP	275,500,316	132,184,585	38,048,965	3,380,684	39,238,273
Primary Customer	TPIS	PLDPLC	Cust08	438,423,398	377,970,614	46,959,149	74,741	2,931,681
Secondary Demand	TPIS	PLDSLD	SICD	75,736,072	63,558,319	11,630,886	-	-
Secondary Customer	TPIS	PLDSLC	Cust07	115,092,782	99,999,544	12,423,965	-	-
Total Distribution Primary & Secondary Lines		PLDLT		$ 904,752,568	$ 673,713,063	$ 109,062,964	$ 3,455,425	$ 42,169,954
Distribution Line Transformers								
Demand	TPIS	PLDLTD	SICDT	$ 104,690,102	$ 72,634,069	$ 13,291,707	$ -	$ 11,706,101
Customer	TPIS	PLDLTC	Cust09	73,215,269	63,146,691	7,845,358	-	489,789
Total Distribution Line Transformers		PLDLTT		$ 177,905,371	$ 135,780,760	$ 21,137,065	$ -	$ 12,195,890
Distribution Services								
Customer	TPIS	PLDSC	C02	$ 36,360,072	$ 27,946,947	$ 7,033,360	$ -	$ 1,227,015
Distribution Meters								
Customer	TPIS	PLDMC	C03	$ 42,176,668	$ 29,520,292	$ 8,679,135	$ 337,865	$ 2,334,770
Distribution Street & Customer Lighting								
Customer	TPIS	PLDSCL	C04	$ 115,567,185	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	TPIS	PLCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TPIS	PLCSI	C06	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TPIS	PLSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		PLT		$ 4,331,626,534	$ 2,246,486,010	$ 504,463,892	$ 39,060,286	$ 496,815,373

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Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Plant in Service						
Power Production Plant						
Production Demand - Base	TPIS	PLPPDB	PPBDA	$ 100,680,855	$ 64,149,424	$ 57,063,017
Production Demand - Winter Peak	TPIS	PLPPDI	PPWDA	105,469,568	67,200,582	59,777,122
Production Demand - Summer Peak	TPIS	PLPPDP	PPSDA	86,695,629	55,238,651	49,136,593
Production Energy	TPIS	PLPPEB	E01	-	-	-
Total Power Production Plant		PLPPT		$ 292,846,052	$ 186,588,657	$ 165,976,732
Transmission Plant						
Transmission Demand	TPIS	PLTRB	NCPT	$ 55,882,901	$ 33,180,334	$ 34,368,776
Distribution Poles						
Specific	TPIS	PLDPS	NCPP	$ -	$ -	$ -
Distribution Substation						
General	TPIS	PLDSG	NCPP	$ 20,872,928	$ 12,393,249	$ -
Distribution Primary & Secondary Lines						
Primary Specific	TPIS	PLDPLS	NCPP	$ -	$ -	$ -
Primary Demand	TPIS	PLDPLD	NCPP	35,694,855	21,193,731	-
Primary Customer	TPIS	PLDPLC	Cust08	109,516	286,507	-
Secondary Demand	TPIS	PLDSLD	SICD	-	-	-
Secondary Customer	TPIS	PLDSLC	Cust07	-	-	-
Total Distribution Primary & Secondary Lines		PLDLT		$ 35,804,371	$ 21,480,239	$ -
Distribution Line Transformers						
Demand	TPIS	PLDLTD	SICDT	$ -	$ 6,433,268	$ -
Customer	TPIS	PLDLTC	Cust09	-	47,866	-
Total Distribution Line Transformers		PLDLTT		$ -	$ 6,481,134	$ -
Distribution Services						
Customer	TPIS	PLDSC	C02	$ -	$ 152,750	$ -
Distribution Meters						
Customer	TPIS	PLDMC	C03	$ 529,064	$ 245,966	$ 432,796
Distribution Street & Customer Lighting						
Customer	TPIS	PLDSCL	C04	$ -	$ -	$ -
Customer Accounts Expense						
Customer	TPIS	PLCAE	C05	$ -	$ -	$ -
Customer Service & Info.						
Customer	TPIS	PLCSI	C06	$ -	$ -	$ -
Sales Expense						
Customer	TPIS	PLSEC	C06	$ -	$ -	$ -
Total		PLT		$ 405,935,317	$ 260,522,329	$ 200,778,304

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1		Special Contract Customer #2		Street Lighting Rate RLS, LS, DSK		Street Lighting Rate LE		Traffic Street Lighting Rate TLE
Plant in Service													
Power Production Plant													
Production Demand - Base	TPIS	PLPPDB	PPBDA	$	6,522,290	$	2,817,602	$	201,110	$	6,506	$	126,970
Production Demand - Winter Peak	TPIS	PLPPDI	PPWDA		6,832,511		2,951,616		210,675		6,816		133,009
Production Demand - Summer Peak	TPIS	PLPPDP	PPSDA		5,616,301		2,426,219		173,174		5,603		109,333
Production Energy	TPIS	PLPPEB	E01		-		-		-		-		-
Total Power Production Plant		PLPPT		$	18,971,102	$	8,195,437	$	584,959	$	18,925	$	369,312
Transmission Plant													
Transmission Demand	TPIS	PLTRB	NCPT	$	3,464,524	$	1,813,382	$	3,572,282	$	114,252	$	52,046
Distribution Poles													
Specific	TPIS	PLDPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	TPIS	PLDSG	NCPP	$	1,294,041	$	677,320	$	1,334,290	$	42,674	$	19,440
Distribution Primary & Secondary Lines													
Primary Specific	TPIS	PLDPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	TPIS	PLDPLD	NCPP		2,212,943		1,158,286		2,281,773		72,978		33,244
Primary Customer	TPIS	PLDPLC	Cust08		1,038		1,038		9,965,698		19,031		104,384
Secondary Demand	TPIS	PLDSLD	SICD		-		-		522,542		16,712		7,613
Secondary Customer	TPIS	PLDSLC	Cust07		-		-		2,636,621		5,035		27,617
Total Distribution Primary & Secondary Lines		PLDLT		$	2,213,981	$	1,159,324	$	15,406,634	$	113,756	$	172,857
Distribution Line Transformers													
Demand	TPIS	PLDLTD	SICDT	$	-	$	-	$	597,158	$	19,099	$	8,700
Customer	TPIS	PLDLTC	Cust09		-		-		1,664,946		3,180		17,439
Total Distribution Line Transformers		PLDLTT		$	-	$	-	$	2,262,104	$	22,278	$	26,139
Distribution Services													
Customer	TPIS	PLDSC	C02	$	-	$	-	$	-	$	-	$	-
Distribution Meters													
Customer	TPIS	PLDMC	C03	$	5,015	$	5,015	$	-	$	13,377	$	73,373
Distribution Street & Customer Lighting													
Customer	TPIS	PLDSCL	C04	$	-	$	-	$	115,567,185	$	-	$	-
Customer Accounts Expense													
Customer	TPIS	PLCAE	C05	$	-	$	-	$	-	$	-	$	-
Customer Service & Info.													
Customer	TPIS	PLCSI	C06	$	-	$	-	$	-	$	-	$	-
Sales Expense													
Customer	TPIS	PLSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		PLT		$	25,948,663	$	11,850,477	$	138,727,454	$	325,263	$	713,167

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Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Net Utility Plant								
Power Production Plant								
Production Demand - Base	NTPLANT	UPPPDB	PPBDA	$ 529,045,729	$ 238,647,707	$ 60,296,500	$ 6,100,258	$ 77,243,495
Production Demand - Winter Peak	NTPLANT	UPPPDI	PPWDA	554,208,886	249,998,578	63,164,401	6,390,406	80,917,450
Production Demand - Summer Peak	NTPLANT	UPPPDP	PPSDA	455,557,836	205,497,988	51,920,924	5,252,892	66,513,871
Production Energy	NTPLANT	UPPPEB	E01	-	-	-	-	-
Total Power Production Plant		UPPPT		$ 1,538,812,451	$ 694,144,274	$ 175,381,825	$ 17,743,557	$ 224,674,815
Transmission Plant								
Transmission Demand	NTPLANT	UPTRB	NCPT	$ 302,524,467	$ 134,438,214	$ 38,697,666	$ 3,438,321	$ 39,907,250
Distribution Poles								
Specific	NTPLANT	UPDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	NTPLANT	UPDSG	NCPP	$ 104,174,581	$ 49,982,788	$ 14,387,406	$ 1,278,334	$ 14,837,118
Distribution Primary & Secondary Lines								
Primary Specific	NTPLANT	UPDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	NTPLANT	UPDPLD	NCPP	178,149,250	85,475,708	24,603,945	2,186,082	25,372,998
Primary Customer	NTPLANT	UPDPLC	Cust08	283,501,669	244,410,541	30,365,617	48,330	1,895,739
Secondary Demand	NTPLANT	UPDSLD	SICD	48,973,898	41,099,288	7,520,984	-	-
Secondary Customer	NTPLANT	UPDSLC	Cust07	74,423,481	64,663,606	8,033,820	-	-
Total Distribution Primary & Secondary Lines		UPDLT		$ 585,048,298	$ 435,649,143	$ 70,524,366	$ 2,234,412	$ 27,268,737
Distribution Line Transformers								
Demand	NTPLANT	UPDLTD	SICDT	$ 67,696,703	$ 46,968,022	$ 8,594,936	$ -	$ 7,569,621
Customer	NTPLANT	UPDLTC	Cust09	47,343,849	40,833,113	5,073,115	-	316,717
Total Distribution Line Transformers		UPDLTT		$ 115,040,552	$ 87,801,135	$ 13,668,051	$ -	$ 7,886,338
Distribution Services								
Customer	NTPLANT	UPDSC	C02	$ 23,511,840	$ 18,071,586	$ 4,548,045	$ -	$ 793,436
Distribution Meters								
Customer	NTPLANT	UPDMC	C03	$ 27,273,078	$ 19,088,972	$ 5,612,267	$ 218,476	$ 1,509,753
Distribution Street & Customer Lighting								
Customer	NTPLANT	UPDSCL	C04	$ 74,730,249	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	NTPLANT	UPCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	NTPLANT	UPCSI	C06	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	NTPLANT	UPSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		UPT		$ 2,771,115,517	$ 1,439,176,111	$ 322,819,626	$ 24,913,101	$ 316,877,447

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Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Net Utility Plant						
Power Production Plant						
Production Demand - Base	NTPLANT	UPPPDB	PPBDA	$ 63,807,228	$ 40,655,166	$ 36,164,104
Production Demand - Winter Peak	NTPLANT	UPPPDI	PPWDA	66,842,110	42,588,860	37,884,188
Production Demand - Summer Peak	NTPLANT	UPPPDP	PPSDA	54,943,989	35,007,899	31,140,675
Production Energy	NTPLANT	UPPPEB	E01	-	-	-
Total Power Production Plant		UPPPT		$ 185,593,326	$ 118,251,925	$ 105,188,967
Transmission Plant						
Transmission Demand	NTPLANT	UPTRB	NCPT	$ 36,303,420	$ 21,555,065	$ 22,327,118
Distribution Poles						
Specific	NTPLANT	UPDPS	NCPP	$ -	$ -	$ -
Distribution Substation						
General	NTPLANT	UPDSG	NCPP	$ 13,497,250	$ 8,013,958	$ -
Distribution Primary & Secondary Lines						
Primary Specific	NTPLANT	UPDPLS	NCPP	$ -	$ -	$ -
Primary Demand	NTPLANT	UPDPLD	NCPP	23,081,685	13,704,693	-
Primary Customer	NTPLANT	UPDPLC	Cust08	70,818	185,267	-
Secondary Demand	NTPLANT	UPDSLD	SICD	-	-	-
Secondary Customer	NTPLANT	UPDSLC	Cust07	-	-	-
Total Distribution Primary & Secondary Lines		UPDLT		$ 23,152,503	$ 13,889,960	$ -
Distribution Line Transformers						
Demand	NTPLANT	UPDLTD	SICDT	$ -	$ 4,160,002	$ -
Customer	NTPLANT	UPDLTC	Cust09	-	30,952	-
Total Distribution Line Transformers		UPDLTT		$ -	$ 4,190,954	$ -
Distribution Services						
Customer	NTPLANT	UPDSC	C02	$ -	$ 98,774	$ -
Distribution Meters						
Customer	NTPLANT	UPDMC	C03	$ 342,113	$ 159,051	$ 279,863
Distribution Street & Customer Lighting						
Customer	NTPLANT	UPDSCL	C04	$ -	$ -	$ -
Customer Accounts Expense						
Customer	NTPLANT	UPCAE	C05	$ -	$ -	$ -
Customer Service & Info.						
Customer	NTPLANT	UPCSI	C06	$ -	$ -	$ -
Sales Expense						
Customer	NTPLANT	UPSEC	C06	$ -	$ -	$ -
Total		UPT		$ 258,888,612	$ 166,159,689	$ 127,795,947

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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Net Utility Plant								
Power Production Plant								
Production Demand - Base	NTPLANT	UPPPDB	PPBDA	$ 4,133,549	$ 1,785,676	$ 127,455	$ 4,123	$ 80,468
Production Demand - Winter Peak	NTPLANT	UPPPDI	PPWDA	4,330,154	1,870,608	133,517	4,320	84,295
Production Demand - Summer Peak	NTPLANT	UPPPDP	PPSDA	3,559,372	1,537,634	109,750	3,551	69,291
Production Energy	NTPLANT	UPPPEB	E01	-	-	-	-	-
Total Power Production Plant		UPPPT		$ 12,023,074	$ 5,193,918	$ 370,722	$ 11,994	$ 234,054
Transmission Plant								
Transmission Demand	NTPLANT	UPTRB	NCPT	$ 2,250,672	$ 1,178,034	$ 2,320,675	$ 74,222	$ 33,811
Distribution Poles								
Specific	NTPLANT	UPDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	NTPLANT	UPDSG	NCPP	$ 836,777	$ 437,981	$ 862,804	$ 27,595	$ 12,570
Distribution Primary & Secondary Lines								
Primary Specific	NTPLANT	UPDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	NTPLANT	UPDPLD	NCPP	1,430,975	748,993	1,475,483	47,190	21,497
Primary Customer	NTPLANT	UPDPLC	Cust08	671	671	6,444,209	12,306	67,499
Secondary Demand	NTPLANT	UPDSLD	SICD	-	-	337,896	10,807	4,923
Secondary Customer	NTPLANT	UPDSLC	Cust07	-	-	1,704,942	3,256	17,858
Total Distribution Primary & Secondary Lines		UPDLT		$ 1,431,647	$ 749,664	$ 9,962,530	$ 73,559	$ 111,776
Distribution Line Transformers								
Demand	NTPLANT	UPDLTD	SICDT	$ -	$ -	$ 386,146	$ 12,350	$ 5,626
Customer	NTPLANT	UPDLTC	Cust09	-	-	1,076,619	2,056	11,277
Total Distribution Line Transformers		UPDLTT		$ -	$ -	$ 1,462,765	$ 14,406	$ 16,903
Distribution Services								
Customer	NTPLANT	UPDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	NTPLANT	UPDMC	C03	$ 3,243	$ 3,243	$ -	$ 8,650	$ 47,446
Distribution Street & Customer Lighting								
Customer	NTPLANT	UPDSCL	C04	$ -	$ -	$ 74,730,249	$ -	$ -
Customer Accounts Expense								
Customer	NTPLANT	UPCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	NTPLANT	UPCSI	C06	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	NTPLANT	UPSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		UPT		$ 16,545,413	$ 7,562,840	$ 89,709,745	$ 210,426	$ 456,560

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Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Net Cost Rate Base								
Power Production Plant								
Production Demand - Base	RB	RBPPDB	PPBDA	$ 449,333,293	$ 202,690,154	$ 51,211,500	$ 5,181,119	$ 65,605,054
Production Demand - Winter Peak	RB	RBPPDI	PPWDA	470,705,064	212,330,765	53,647,287	5,427,550	68,725,447
Production Demand - Summer Peak	RB	RBPPDP	PPSDA	386,917,976	174,535,173	44,097,889	4,461,428	56,492,086
Production Energy	RB	RBPPEB	E01	51,365,920	18,583,062	6,038,830	719,235	8,333,269
Total Power Production Plant		RBPPT		$ 1,358,322,253	$ 608,139,153	$ 154,995,505	$ 15,789,332	$ 199,155,856
Transmission Plant								
Transmission Demand	RB	RBTRB	NCPT	$ 251,904,274	$ 111,943,212	$ 32,222,542	$ 2,863,001	$ 33,229,732
Distribution Poles								
Specific	RB	RBDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	RB	RBDSG	NCPP	$ 86,725,894	$ 41,610,937	$ 11,977,592	$ 1,064,220	$ 12,351,980
Distribution Primary & Secondary Lines								
Primary Specific	RB	RBDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	RB	RBDPLD	NCPP	146,289,690	70,189,545	20,203,865	1,795,131	20,835,384
Primary Customer	RB	RBDPLC	Cust08	232,639,811	200,561,860	24,917,848	39,660	1,555,633
Secondary Demand	RB	RBDSLD	SICD	40,320,470	33,837,261	6,192,066	-	-
Secondary Customer	RB	RBDSLC	Cust07	61,244,172	53,212,627	6,611,148	-	-
Total Distribution Primary & Secondary Lines		RBDLT		$ 480,494,142	$ 357,801,294	$ 57,924,928	$ 1,834,791	$ 22,391,016
Distribution Line Transformers								
Demand	RB	RBDLTD	SICDT	$ 55,853,391	$ 38,751,123	$ 7,091,281	$ -	$ 6,245,341
Customer	RB	RBDLTC	Cust09	39,061,200	33,689,496	4,185,590	-	261,308
Total Distribution Line Transformers		RBDLTT		$ 94,914,591	$ 72,440,620	$ 11,276,871	$ -	$ 6,506,650
Distribution Services								
Customer	RB	RBDSC	C02	$ 19,387,335	$ 14,901,424	$ 3,750,215	$ -	$ 654,249
Distribution Meters								
Customer	RB	RBDMC	C03	$ 24,509,219	$ 17,154,491	$ 5,043,519	$ 196,336	$ 1,356,755
Distribution Street & Customer Lighting								
Customer	RB	RBDSCL	C04	$ 61,664,820	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	RB	RBCAE	C05	$ 2,471,536	$ 1,841,601	$ 457,602	$ 1,821	$ 71,421
Customer Service & Info.								
Customer	RB	RBCSI	C06	$ 539,863	$ 465,409	$ 57,823	$ 92	$ 3,610
Sales Expense								
Customer	RB	RBSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		RBT		$ 2,380,933,927	$ 1,226,298,141	$ 277,706,597	$ 21,749,593	$ 275,721,267

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Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Net Cost Rate Base									
Power Production Plant									
Production Demand - Base	RB	RBPPDB	PPBDA	$	54,193,258	$	34,529,566	$	30,715,182
Production Demand - Winter Peak	RB	RBPPDI	PPWDA		56,770,868		36,171,906		32,176,098
Production Demand - Summer Peak	RB	RBPPDP	PPSDA		46,665,462		29,733,185		26,448,644
Production Energy	RB	RBPPEB	E01		8,043,918		3,537,825		4,898,130
Total Power Production Plant		RBPPT		$	165,673,506	$	103,972,483	$	94,238,054
Transmission Plant									
Transmission Demand	RB	RBTRB	NCPT	$	30,228,916	$	17,948,344	$	18,591,212
Distribution Poles									
Specific	RB	RBDPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	RB	RBDSG	NCPP	$	11,236,532	$	6,671,663	$	-
Distribution Primary & Secondary Lines									
Primary Specific	RB	RBDPLS	NCPP	$	-	$	-	$	-
Primary Demand	RB	RBDPLD	NCPP		18,953,841		11,253,796		-
Primary Customer	RB	RBDPLC	Cust08		58,112		152,029		-
Secondary Demand	RB	RBDSLD	SICD		-		-		-
Secondary Customer	RB	RBDSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		RBDLT		$	19,011,954	$	11,405,825	$	-
Distribution Line Transformers									
Demand	RB	RBDLTD	SICDT	$	-	$	3,432,224	$	-
Customer	RB	RBDLTC	Cust09		-		25,537		-
Total Distribution Line Transformers		RBDLTT		$	-	$	3,457,761	$	-
Distribution Services									
Customer	RB	RBDSC	C02	$	-	$	81,447	$	-
Distribution Meters									
Customer	RB	RBDMC	C03	$	307,443	$	142,933	$	251,501
Distribution Street & Customer Lighting									
Customer	RB	RBDSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	RB	RBCAE	C05	$	13,340	$	34,899	$	1,644
Customer Service & Info.									
Customer	RB	RBCSI	C06	$	135	$	353	$	17
Sales Expense									
Customer	RB	RBSEC	C06	$	-	$	-	$	-
Total		RBT		$	226,471,826	$	143,715,707	$	113,082,427

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Net Cost Rate Base								
Power Production Plant								
Production Demand - Base	RB	RBPPDB	PPBDA	$ 3,510,738	$ 1,516,624	$ 108,251	$ 3,502	$ 68,344
Production Demand - Winter Peak	RB	RBPPDI	PPWDA	3,677,720	1,588,760	113,400	3,669	71,594
Production Demand - Summer Peak	RB	RBPPDP	PPSDA	3,023,074	1,305,955	93,214	3,016	58,850
Production Energy	RB	RBPPEB	E01	478,082	252,569	452,433	14,748	13,820
Total Power Production Plant		RBPPT		$ 10,689,615	$ 4,663,909	$ 767,297	$ 24,934	$ 212,609
Transmission Plant								
Transmission Demand	RB	RBTRB	NCPT	$ 1,874,076	$ 980,918	$ 1,932,366	$ 61,803	$ 28,153
Distribution Poles								
Specific	RB	RBDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	RB	RBDSG	NCPP	$ 696,622	$ 364,622	$ 718,289	$ 22,973	$ 10,465
Distribution Primary & Secondary Lines								
Primary Specific	RB	RBDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	RB	RBDPLD	NCPP	1,175,065	615,046	1,211,613	38,751	17,652
Primary Customer	RB	RBDPLC	Cust08	551	551	5,288,080	10,099	55,389
Secondary Demand	RB	RBDSLD	SICD	-	-	278,192	8,897	4,053
Secondary Customer	RB	RBDSLC	Cust07	-	-	1,403,022	2,679	14,696
Total Distribution Primary & Secondary Lines		RBDLT		$ 1,175,616	$ 615,597	$ 8,180,907	$ 60,426	$ 91,790
Distribution Line Transformers								
Demand	RB	RBDLTD	SICDT	$ -	$ -	$ 318,591	$ 10,189	$ 4,642
Customer	RB	RBDLTC	Cust09	-	-	888,268	1,696	9,304
Total Distribution Line Transformers		RBDLTT		$ -	$ -	$ 1,206,859	$ 11,886	$ 13,946
Distribution Services								
Customer	RB	RBDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	RB	RBDMC	C03	$ 2,914	$ 2,914	$ -	$ 7,774	$ 42,638
Distribution Street & Customer Lighting								
Customer	RB	RBDSCL	C04	$ -	$ -	$ 61,664,820	$ -	$ -
Customer Accounts Expense								
Customer	RB	RBCAE	C05	$ 25	$ 25	$ 48,556	$ 93	$ 509
Customer Service & Info.								
Customer	RB	RBCSI	C06	$ 1	$ 1	$ 12,271	$ 23	$ 129
Sales Expense								
Customer	RB	RBSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		RBT		$ 14,438,869	$ 6,627,986	$ 74,531,365	$ 189,912	$ 400,237

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Total System		Residential Rate RS		General Service Rate GS		Rate PS Primary		Rate PS Secondary
Operation and Maintenance Expenses													
Power Production Plant													
Production Demand - Base	TOM	OMPPDB	PPBDA	$	33,223,400	$	14,986,773	$	3,786,544	$	383,088	$	4,850,793
Production Demand - Winter Peak	TOM	OMPPDI	PPWDA		34,803,614		15,699,593		3,966,644		401,309		5,081,513
Production Demand - Summer Peak	TOM	OMPPDP	PPSDA		28,608,453		12,905,013		3,260,568		329,875		4,176,987
Production Energy	TOM	OMPPEB	E01		465,540,988		168,422,502		54,731,284		6,518,588		75,526,309
Total Power Production Plant		OMPPT		$	562,176,455	$	212,013,881	$	65,745,040	$	7,632,860	$	89,635,602
Transmission Plant													
Transmission Demand	TOM	OMTRB	NCPT	$	22,151,695	$	9,843,945	$	2,833,552	$	251,764	$	2,922,121
Distribution Poles													
Specific	TOM	OMDPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	TOM	OMDSG	NCPP	$	8,189,264	$	3,929,195	$	1,131,008	$	100,491	$	1,166,360
Distribution Primary & Secondary Lines													
Primary Specific	TOM	OMDPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	TOM	OMDPLD	NCPP		14,230,158		6,827,606		1,965,307		174,619		2,026,737
Primary Customer	TOM	OMDPLC	Cust08		21,300,716		18,363,629		2,281,501		3,631		142,435
Secondary Demand	TOM	OMDSLD	SICD		4,785,490		4,016,022		734,914		-		-
Secondary Customer	TOM	OMDSLC	Cust07		7,030,141		6,108,210		758,885		-		-
Total Distribution Primary & Secondary Lines		OMDLT		$	47,346,505	$	35,315,466	$	5,740,608	$	178,251	$	2,169,173
Distribution Line Transformers													
Demand	TOM	OMDLTD	SICDT	$	1,119,996	$	777,054	$	142,197	$	-	$	125,234
Customer	TOM	OMDLTC	Cust09		783,272		675,556		83,931		-		5,240
Total Distribution Line Transformers		OMDLTT		$	1,903,268	$	1,452,610	$	226,129	$	-	$	130,474
Distribution Services													
Customer	TOM	OMDSC	C02	$	295,809	$	227,363	$	57,220	$	-	$	9,982
Distribution Meters													
Customer	TOM	OMDMC	C03	$	17,171,209	$	12,018,472	$	3,533,500	$	137,553	$	950,545
Distribution Street & Customer Lighting													
Customer	TOM	OMDSCL	C04	$	1,306,145	$	-	$	-	$	-	$	-
Customer Accounts Expense													
Customer	TOM	OMCAE	C05	$	20,585,101	$	15,338,459	$	3,811,307	$	15,165	$	594,854
Customer Service & Info.													
Customer	TOM	OMCSI	C05	$	4,496,452	$	3,350,416	$	832,513	$	3,313	$	129,935
Sales Expense													
Customer	TOM	OMSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		OMT		$	685,621,903	$	293,489,808	$	83,910,875	$	8,319,397	$	97,709,047

LOUISVILLE GAS AND ELECTRIC COMPANY
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LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Operation and Maintenance Expenses						
Power Production Plant						
Production Demand - Base	TOM	OMPPDB	PPBDA	$ 4,007,013	$ 2,553,093	$ 2,271,060
Production Demand - Winter Peak	TOM	OMPPDI	PPWDA	4,197,600	2,674,526	2,379,079
Production Demand - Summer Peak	TOM	OMPPDP	PPSDA	3,450,413	2,198,452	1,955,595
Production Energy	TOM	OMPPEB	E01	72,903,855	32,064,108	44,392,865
Total Power Production Plant		OMPPT		$ 84,558,880	$ 39,490,178	$ 50,998,599
Transmission Plant						
Transmission Demand	TOM	OMTRB	NCPT	$ 2,658,239	$ 1,578,323	$ 1,634,855
Distribution Poles						
Specific	TOM	OMDPS	NCPP	$ -	$ -	$ -
Distribution Substation						
General	TOM	OMDSG	NCPP	$ 1,061,032	$ 629,985	$ -
Distribution Primary & Secondary Lines						
Primary Specific	TOM	OMDPLS	NCPP	$ -	$ -	$ -
Primary Demand	TOM	OMDPLD	NCPP	1,843,713	1,094,700	-
Primary Customer	TOM	OMDPLC	Cust08	5,321	13,920	-
Secondary Demand	TOM	OMDSLD	SICD	-	-	-
Secondary Customer	TOM	OMDSLC	Cust07	-	-	-
Total Distribution Primary & Secondary Lines		OMDLT		$ 1,849,033	$ 1,108,620	$ -
Distribution Line Transformers						
Demand	TOM	OMDLTD	SICDT	$ -	$ 68,824	$ -
Customer	TOM	OMDLTC	Cust09	-	512	-
Total Distribution Line Transformers		OMDLTT		$ -	$ 69,337	$ -
Distribution Services						
Customer	TOM	OMDSC	C02	$ -	$ 1,243	$ -
Distribution Meters						
Customer	TOM	OMDMC	C03	$ 215,396	$ 100,139	$ 176,202
Distribution Street & Customer Lighting						
Customer	TOM	OMDSCL	C04	$ -	$ -	$ -
Customer Accounts Expense						
Customer	TOM	OMCAE	C05	$ 111,107	$ 290,669	$ 13,691
Customer Service & Info.						
Customer	TOM	OMCSI	C05	$ 24,269	$ 63,492	$ 2,991
Sales Expense						
Customer	TOM	OMSEC	C06	$ -	$ -	$ -
Total		OMT		$ 90,477,956	$ 43,331,985	$ 52,826,337

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Operation and Maintenance Expenses								
Power Production Plant								
Production Demand - Base	TOM	OMPPDB	PPBDA	$ 259,582	$ 112,138	$ 8,004	$ 259	$ 5,053
Production Demand - Winter Peak	TOM	OMPPDI	PPWDA	271,928	117,472	8,385	271	5,294
Production Demand - Summer Peak	TOM	OMPPDP	PPSDA	223,524	96,561	6,892	223	4,351
Production Energy	TOM	OMPPEB	E01	4,332,969	2,289,091	4,100,500	133,662	125,255
Total Power Production Plant		OMPPT		$ 5,088,003	$ 2,615,263	$ 4,123,781	$ 134,416	$ 139,953
Transmission Plant								
Transmission Demand	TOM	OMTRB	NCPT	$ 164,801	$ 86,259	$ 169,926	$ 5,435	$ 2,476
Distribution Poles								
Specific	TOM	OMDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TOM	OMDSG	NCPP	$ 65,780	$ 34,430	$ 67,826	$ 2,169	$ 988
Distribution Primary & Secondary Lines								
Primary Specific	TOM	OMDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TOM	OMDPLD	NCPP	114,303	59,828	117,858	3,769	1,717
Primary Customer	TOM	OMDPLC	Cust08	50	50	484,182	925	5,071
Secondary Demand	TOM	OMDSLD	SICD	-	-	33,018	1,056	481
Secondary Customer	TOM	OMDSLC	Cust07	-	-	161,051	308	1,687
Total Distribution Primary & Secondary Lines		OMDLT		$ 114,353	$ 59,878	$ 796,108	$ 6,058	$ 8,957
Distribution Line Transformers								
Demand	TOM	OMDLTD	SICDT	$ -	$ -	$ 6,389	$ 204	$ 93
Customer	TOM	OMDLTC	Cust09	-	-	17,812	34	187
Total Distribution Line Transformers		OMDLTT		$ -	$ -	$ 24,200	$ 238	$ 280
Distribution Services								
Customer	TOM	OMDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	TOM	OMDMC	C03	$ 2,042	$ 2,042	$ -	$ 5,446	$ 29,872
Distribution Street & Customer Lighting								
Customer	TOM	OMDSCL	C04	$ -	$ -	$ 1,306,145	$ -	$ -
Customer Accounts Expense								
Customer	TOM	OMCAE	C05	$ 211	$ 211	$ 404,419	$ 772	$ 4,236
Customer Service & Info.								
Customer	TOM	OMCSI	C05	$ 46	$ 46	$ 88,338	$ 169	$ 925
Sales Expense								
Customer	TOM	OMSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		OMT		$ 5,435,235	$ 2,798,128	$ 6,980,744	$ 154,703	$ 187,687

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Total System		Residential Rate RS		General Service Rate GS		Rate PS Primary		Rate PS Secondary
					3.43%		3.93%						
Labor Expenses													
Power Production Plant													
Production Demand - Base	TLB	LBPPDB	PPBDA	$	8,354,904	$	3,768,821	$	952,227	$	96,338	$	1,219,860
Production Demand - Winter Peak	TLB	LBPPDI	PPWDA		8,752,290		3,948,078		997,518		100,920		1,277,881
Production Demand - Summer Peak	TLB	LBPPDP	PPSDA		7,194,353		3,245,307		819,956		82,956		1,050,414
Production Energy	TLB	LBPPEB	E01		17,970,758		6,501,425		2,112,730		251,630		2,915,458
Production Energy - Not Used	TLB	LBPPEI	E01		-		-		-		-		-
Production Energy - Not Used	TLB	LBPPEP	E01		-		-		-		-		-
Total Power Production Plant		LBPPT		$	42,272,305	$	17,463,632	$	4,882,431	$	531,843	$	6,463,613
Transmission Plant													
Transmission Demand	TLB	LBTRB	NCPT	$	4,308,731	$	1,914,748	$	551,155	$	48,971	$	568,382
Distribution Poles													
Specific	TLB	LBDPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	TLB	LBDSG	NCPP	$	2,685,252	$	1,288,380	$	370,856	$	32,951	$	382,448
Distribution Primary & Secondary Lines													
Primary Specific	TLB	LBDPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	TLB	LBDPLD	NCPP		2,551,847		1,224,372		352,432		31,314		363,448
Primary Customer	TLB	LBDPLC	Cust08		3,857,080		3,325,240		413,129		658		25,792
Secondary Demand	TLB	LBDSLD	SICD		833,939		699,849		128,069		-		-
Secondary Customer	TLB	LBDSLC	Cust07		1,230,591		1,069,212		132,839		-		-
Total Distribution Primary & Secondary Lines		LBDLT		$	8,473,457	$	6,318,672	$	1,026,469	$	31,971	$	389,240
Distribution Line Transformers													
Demand	TLB	LBDLTD	SICDT	$	240,841	$	167,095	$	30,578	$	-	$	26,930
Customer	TLB	LBDLTC	Cust09		168,432		145,270		18,048		-		1,127
Total Distribution Line Transformers		LBDLTT		$	409,273	$	312,365	$	48,626	$	-	$	28,057
Distribution Services													
Customer	TLB	LBDSC	C02	$	62,054	$	47,696	$	12,003	$	-	$	2,094
Distribution Meters													
Customer	TLB	LBDMC	C03	$	5,681,158	$	3,976,356	$	1,169,071	$	45,510	$	314,491
Distribution Street & Customer Lighting													
Customer	TLB	LBDSCL	C04	$	206,477	$	-	$	-	$	-	$	-
Customer Accounts Expense													
Customer	TLB	LBCAE	C05	$	5,837,418	$	4,349,602	$	1,080,791	$	4,301	$	168,686
Customer Service & Info.													
Customer	TLB	LBCSI	C05	$	1,602,599	$	1,194,136	$	296,719	$	1,181	$	46,311
Sales Expense													
Customer	TLB	LBSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		LBT		$	71,538,724	$	36,865,585	$	9,438,122	$	696,727	$	8,363,322

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Labor Expenses						
Power Production Plant						
Production Demand - Base	TLB	LBPPDB	PPBDA	$ 1,007,669	$ 642,043	$ 571,118
Production Demand - Winter Peak	TLB	LBPPDI	PPWDA	1,055,598	672,580	598,282
Production Demand - Summer Peak	TLB	LBPPDP	PPSDA	867,698	552,859	491,786
Production Energy	TLB	LBPPEB	E01	2,814,226	1,237,735	1,713,648
Production Energy - Not Used	TLB	LBPPEI	E01	-	-	-
Production Energy - Not Used	TLB	LBPPEP	E01	-	-	-
Total Power Production Plant		LBPPT		$ 5,745,191	$ 3,105,217	$ 3,374,835
Transmission Plant						
Transmission Demand	TLB	LBTRB	NCPT	$ 517,055	$ 307,000	$ 317,996
Distribution Poles						
Specific	TLB	LBDPS	NCPP	$ -	$ -	$ -
Distribution Substation						
General	TLB	LBDSG	NCPP	$ 347,911	$ 206,572	$ -
Distribution Primary & Secondary Lines						
Primary Specific	TLB	LBDPLS	NCPP	$ -	$ -	$ -
Primary Demand	TLB	LBDPLD	NCPP	330,627	196,309	-
Primary Customer	TLB	LBDPLC	Cust08	963	2,521	-
Secondary Demand	TLB	LBDSLD	SICD	-	-	-
Secondary Customer	TLB	LBDSLC	Cust07	-	-	-
Total Distribution Primary & Secondary Lines		LBDLT		$ 331,590	$ 198,829	$ -
Distribution Line Transformers						
Demand	TLB	LBDLTD	SICDT	$ -	$ 14,800	$ -
Customer	TLB	LBDLTC	Cust09	-	110	-
Total Distribution Line Transformers		LBDLTT		$ -	$ 14,910	$ -
Distribution Services						
Customer	TLB	LBDSC	C02	$ -	$ 261	$ -
Distribution Meters						
Customer	TLB	LBDMC	C03	$ 71,264	$ 33,131	$ 58,297
Distribution Street & Customer Lighting						
Customer	TLB	LBDSCL	C04	$ -	$ -	$ -
Customer Accounts Expense						
Customer	TLB	LBCAE	C05	$ 31,507	$ 82,427	$ 3,882
Customer Service & Info.						
Customer	TLB	LBCSI	C05	$ 8,650	$ 22,629	$ 1,066
Sales Expense						
Customer	TLB	LBSEC	C06	$ -	$ -	$ -
Total		LBT		$ 7,053,169	$ 3,970,976	$ 3,756,076

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Labor Expenses								
Power Production Plant								
Production Demand - Base	TLB	LBPPDB	PPBDA	$ 65,279	$ 28,200	$ 2,013	$ 65	$ 1,271
Production Demand - Winter Peak	TLB	LBPPDI	PPWDA	68,384	29,541	2,109	68	1,331
Production Demand - Summer Peak	TLB	LBPPDP	PPSDA	56,211	24,283	1,733	56	1,094
Production Energy	TLB	LBPPEB	E01	167,261	88,363	158,287	5,160	4,835
Production Energy - Not Used	TLB	LBPPEI	E01	-	-	-	-	-
Production Energy - Not Used	TLB	LBPPEP	E01	-	-	-	-	-
Total Power Production Plant		LBPPT		$ 357,134	$ 170,388	$ 164,142	$ 5,349	$ 8,531
Transmission Plant								
Transmission Demand	TLB	LBTRB	NCPT	$ 32,055	$ 16,778	$ 33,052	$ 1,057	$ 482
Distribution Poles								
Specific	TLB	LBDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TLB	LBDSG	NCPP	$ 21,569	$ 11,290	$ 22,240	$ 711	$ 324
Distribution Primary & Secondary Lines								
Primary Specific	TLB	LBDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TLB	LBDPLD	NCPP	20,498	10,729	21,135	676	308
Primary Customer	TLB	LBDPLC	Cust08	9	9	87,674	167	918
Secondary Demand	TLB	LBDSLD	SICD	-	-	5,754	184	84
Secondary Customer	TLB	LBDSLC	Cust07	-	-	28,191	54	295
Total Distribution Primary & Secondary Lines		LBDLT		$ 20,507	$ 10,738	$ 142,754	$ 1,081	$ 1,605
Distribution Line Transformers								
Demand	TLB	LBDLTD	SICDT	$ -	$ -	$ 1,374	$ 44	$ 20
Customer	TLB	LBDLTC	Cust09	-	-	3,830	7	40
Total Distribution Line Transformers		LBDLTT		$ -	$ -	$ 5,204	$ 51	$ 60
Distribution Services								
Customer	TLB	LBDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	TLB	LBDMC	C03	$ 675	$ 675	$ -	$ 1,802	$ 9,883
Distribution Street & Customer Lighting								
Customer	TLB	LBDSCL	C04	$ -	$ -	$ 206,477	$ -	$ -
Customer Accounts Expense								
Customer	TLB	LBCAE	C05	$ 60	$ 60	$ 114,683	$ 219	$ 1,201
Customer Service & Info.								
Customer	TLB	LBCSI	C05	$ 16	$ 16	$ 31,485	$ 60	$ 330
Sales Expense								
Customer	TLB	LBSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		LBT		$ 432,017	$ 209,945	$ 720,037	$ 10,331	$ 22,417

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Depreciation Expenses								
Power Production Plant								
Production Demand - Base	TDEPR	DEPPDB	PPBDA	$ 28,434,166	$ 12,826,393	$ 3,240,704	$ 327,865	$ 4,151,540
Production Demand - Winter Peak	TDEPR	DEPPDI	PPWDA	29,786,588	13,436,459	3,394,843	343,460	4,349,001
Production Demand - Summer Peak	TDEPR	DEPPDP	PPSDA	24,484,475	11,044,724	2,790,549	282,323	3,574,864
Production Energy	TDEPR	DEPPEB	E01	-	-	-	-	-
Production Energy - Not Used	TDEPR	DEPPEI	E01	-	-	-	-	-
Production Energy - Not Used	TDEPR	DEPPEP	E01	-	-	-	-	-
Total Power Production Plant		DEPPT		$ 82,705,230	$ 37,307,575	$ 9,426,096	$ 953,648	$ 12,075,404
Transmission Plant								
Transmission Demand	TDEPR	DETRB	NCPT	$ 11,770,778	$ 5,230,792	$ 1,505,669	$ 133,780	$ 1,552,732
Distribution Poles								
Specific	TDEPR	DEDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TDEPR	DEDSG	NCPP	$ 4,970,929	$ 2,385,043	$ 686,528	$ 60,999	$ 707,987
Distribution Primary & Secondary Lines								
Primary Specific	TDEPR	DEDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TDEPR	DEDPLD	NCPP	8,500,800	4,078,669	1,174,034	104,314	1,210,731
Primary Customer	TDEPR	DEDPLC	Cust08	13,527,932	11,662,610	1,448,965	2,306	90,460
Secondary Demand	TDEPR	DEDSLD	SICD	2,336,902	1,961,147	358,881	-	-
Secondary Customer	TDEPR	DEDSLC	Cust07	3,551,287	3,085,572	383,352	-	-
Total Distribution Primary & Secondary Lines		DEDLT		$ 27,916,921	$ 20,787,998	$ 3,365,232	$ 106,620	$ 1,301,190
Distribution Line Transformers								
Demand	TDEPR	DEDLTD	SICDT	$ 3,230,303	$ 2,241,187	$ 410,127	$ -	$ 361,202
Customer	TDEPR	DEDLTC	Cust09	2,259,120	1,948,446	242,075	-	15,113
Total Distribution Line Transformers		DEDLTT		$ 5,489,424	$ 4,189,633	$ 652,202	$ -	$ 376,315
Distribution Services								
Customer	TDEPR	DEDSC	C02	$ 1,121,921	$ 862,327	$ 217,020	$ -	$ 37,861
Distribution Meters								
Customer	TDEPR	DEDMC	C03	$ 1,301,397	$ 910,874	$ 267,802	$ 10,425	$ 72,041
Distribution Street & Customer Lighting								
Customer	TDEPR	DEDSCL	C04	$ 3,565,925	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	TDEPR	DECAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TDEPR	DECSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TDEPR	DESEC	C06	$ -	$ -	$ -	$ -	$ -
Total		DET		$ 138,842,527	$ 71,674,242	$ 16,120,550	$ 1,265,472	$ 16,123,530

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Depreciation Expenses									
Power Production Plant									
Production Demand - Base	TDEPR	DEPPDB	PPBDA	$	3,429,392	$	2,185,058	$	1,943,681
Production Demand - Winter Peak	TDEPR	DEPPDI	PPWDA		3,592,505		2,288,987		2,036,129
Production Demand - Summer Peak	TDEPR	DEPPDP	PPSDA		2,953,027		1,881,539		1,673,691
Production Energy	TDEPR	DEPPEB	E01		-		-		-
Production Energy - Not Used	TDEPR	DEPPEI	E01		-		-		-
Production Energy - Not Used	TDEPR	DEPPEP	E01		-		-		-
Total Power Production Plant		DEPPT		$	9,974,925	$	6,355,585	$	5,653,501
Transmission Plant									
Transmission Demand	TDEPR	DETRB	NCPT	$	1,412,512	$	838,676	$	868,715
Distribution Poles									
Specific	TDEPR	DEDPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	TDEPR	DEDSG	NCPP	$	644,052	$	382,404	$	-
Distribution Primary & Secondary Lines									
Primary Specific	TDEPR	DEDPLS	NCPP	$	-	$	-	$	-
Primary Demand	TDEPR	DEDPLD	NCPP		1,101,396		653,951		-
Primary Customer	TDEPR	DEDPLC	Cust08		3,379		8,840		-
Secondary Demand	TDEPR	DEDSLD	SICD		-		-		-
Secondary Customer	TDEPR	DEDSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		DEDLT		$	1,104,775	$	662,791	$	-
Distribution Line Transformers									
Demand	TDEPR	DEDLTD	SICDT	$	-	$	198,504	$	-
Customer	TDEPR	DEDLTC	Cust09		-		1,477		-
Total Distribution Line Transformers		DEDLTT		$	-	$	199,981	$	-
Distribution Services									
Customer	TDEPR	DEDSC	C02	$	-	$	4,713	$	-
Distribution Meters									
Customer	TDEPR	DEDMC	C03	$	16,325	$	7,590	$	13,354
Distribution Street & Customer Lighting									
Customer	TDEPR	DEDSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	TDEPR	DECAE	C05	$	-	$	-	$	-
Customer Service & Info.									
Customer	TDEPR	DECSI	C05	$	-	$	-	$	-
Sales Expense									
Customer	TDEPR	DESEC	C06	$	-	$	-	$	-
Total		DET		$	13,152,589	$	8,451,740	$	6,535,570

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Depreciation Expenses								
Power Production Plant								
Production Demand - Base	TDEPR	DEPPDB	PPBDA	$ 222,162	$ 95,973	$ 6,850	$ 222	$ 4,325
Production Demand - Winter Peak	TDEPR	DEPPDI	PPWDA	232,729	100,538	7,176	232	4,531
Production Demand - Summer Peak	TDEPR	DEPPDP	PPSDA	191,302	82,642	5,899	191	3,724
Production Energy	TDEPR	DEPPEB	E01	-	-	-	-	-
Production Energy - Not Used	TDEPR	DEPPEI	E01	-	-	-	-	-
Production Energy - Not Used	TDEPR	DEPPEP	E01	-	-	-	-	-
Total Power Production Plant		DEPPT		$ 646,194	$ 279,153	$ 19,925	$ 645	$ 12,579
Transmission Plant								
Transmission Demand	TDEPR	DETRB	NCPT	$ 87,570	$ 45,836	$ 90,294	$ 2,888	$ 1,316
Distribution Poles								
Specific	TDEPR	DEDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TDEPR	DEDSG	NCPP	$ 39,929	$ 20,899	$ 41,171	$ 1,317	$ 600
Distribution Primary & Secondary Lines								
Primary Specific	TDEPR	DEDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TDEPR	DEDPLD	NCPP	68,282	35,740	70,406	2,252	1,026
Primary Customer	TDEPR	DEDPLC	Cust08	32	32	307,500	587	3,221
Secondary Demand	TDEPR	DEDSLD	SICD	-	-	16,123	516	235
Secondary Customer	TDEPR	DEDSLC	Cust07	-	-	81,355	155	852
Total Distribution Primary & Secondary Lines		DEDLT		$ 68,314	$ 35,772	$ 475,385	$ 3,510	$ 5,334
Distribution Line Transformers								
Demand	TDEPR	DEDLTD	SICDT	$ -	$ -	$ 18,426	$ 589	$ 268
Customer	TDEPR	DEDLTC	Cust09	-	-	51,373	98	538
Total Distribution Line Transformers		DEDLTT		$ -	$ -	$ 69,799	$ 687	$ 807
Distribution Services								
Customer	TDEPR	DEDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	TDEPR	DEDMC	C03	$ 155	$ 155	$ -	$ 413	$ 2,264
Distribution Street & Customer Lighting								
Customer	TDEPR	DEDSCL	C04	$ -	$ -	$ 3,565,925	$ -	$ -
Customer Accounts Expense								
Customer	TDEPR	DECAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TDEPR	DECSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TDEPR	DESEC	C06	$ -	$ -	$ -	$ -	$ -
Total		DET		$ 842,162	$ 381,815	$ 4,262,499	$ 9,459	$ 22,899

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Regulatory Credits								
Power Production Plant								
Production Demand - Base	TRCTN	RCPDB	PPBDA	$ -	$ -	$ -	$ -	$ -
Production Demand - Winter Peak	TRCTN	RCPDI	PPWDA	-	-	-	-	-
Production Demand - Summer Peak	TRCTN	RCPDP	PPSDA	-	-	-	-	-
Production Energy	TRCTN	RCPEB	E01	-	-	-	-	-
Production Energy - Not Used	TRCTN	RCPEI	E01	-	-	-	-	-
Production Energy - Not Used	TRCTN	RCPEP	E01	-	-	-	-	-
Total Power Production Plant		RCPT		$ -	$ -	$ -	$ -	$ -
Transmission Plant								
Transmission Demand	TRCTN	RCRB	NCPT	$ -	$ -	$ -	$ -	$ -
Distribution Poles								
Specific	TRCTN	RCPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TRCTN	RCSG	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Primary & Secondary Lines								
Primary Specific	TRCTN	RCPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TRCTN	RCPLD	NCPP	-	-	-	-	-
Primary Customer	TRCTN	RCPLC	Cust08	-	-	-	-	-
Secondary Demand	TRCTN	RCSLD	SICD	-	-	-	-	-
Secondary Customer	TRCTN	RCSLC	Cust07	-	-	-	-	-
Total Distribution Primary & Secondary Lines		RCLT		$ -	$ -	$ -	$ -	$ -
Distribution Line Transformers								
Demand	TRCTN	RCLTD	SICDT	$ -	$ -	$ -	$ -	$ -
Customer	TRCTN	RCLTC	Cust09	-	-	-	-	-
Total Distribution Line Transformers		RCLTT		$ -	$ -	$ -	$ -	$ -
Distribution Services								
Customer	TRCTN	RCSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	TRCTN	RCMC	C03	$ -	$ -	$ -	$ -	$ -
Distribution Street & Customer Lighting								
Customer	TRCTN	RCSCL	C04	$ -	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	TRCTN	RCCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TRCTN	RCCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TRCTN	RCSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		RCT		$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Regulatory Credits						
Power Production Plant						
Production Demand - Base	TRCTN	RCPDB	PPBDA	$ -	$ -	$ -
Production Demand - Winter Peak	TRCTN	RCPDI	PPWDA	-	-	-
Production Demand - Summer Peak	TRCTN	RCPDP	PPSDA	-	-	-
Production Energy	TRCTN	RCPEB	E01	-	-	-
Production Energy - Not Used	TRCTN	RCPEI	E01	-	-	-
Production Energy - Not Used	TRCTN	RCPEP	E01	-	-	-
Total Power Production Plant		RCPT		$ -	$ -	$ -
Transmission Plant						
Transmission Demand	TRCTN	RCRB	NCPT	$ -	$ -	$ -
Distribution Poles						
Specific	TRCTN	RCPS	NCPP	$ -	$ -	$ -
Distribution Substation						
General	TRCTN	RCSG	NCPP	$ -	$ -	$ -
Distribution Primary & Secondary Lines						
Primary Specific	TRCTN	RCPLS	NCPP	$ -	$ -	$ -
Primary Demand	TRCTN	RCPLD	NCPP	-	-	-
Primary Customer	TRCTN	RCPLC	Cust08	-	-	-
Secondary Demand	TRCTN	RCSLD	SICD	-	-	-
Secondary Customer	TRCTN	RCSLC	Cust07	-	-	-
Total Distribution Primary & Secondary Lines		RCLT		$ -	$ -	$ -
Distribution Line Transformers						
Demand	TRCTN	RCLTD	SICDT	$ -	$ -	$ -
Customer	TRCTN	RCLTC	Cust09	-	-	-
Total Distribution Line Transformers		RCLTT		$ -	$ -	$ -
Distribution Services						
Customer	TRCTN	RCSC	C02	$ -	$ -	$ -
Distribution Meters						
Customer	TRCTN	RCMC	C03	$ -	$ -	$ -
Distribution Street & Customer Lighting						
Customer	TRCTN	RCSCL	C04	$ -	$ -	$ -
Customer Accounts Expense						
Customer	TRCTN	RCCAE	C05	$ -	$ -	$ -
Customer Service & Info.						
Customer	TRCTN	RCCSI	C05	$ -	$ -	$ -
Sales Expense						
Customer	TRCTN	RCSEC	C06	$ -	$ -	$ -
Total		RCT		$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Regulatory Credits								
Power Production Plant								
Production Demand - Base	TRCTN	RCPDB	PPBDA	$ -	$ -	$ -	$ -	$ -
Production Demand - Winter Peak	TRCTN	RCPDI	PPWDA	-	-	-	-	-
Production Demand - Summer Peak	TRCTN	RCPDP	PPSDA	-	-	-	-	-
Production Energy	TRCTN	RCPEB	E01	-	-	-	-	-
Production Energy - Not Used	TRCTN	RCPEI	E01	-	-	-	-	-
Production Energy - Not Used	TRCTN	RCPEP	E01	-	-	-	-	-
Total Power Production Plant		RCPT		$ -	$ -	$ -	$ -	$ -
Transmission Plant								
Transmission Demand	TRCTN	RCRB	NCPT	$ -	$ -	$ -	$ -	$ -
Distribution Poles								
Specific	TRCTN	RCPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TRCTN	RCSG	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Primary & Secondary Lines								
Primary Specific	TRCTN	RCPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TRCTN	RCPLD	NCPP	-	-	-	-	-
Primary Customer	TRCTN	RCPLC	Cust08	-	-	-	-	-
Secondary Demand	TRCTN	RCSLD	SICD	-	-	-	-	-
Secondary Customer	TRCTN	RCSLC	Cust07	-	-	-	-	-
Total Distribution Primary & Secondary Lines		RCLT		$ -	$ -	$ -	$ -	$ -
Distribution Line Transformers								
Demand	TRCTN	RCLTD	SICDT	$ -	$ -	$ -	$ -	$ -
Customer	TRCTN	RCLTC	Cust09	-	-	-	-	-
Total Distribution Line Transformers		RCLTT		$ -	$ -	$ -	$ -	$ -
Distribution Services								
Customer	TRCTN	RCSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	TRCTN	RCMC	C03	$ -	$ -	$ -	$ -	$ -
Distribution Street & Customer Lighting								
Customer	TRCTN	RCSCL	C04	$ -	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	TRCTN	RCCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TRCTN	RCCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TRCTN	RCSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		RCT		$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Accretion Expenses								
Power Production Plant								
Production Demand - Base	TACRTN	ACRPDB	PPBDA	$ -	$ -	$ -	$ -	$ -
Production Demand - Winter Peak	TACRTN	ACRPDI	PPWDA	-	-	-	-	-
Production Demand - Summer Peak	TACRTN	ACRPDP	PPSDA	-	-	-	-	-
Production Energy	TACRTN	ACRPEB	E01	-	-	-	-	-
Production Energy - Not Used	TACRTN	ACRPEI	E01	-	-	-	-	-
Production Energy - Not Used	TACRTN	ACRPEP	E01	-	-	-	-	-
Total Power Production Plant		ACRPT		$ -	$ -	$ -	$ -	$ -
Transmission Plant								
Transmission Demand	TACRTN	ACRRB	NCPT	$ -	$ -	$ -	$ -	$ -
Distribution Poles								
Specific	TACRTN	ACRPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TACRTN	ACRSG	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Primary & Secondary Lines								
Primary Specific	TACRTN	ACRPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TACRTN	ACRPLD	NCPP	-	-	-	-	-
Primary Customer	TACRTN	ACRPLC	Cust08	-	-	-	-	-
Secondary Demand	TACRTN	ACRSLD	SICD	-	-	-	-	-
Secondary Customer	TACRTN	ACRSLC	Cust07	-	-	-	-	-
Total Distribution Primary & Secondary Lines		ACRLT		$ -	$ -	$ -	$ -	$ -
Distribution Line Transformers								
Demand	TACRTN	ACRLTD	SICDT	$ -	$ -	$ -	$ -	$ -
Customer	TACRTN	ACRLTC	Cust09	-	-	-	-	-
Total Distribution Line Transformers		ACRLTT		$ -	$ -	$ -	$ -	$ -
Distribution Services								
Customer	TACRTN	ACRSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	TACRTN	ACRMC	C03	$ -	$ -	$ -	$ -	$ -
Distribution Street & Customer Lighting								
Customer	TACRTN	ACRSCL	C04	$ -	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	TACRTN	ACRCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TACRTN	ACRCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TACRTN	ACRSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		ACRT		$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
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LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Accretion Expenses						
Power Production Plant						
Production Demand - Base	TACRTN	ACRPDB	PPBDA	$ -	$ -	$ -
Production Demand - Winter Peak	TACRTN	ACRPDI	PPWDA	-	-	-
Production Demand - Summer Peak	TACRTN	ACRPDP	PPSDA	-	-	-
Production Energy	TACRTN	ACRPEB	E01	-	-	-
Production Energy - Not Used	TACRTN	ACRPEI	E01	-	-	-
Production Energy - Not Used	TACRTN	ACRPEP	E01	-	-	-
Total Power Production Plant		ACRPT		$ -	$ -	$ -
Transmission Plant						
Transmission Demand	TACRTN	ACRRB	NCPT	$ -	$ -	$ -
Distribution Poles						
Specific	TACRTN	ACRPS	NCPP	$ -	$ -	$ -
Distribution Substation						
General	TACRTN	ACRSG	NCPP	$ -	$ -	$ -
Distribution Primary & Secondary Lines						
Primary Specific	TACRTN	ACRPLS	NCPP	$ -	$ -	$ -
Primary Demand	TACRTN	ACRPLD	NCPP	-	-	-
Primary Customer	TACRTN	ACRPLC	Cust08	-	-	-
Secondary Demand	TACRTN	ACRSLD	SICD	-	-	-
Secondary Customer	TACRTN	ACRSLC	Cust07	-	-	-
Total Distribution Primary & Secondary Lines		ACRLT		$ -	$ -	$ -
Distribution Line Transformers						
Demand	TACRTN	ACRLTD	SICDT	$ -	$ -	$ -
Customer	TACRTN	ACRLTC	Cust09	-	-	-
Total Distribution Line Transformers		ACRLTT		$ -	$ -	$ -
Distribution Services						
Customer	TACRTN	ACRSC	C02	$ -	$ -	$ -
Distribution Meters						
Customer	TACRTN	ACRMC	C03	$ -	$ -	$ -
Distribution Street & Customer Lighting						
Customer	TACRTN	ACRSCL	C04	$ -	$ -	$ -
Customer Accounts Expense						
Customer	TACRTN	ACRCAE	C05	$ -	$ -	$ -
Customer Service & Info.						
Customer	TACRTN	ACRCSI	C05	$ -	$ -	$ -
Sales Expense						
Customer	TACRTN	ACRSEC	C06	$ -	$ -	$ -
Total		ACRT		$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Accretion Expenses								
Power Production Plant								
Production Demand - Base	TACRTN	ACRPDB	PPBDA	$ -	$ -	$ -	$ -	$ -
Production Demand - Winter Peak	TACRTN	ACRPDI	PPWDA	-	-	-	-	-
Production Demand - Summer Peak	TACRTN	ACRPDP	PPSDA	-	-	-	-	-
Production Energy	TACRTN	ACRPEB	E01	-	-	-	-	-
Production Energy - Not Used	TACRTN	ACRPEI	E01	-	-	-	-	-
Production Energy - Not Used	TACRTN	ACRPEP	E01	-	-	-	-	-
Total Power Production Plant		ACRPT		$ -	$ -	$ -	$ -	$ -
Transmission Plant								
Transmission Demand	TACRTN	ACRRB	NCPT	$ -	$ -	$ -	$ -	$ -
Distribution Poles								
Specific	TACRTN	ACRPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	TACRTN	ACRSG	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Primary & Secondary Lines								
Primary Specific	TACRTN	ACRPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	TACRTN	ACRPLD	NCPP	-	-	-	-	-
Primary Customer	TACRTN	ACRPLC	Cust08	-	-	-	-	-
Secondary Demand	TACRTN	ACRSLD	SICD	-	-	-	-	-
Secondary Customer	TACRTN	ACRSLC	Cust07	-	-	-	-	-
Total Distribution Primary & Secondary Lines		ACRLT		$ -	$ -	$ -	$ -	$ -
Distribution Line Transformers								
Demand	TACRTN	ACRLTD	SICDT	$ -	$ -	$ -	$ -	$ -
Customer	TACRTN	ACRLTC	Cust09	-	-	-	-	-
Total Distribution Line Transformers		ACRLTT		$ -	$ -	$ -	$ -	$ -
Distribution Services								
Customer	TACRTN	ACRSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	TACRTN	ACRMC	C03	$ -	$ -	$ -	$ -	$ -
Distribution Street & Customer Lighting								
Customer	TACRTN	ACRSCL	C04	$ -	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	TACRTN	ACRCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	TACRTN	ACRCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	TACRTN	ACRSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		ACRT		$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Property and Other Taxes								
Power Production Plant								
Production Demand - Base	PTAX	PTPPDB	PPBDA	$ 6,289,767	$ 2,837,257	$ 716,859	$ 72,525	$ 918,339
Production Demand - Winter Peak	PTAX	PTPPDI	PPWDA	6,588,929	2,972,206	750,955	75,975	962,019
Production Demand - Summer Peak	PTAX	PTPPDP	PPSDA	5,416,077	2,443,143	617,282	62,451	790,776
Production Energy	PTAX	PTPPEB	E01	-	-	-	-	-
Production Energy - Not Used	PTAX	PTPPEI	E01	-	-	-	-	-
Production Energy - Not Used	PTAX	PTPPEP	E01	-	-	-	-	-
Total Power Production Plant		PTPPT		$ 18,294,773	$ 8,252,605	$ 2,085,095	$ 210,951	$ 2,671,134
Transmission Plant								
Transmission Demand	PTAX	PTTRB	NCPT	$ 3,464,937	$ 1,539,776	$ 443,220	$ 39,381	$ 457,074
Distribution Poles								
Specific	PTAX	PTDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	PTAX	PTDSG	NCPP	$ 1,206,640	$ 578,944	$ 166,647	$ 14,807	$ 171,856
Distribution Primary & Secondary Lines								
Primary Specific	PTAX	PTDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	PTAX	PTDPLD	NCPP	2,063,479	990,054	284,984	25,321	293,892
Primary Customer	PTAX	PTDPLC	Cust08	3,283,761	2,830,974	351,721	560	21,958
Secondary Demand	PTAX	PTDSLD	SICD	567,258	476,047	87,115	-	-
Secondary Customer	PTAX	PTDSLC	Cust07	862,037	748,990	93,055	-	-
Total Distribution Primary & Secondary Lines		PTDLT		$ 6,776,535	$ 5,046,065	$ 816,874	$ 25,881	$ 315,850
Distribution Line Transformers								
Demand	PTAX	PTDLTD	SICDT	$ 784,122	$ 544,024	$ 99,554	$ -	$ 87,678
Customer	PTAX	PTDLTC	Cust09	548,377	472,964	58,761	-	3,668
Total Distribution Line Transformers		PTDLTT		$ 1,332,499	$ 1,016,989	$ 158,315	$ -	$ 91,346
Distribution Services								
Customer	PTAX	PTDSC	C02	$ 272,334	$ 209,321	$ 52,679	$ -	$ 9,190
Distribution Meters								
Customer	PTAX	PTDMC	C03	$ 315,900	$ 221,105	$ 65,006	$ 2,531	$ 17,487
Distribution Street & Customer Lighting								
Customer	PTAX	PTDSCL	C04	$ 865,590	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	PTAX	PTCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	PTAX	PTCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	PTAX	PTSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		PTT		$ 32,529,209	$ 16,864,804	$ 3,787,838	$ 293,550	$ 3,733,939

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Property and Other Taxes									
Power Production Plant									
Production Demand - Base	PTAX	PTPPDB	PPBDA	$	758,597	$	483,345	$	429,951
Production Demand - Winter Peak	PTAX	PTPPDI	PPWDA		794,679		506,334		450,401
Production Demand - Summer Peak	PTAX	PTPPDP	PPSDA		653,223		416,205		370,228
Production Energy	PTAX	PTPPEB	E01		-		-		-
Production Energy - Not Used	PTAX	PTPPEI	E01		-		-		-
Production Energy - Not Used	PTAX	PTPPEP	E01		-		-		-
Total Power Production Plant		PTPPT		$	2,206,499	$	1,405,884	$	1,250,580
Transmission Plant									
Transmission Demand	PTAX	PTTRB	NCPT	$	415,798	$	246,879	$	255,722
Distribution Poles									
Specific	PTAX	PTDPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	PTAX	PTDSG	NCPP	$	156,337	$	92,825	$	-
Distribution Primary & Secondary Lines									
Primary Specific	PTAX	PTDPLS	NCPP	$	-	$	-	$	-
Primary Demand	PTAX	PTDPLD	NCPP		267,352		158,740		-
Primary Customer	PTAX	PTDPLC	Cust08		820		2,146		-
Secondary Demand	PTAX	PTDSLD	SICD		-		-		-
Secondary Customer	PTAX	PTDSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		PTDLT		$	268,172	$	160,886	$	-
Distribution Line Transformers									
Demand	PTAX	PTDLTD	SICDT	$	-	$	48,185	$	-
Customer	PTAX	PTDLTC	Cust09		-		359		-
Total Distribution Line Transformers		PTDLTT		$	-	$	48,543	$	-
Distribution Services									
Customer	PTAX	PTDSC	C02	$	-	$	1,144	$	-
Distribution Meters									
Customer	PTAX	PTDMC	C03	$	3,963	$	1,842	$	3,242
Distribution Street & Customer Lighting									
Customer	PTAX	PTDSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	PTAX	PTCAE	C05	$	-	$	-	$	-
Customer Service & Info.									
Customer	PTAX	PTCSI	C05	$	-	$	-	$	-
Sales Expense									
Customer	PTAX	PTSEC	C06	$	-	$	-	$	-
Total		PTT		$	3,050,768	$	1,958,003	$	1,509,543

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1		Special Contract Customer #2		Street Lighting Rate RLS, LS, DSK		Street Lighting Rate LE		Traffic Street Lighting Rate TLE
Property and Other Taxes													
Power Production Plant													
Production Demand - Base	PTAX	PTPPDB	PPBDA	$	49,143	$	21,230	$	1,515	$	49	$	957
Production Demand - Winter Peak	PTAX	PTPPDI	PPWDA		51,481		22,239		1,587		51		1,002
Production Demand - Summer Peak	PTAX	PTPPDP	PPSDA		42,317		18,281		1,305		42		824
Production Energy	PTAX	PTPPEB	E01		-		-		-		-		-
Production Energy - Not Used	PTAX	PTPPEI	E01		-		-		-		-		-
Production Energy - Not Used	PTAX	PTPPEP	E01		-		-		-		-		-
Total Power Production Plant		PTPPT		$	142,941	$	61,750	$	4,407	$	143	$	2,783
Transmission Plant													
Transmission Demand	PTAX	PTTRB	NCPT	$	25,778	$	13,493	$	26,580	$	850	$	387
Distribution Poles													
Specific	PTAX	PTDPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	PTAX	PTDSG	NCPP	$	9,692	$	5,073	$	9,994	$	320	$	146
Distribution Primary & Secondary Lines													
Primary Specific	PTAX	PTDPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	PTAX	PTDPLD	NCPP		16,575		8,675		17,090		547		249
Primary Customer	PTAX	PTDPLC	Cust08		8		8		74,642		143		782
Secondary Demand	PTAX	PTDSLD	SICD		-		-		3,914		125		57
Secondary Customer	PTAX	PTDSLC	Cust07		-		-		19,748		38		207
Total Distribution Primary & Secondary Lines		PTDLT		$	16,583	$	8,683	$	115,395	$	852	$	1,295
Distribution Line Transformers													
Demand	PTAX	PTDLTD	SICDT	$	-	$	-	$	4,473	$	143	$	65
Customer	PTAX	PTDLTC	Cust09		-		-		12,470		24		131
Total Distribution Line Transformers		PTDLTT		$	-	$	-	$	16,943	$	167	$	196
Distribution Services													
Customer	PTAX	PTDSC	C02	$	-	$	-	$	-	$	-	$	-
Distribution Meters													
Customer	PTAX	PTDMC	C03	$	38	$	38	$	-	$	100	$	550
Distribution Street & Customer Lighting													
Customer	PTAX	PTDSCL	C04	$	-	$	-	$	865,590	$	-	$	-
Customer Accounts Expense													
Customer	PTAX	PTCAE	C05	$	-	$	-	$	-	$	-	$	-
Customer Service & Info.													
Customer	PTAX	PTCSI	C05	$	-	$	-	$	-	$	-	$	-
Sales Expense													
Customer	PTAX	PTSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		PTT		$	195,031	$	89,036	$	1,038,909	$	2,431	$	5,356

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Amortization of ITC									
Power Production Plant									
Production Demand - Base	OTAX	OTPPDB	PPBDA	$	(193,848) $	(87,443) $	(22,093) $	(2,235) $	(28,303)
Production Demand - Winter Peak	OTAX	OTPPDI	PPWDA		(203,068)	(91,602)	(23,144)	(2,342)	(29,649)
Production Demand - Summer Peak	OTAX	OTPPDP	PPSDA		(166,921)	(75,297)	(19,024)	(1,925)	(24,371)
Production Energy	OTAX	OTPPEB	E01		-	-	-	-	-
Production Energy - Not Used	OTAX	OTPPEI	E01		-	-	-	-	-
Production Energy - Not Used	OTAX	OTPPEP	E01		-	-	-	-	-
Total Power Production Plant		OTPPT		$	(563,836) $	(254,341) $	(64,262) $	(6,501) $	(82,323)
Transmission Plant									
Transmission Demand	OTAX	OTTRB	NCPT	$	(106,788) $	(47,455) $	(13,660) $	(1,214) $	(14,087)
Distribution Poles									
Specific	OTAX	OTDPS	NCPP	$	- $	- $	- $	- $	-
Distribution Substation									
General	OTAX	OTDSG	NCPP	$	(37,188) $	(17,843) $	(5,136) $	(456) $	(5,297)
Distribution Primary & Secondary Lines									
Primary Specific	OTAX	OTDPLS	NCPP	$	- $	- $	- $	- $	-
Primary Demand	OTAX	OTDPLD	NCPP		(63,595)	(30,513)	(8,783)	(780)	(9,058)
Primary Customer	OTAX	OTDPLC	Cust08		(101,204)	(87,249)	(10,840)	(17)	(677)
Secondary Demand	OTAX	OTDSLD	SICD		(17,483)	(14,672)	(2,685)	-	-
Secondary Customer	OTAX	OTDSLC	Cust07		(26,568)	(23,084)	(2,868)	-	-
Total Distribution Primary & Secondary Lines		OTDLT		$	(208,850) $	(155,517) $	(25,176) $	(798) $	(9,734)
Distribution Line Transformers									
Demand	OTAX	OTDLTD	SICDT	$	(24,166) $	(16,767) $	(3,068) $	- $	(2,702)
Customer	OTAX	OTDLTC	Cust09		(16,901)	(14,577)	(1,811)	-	(113)
Total Distribution Line Transformers		OTDLTT		$	(41,067) $	(31,343) $	(4,879) $	- $	(2,815)
Distribution Services									
Customer	OTAX	OTDSC	C02	$	(8,393) $	(6,451) $	(1,624) $	- $	(283)
Distribution Meters									
Customer	OTAX	OTDMC	C03	$	(9,736) $	(6,814) $	(2,003) $	(78) $	(539)
Distribution Street & Customer Lighting									
Customer	OTAX	OTDSCL	C04	$	(26,677) $	- $	- $	- $	-
Customer Accounts Expense									
Customer	OTAX	OTCAE	C05	$	- $	- $	- $	- $	-
Customer Service & Info.									
Customer	OTAX	OTCSI	C05	$	- $	- $	- $	- $	-
Sales Expense									
Customer	OTAX	OTSEC	C06	$	- $	- $	- $	- $	-
Total		OTT		$	(1,002,535) $	(519,765) $	(116,739) $	(9,047) $	(115,078)

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Amortization of ITC									
Power Production Plant									
Production Demand - Base	OTAX	OTPPDB	PPBDA	$	(23,380)	$	(14,896)	$	(13,251)
Production Demand - Winter Peak	OTAX	OTPPDI	PPWDA		(24,492)		(15,605)		(13,881)
Production Demand - Summer Peak	OTAX	OTPPDP	PPSDA		(20,132)		(12,827)		(11,410)
Production Energy	OTAX	OTPPEB	E01		-		-		-
Production Energy - Not Used	OTAX	OTPPEI	E01		-		-		-
Production Energy - Not Used	OTAX	OTPPEP	E01		-		-		-
Total Power Production Plant		OTPPT		$	(68,003)	$	(43,329)	$	(38,542)
Transmission Plant									
Transmission Demand	OTAX	OTTRB	NCPT	$	(12,815)	$	(7,609)	$	(7,881)
Distribution Poles									
Specific	OTAX	OTDPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	OTAX	OTDSG	NCPP	$	(4,818)	$	(2,861)	$	-
Distribution Primary & Secondary Lines									
Primary Specific	OTAX	OTDPLS	NCPP	$	-	$	-	$	-
Primary Demand	OTAX	OTDPLD	NCPP		(8,240)		(4,892)		-
Primary Customer	OTAX	OTDPLC	Cust08		(25)		(66)		-
Secondary Demand	OTAX	OTDSLD	SICD		-		-		-
Secondary Customer	OTAX	OTDSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		OTDLT		$	(8,265)	$	(4,958)	$	-
Distribution Line Transformers									
Demand	OTAX	OTDLTD	SICDT	$	-	$	(1,485)	$	-
Customer	OTAX	OTDLTC	Cust09		-		(11)		-
Total Distribution Line Transformers		OTDLTT		$	-	$	(1,496)	$	-
Distribution Services									
Customer	OTAX	OTDSC	C02	$	-	$	(35)	$	-
Distribution Meters									
Customer	OTAX	OTDMC	C03	$	(122)	$	(57)	$	(100)
Distribution Street & Customer Lighting									
Customer	OTAX	OTDSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	OTAX	OTCAE	C05	$	-	$	-	$	-
Customer Service & Info.									
Customer	OTAX	OTCSI	C05	$	-	$	-	$	-
Sales Expense									
Customer	OTAX	OTSEC	C06	$	-	$	-	$	-
Total		OTT		$	(94,023)	$	(60,345)	$	(46,523)

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Amortization of ITC								
Power Production Plant								
Production Demand - Base	OTAX	OTPPDB	PPBDA	$ (1,515)	$ (654)	$ (47)	$ (2)	$ (29)
Production Demand - Winter Peak	OTAX	OTPPDI	PPWDA	(1,587)	(685)	(49)	(2)	(31)
Production Demand - Summer Peak	OTAX	OTPPDP	PPSDA	(1,304)	(563)	(40)	(1)	(25)
Production Energy	OTAX	OTPPEB	E01	-	-	-	-	-
Production Energy - Not Used	OTAX	OTPPEI	E01	-	-	-	-	-
Production Energy - Not Used	OTAX	OTPPEP	E01	-	-	-	-	-
Total Power Production Plant		OTPPT		$ (4,405)	$ (1,903)	$ (136)	$ (4)	$ (86)
Transmission Plant								
Transmission Demand	OTAX	OTTRB	NCPT	$ (794)	$ (416)	$ (819)	$ (26)	$ (12)
Distribution Poles								
Specific	OTAX	OTDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	OTAX	OTDSG	NCPP	$ (299)	$ (156)	$ (308)	$ (10)	$ (4)
Distribution Primary & Secondary Lines								
Primary Specific	OTAX	OTDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	OTAX	OTDPLD	NCPP	(511)	(267)	(527)	(17)	(8)
Primary Customer	OTAX	OTDPLC	Cust08	(0)	(0)	(2,300)	(4)	(24)
Secondary Demand	OTAX	OTDSLD	SICD	-	-	(121)	(4)	(2)
Secondary Customer	OTAX	OTDSLC	Cust07	-	-	(609)	(1)	(6)
Total Distribution Primary & Secondary Lines		OTDLT		$ (511)	$ (268)	$ (3,556)	$ (26)	$ (40)
Distribution Line Transformers								
Demand	OTAX	OTDLTD	SICDT	$ -	$ -	$ (138)	$ (4)	$ (2)
Customer	OTAX	OTDLTC	Cust09	-	-	(384)	(1)	(4)
Total Distribution Line Transformers		OTDLTT		$ -	$ -	$ (522)	$ (5)	$ (6)
Distribution Services								
Customer	OTAX	OTDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	OTAX	OTDMC	C03	$ (1)	$ (1)	$ -	$ (3)	$ (17)
Distribution Street & Customer Lighting								
Customer	OTAX	OTDSCL	C04	$ -	$ -	$ (26,677)	$ -	$ -
Customer Accounts Expense								
Customer	OTAX	OTCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	OTAX	OTCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	OTAX	OTSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		OTT		$ (6,011)	$ (2,744)	$ (32,019)	$ (75)	$ (165)

LOUISVILLE GAS AND ELECTRIC COMPANY
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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Other Expenses								
Power Production Plant								
Production Demand - Base	OT	OTPPDB	PPBDA	$ -	$ -	$ -	$ -	$ -
Production Demand - Winter Peak	OT	OTPPDI	PPWDA	-	-	-	-	-
Production Demand - Summer Peak	OT	OTPPDP	PPSDA	-	-	-	-	-
Production Energy	OT	OTPPEB	E01	-	-	-	-	-
Production Energy - Not Used	OT	OTPPEI	E01	-	-	-	-	-
Production Energy - Not Used	OT	OTPPEP	E01	-	-	-	-	-
Total Power Production Plant		OTPPT		$ -	$ -	$ -	$ -	$ -
Transmission Plant								
Transmission Demand	OT	OTTRB	NCPT	$ -	$ -	$ -	$ -	$ -
Distribution Poles								
Specific	OT	OTDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	OT	OTDSG	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Primary & Secondary Lines								
Primary Specific	OT	OTDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	OT	OTDPLD	NCPP	-	-	-	-	-
Primary Customer	OT	OTDPLC	Cust08	-	-	-	-	-
Secondary Demand	OT	OTDSLD	SICD	-	-	-	-	-
Secondary Customer	OT	OTDSLC	Cust07	-	-	-	-	-
Total Distribution Primary & Secondary Lines		OTDLT		$ -	$ -	$ -	$ -	$ -
Distribution Line Transformers								
Demand	OT	OTDLTD	SICDT	$ -	$ -	$ -	$ -	$ -
Customer	OT	OTDLTC	Cust09	-	-	-	-	-
Total Distribution Line Transformers		OTDLTT		$ -	$ -	$ -	$ -	$ -
Distribution Services								
Customer	OT	OTDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	OT	OTDMC	C03	$ -	$ -	$ -	$ -	$ -
Distribution Street & Customer Lighting								
Customer	OT	OTDSCL	C04	$ -	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	OT	OTCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	OT	OTCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	OT	OTSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		OTT		$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Other Expenses						
Power Production Plant						
Production Demand - Base	OT	OTPPDB	PPBDA	$ -	$ -	$ -
Production Demand - Winter Peak	OT	OTPPDI	PPWDA	-	-	-
Production Demand - Summer Peak	OT	OTPPDP	PPSDA	-	-	-
Production Energy	OT	OTPPEB	E01	-	-	-
Production Energy - Not Used	OT	OTPPEI	E01	-	-	-
Production Energy - Not Used	OT	OTPPEP	E01	-	-	-
Total Power Production Plant		OTPPT		$ -	$ -	$ -
Transmission Plant						
Transmission Demand	OT	OTTRB	NCPT	$ -	$ -	$ -
Distribution Poles						
Specific	OT	OTDPS	NCPP	$ -	$ -	$ -
Distribution Substation						
General	OT	OTDSG	NCPP	$ -	$ -	$ -
Distribution Primary & Secondary Lines						
Primary Specific	OT	OTDPLS	NCPP	$ -	$ -	$ -
Primary Demand	OT	OTDPLD	NCPP	-	-	-
Primary Customer	OT	OTDPLC	Cust08	-	-	-
Secondary Demand	OT	OTDSLD	SICD	-	-	-
Secondary Customer	OT	OTDSLC	Cust07	-	-	-
Total Distribution Primary & Secondary Lines		OTDLT		$ -	$ -	$ -
Distribution Line Transformers						
Demand	OT	OTDLTD	SICDT	$ -	$ -	$ -
Customer	OT	OTDLTC	Cust09	-	-	-
Total Distribution Line Transformers		OTDLTT		$ -	$ -	$ -
Distribution Services						
Customer	OT	OTDSC	C02	$ -	$ -	$ -
Distribution Meters						
Customer	OT	OTDMC	C03	$ -	$ -	$ -
Distribution Street & Customer Lighting						
Customer	OT	OTDSCL	C04	$ -	$ -	$ -
Customer Accounts Expense						
Customer	OT	OTCAE	C05	$ -	$ -	$ -
Customer Service & Info.						
Customer	OT	OTCSI	C05	$ -	$ -	$ -
Sales Expense						
Customer	OT	OTSEC	C06	$ -	$ -	$ -
Total		OTT		$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Other Expenses								
Power Production Plant								
Production Demand - Base	OT	OTPPDB	PPBDA	$ -	$ -	$ -	$ -	$ -
Production Demand - Winter Peak	OT	OTPPDI	PPWDA	-	-	-	-	-
Production Demand - Summer Peak	OT	OTPPDP	PPSDA	-	-	-	-	-
Production Energy	OT	OTPPEB	E01	-	-	-	-	-
Production Energy - Not Used	OT	OTPPEI	E01	-	-	-	-	-
Production Energy - Not Used	OT	OTPPEP	E01	-	-	-	-	-
Total Power Production Plant		OTPPT		$ -	$ -	$ -	$ -	$ -
Transmission Plant								
Transmission Demand	OT	OTTRB	NCPT	$ -	$ -	$ -	$ -	$ -
Distribution Poles								
Specific	OT	OTDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	OT	OTDSG	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Primary & Secondary Lines								
Primary Specific	OT	OTDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	OT	OTDPLD	NCPP	-	-	-	-	-
Primary Customer	OT	OTDPLC	Cust08	-	-	-	-	-
Secondary Demand	OT	OTDSLD	SICD	-	-	-	-	-
Secondary Customer	OT	OTDSLC	Cust07	-	-	-	-	-
Total Distribution Primary & Secondary Lines		OTDLT		$ -	$ -	$ -	$ -	$ -
Distribution Line Transformers								
Demand	OT	OTDLTD	SICDT	$ -	$ -	$ -	$ -	$ -
Customer	OT	OTDLTC	Cust09	-	-	-	-	-
Total Distribution Line Transformers		OTDLTT		$ -	$ -	$ -	$ -	$ -
Distribution Services								
Customer	OT	OTDSC	C02	$ -	$ -	$ -	$ -	$ -
Distribution Meters								
Customer	OT	OTDMC	C03	$ -	$ -	$ -	$ -	$ -
Distribution Street & Customer Lighting								
Customer	OT	OTDSCL	C04	$ -	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	OT	OTCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	OT	OTCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	OT	OTSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		OTT		$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Interest Expenses								
Power Production Plant								
Production Demand - Base	INTLTD	INTPDB	PPBDA	$ 12,024,044	$ 5,423,937	$ 1,370,407	$ 138,645	$ 1,755,574
Production Demand - Winter Peak	INTLTD	INTPDI	PPWDA	12,595,947	5,681,917	1,435,588	145,240	1,839,075
Production Demand - Summer Peak	INTLTD	INTPDP	PPSDA	10,353,826	4,670,517	1,180,048	119,387	1,511,714
Production Energy	INTLTD	INTPEB	E01	-	-	-	-	-
Production Energy - Not Used	INTLTD	INTPEI	E01	-	-	-	-	-
Production Energy - Not Used	INTLTD	INTPEP	E01	-	-	-	-	-
Total Power Production Plant		INTPT		$ 34,973,817	$ 15,776,370	$ 3,986,043	$ 403,272	$ 5,106,364
Transmission Plant								
Transmission Demand	INTLTD	INTTRB	NCPT	$ 6,623,863	$ 2,943,564	$ 847,297	$ 75,283	$ 873,781
Distribution Poles								
Specific	INTLTD	INTDPS	NCPP	$ -	$ -	$ -	$ -	$ -
Distribution Substation								
General	INTLTD	INTDSG	NCPP	$ 2,306,714	$ 1,106,757	$ 318,577	$ 28,306	$ 328,535
Distribution Primary & Secondary Lines								
Primary Specific	INTLTD	INDPLS	NCPP	$ -	$ -	$ -	$ -	$ -
Primary Demand	INTLTD	INDPLD	NCPP	3,944,718	1,892,669	544,800	48,406	561,828
Primary Customer	INTLTD	INDPLC	Cust08	6,277,512	5,411,927	672,379	1,070	41,977
Secondary Demand	INTLTD	INDSLD	SICD	1,084,418	910,052	166,535	-	-
Secondary Customer	INTLTD	INDSLC	Cust07	1,647,942	1,431,831	177,891	-	-
Total Distribution Primary & Secondary Lines		INDLT		$ 12,954,590	$ 9,646,479	$ 1,561,605	$ 49,476	$ 603,805
Distribution Line Transformers								
Demand	INTLTD	INDLTD	SICDT	$ 1,498,993	$ 1,040,002	$ 190,316	$ -	$ 167,612
Customer	INTLTD	INDLTC	Cust09	1,048,324	904,158	112,333	-	7,013
Total Distribution Line Transformers		INDLTT		$ 2,547,317	$ 1,944,160	$ 302,649	$ -	$ 174,625
Distribution Services								
Customer	INTLTD	INDSC	C02	$ 520,617	$ 400,155	$ 100,706	$ -	$ 17,569
Distribution Meters								
Customer	INTLTD	INDMC	C03	$ 603,902	$ 422,683	$ 124,271	$ 4,838	$ 33,430
Distribution Street & Customer Lighting								
Customer	INTLTD	INDSCL	C04	$ 1,654,735	$ -	$ -	$ -	$ -
Customer Accounts Expense								
Customer	INTLTD	INCAE	C05	$ -	$ -	$ -	$ -	$ -
Customer Service & Info.								
Customer	INTLTD	INCSI	C05	$ -	$ -	$ -	$ -	$ -
Sales Expense								
Customer	INTLTD	INSEC	C06	$ -	$ -	$ -	$ -	$ -
Total		INTT		$ 62,185,554	$ 32,240,169	$ 7,241,147	$ 561,175	$ 7,138,109

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Interest Expenses									
Power Production Plant									
Production Demand - Base	INTLTD	INTPDB	PPBDA	$	1,450,198	$	924,002	$	821,930
Production Demand - Winter Peak	INTLTD	INTPDI	PPWDA		1,519,174		967,951		861,024
Production Demand - Summer Peak	INTLTD	INTPDP	PPSDA		1,248,756		795,652		707,759
Production Energy	INTLTD	INTPEB	E01		-		-		-
Production Energy - Not Used	INTLTD	INTPEI	E01		-		-		-
Production Energy - Not Used	INTLTD	INTPEP	E01		-		-		-
Total Power Production Plant		INTPT		$	4,218,127	$	2,687,606	$	2,390,713
Transmission Plant									
Transmission Demand	INTLTD	INTTRB	NCPT	$	794,874	$	471,955	$	488,859
Distribution Poles									
Specific	INTLTD	INTDPS	NCPP	$	-	$	-	$	-
Distribution Substation									
General	INTLTD	INTDSG	NCPP	$	298,867	$	177,451	$	-
Distribution Primary & Secondary Lines									
Primary Specific	INTLTD	INDPLS	NCPP	$	-	$	-	$	-
Primary Demand	INTLTD	INDPLD	NCPP		511,092		303,460		-
Primary Customer	INTLTD	INDPLC	Cust08		1,568		4,102		-
Secondary Demand	INTLTD	INDSLD	SICD		-		-		-
Secondary Customer	INTLTD	INDSLC	Cust07		-		-		-
Total Distribution Primary & Secondary Lines		INDLT		$	512,661	$	307,562	$	-
Distribution Line Transformers									
Demand	INTLTD	INDLTD	SICDT	$	-	$	92,114	$	-
Customer	INTLTD	INDLTC	Cust09		-		685		-
Total Distribution Line Transformers		INDLTT		$	-	$	92,799	$	-
Distribution Services									
Customer	INTLTD	INDSC	C02	$	-	$	2,187	$	-
Distribution Meters									
Customer	INTLTD	INDMC	C03	$	7,575	$	3,522	$	6,197
Distribution Street & Customer Lighting									
Customer	INTLTD	INDSCL	C04	$	-	$	-	$	-
Customer Accounts Expense									
Customer	INTLTD	INCAE	C05	$	-	$	-	$	-
Customer Service & Info.									
Customer	INTLTD	INCSI	C05	$	-	$	-	$	-
Sales Expense									
Customer	INTLTD	INSEC	C06	$	-	$	-	$	-
Total		INTT		$	5,832,104	$	3,743,082	$	2,885,769

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1		Special Contract Customer #2		Street Lighting Rate RLS, LS, DSK		Street Lighting Rate LE		Traffic Street Lighting Rate TLE
Interest Expenses													
Power Production Plant													
Production Demand - Base	INTLTD	INTPDB	PPBDA	$	93,946	$	40,584	$	2,897	$	94	$	1,829
Production Demand - Winter Peak	INTLTD	INTPDI	PPWDA		98,415		42,515		3,035		98		1,916
Production Demand - Summer Peak	INTLTD	INTPDP	PPSDA		80,897		34,947		2,494		81		1,575
Production Energy	INTLTD	INTPEB	E01		-		-		-		-		-
Production Energy - Not Used	INTLTD	INTPEI	E01		-		-		-		-		-
Production Energy - Not Used	INTLTD	INTPEP	E01		-		-		-		-		-
Total Power Production Plant		INTPT		$	273,258	$	118,046	$	8,426	$	273	$	5,320
Transmission Plant													
Transmission Demand	INTLTD	INTTRB	NCPT	$	49,279	$	25,793	$	50,812	$	1,625	$	740
Distribution Poles													
Specific	INTLTD	INTDPS	NCPP	$	-	$	-	$	-	$	-	$	-
Distribution Substation													
General	INTLTD	INTDSG	NCPP	$	18,529	$	9,698	$	19,105	$	611	$	278
Distribution Primary & Secondary Lines													
Primary Specific	INTLTD	INDPLS	NCPP	$	-	$	-	$	-	$	-	$	-
Primary Demand	INTLTD	INDPLD	NCPP		31,686		16,585		32,671		1,045		476
Primary Customer	INTLTD	INDPLC	Cust08		15		15		142,693		272		1,495
Secondary Demand	INTLTD	INDSLD	SICD		-		-		7,482		239		109
Secondary Customer	INTLTD	INDSLC	Cust07		-		-		37,752		72		395
Total Distribution Primary & Secondary Lines		INDLT		$	31,701	$	16,600	$	220,598	$	1,629	$	2,475
Distribution Line Transformers													
Demand	INTLTD	INDLTD	SICDT	$	-	$	-	$	8,550	$	273	$	125
Customer	INTLTD	INDLTC	Cust09		-		-		23,839		46		250
Total Distribution Line Transformers		INDLTT		$	-	$	-	$	32,390	$	319	$	374
Distribution Services													
Customer	INTLTD	INDSC	C02	$	-	$	-	$	-	$	-	$	-
Distribution Meters													
Customer	INTLTD	INDMC	C03	$	72	$	72	$	-	$	192	$	1,051
Distribution Street & Customer Lighting													
Customer	INTLTD	INDSCL	C04	$	-	$	-	$	1,654,735	$	-	$	-
Customer Accounts Expense													
Customer	INTLTD	INCAE	C05	$	-	$	-	$	-	$	-	$	-
Customer Service & Info.													
Customer	INTLTD	INCSI	C05	$	-	$	-	$	-	$	-	$	-
Sales Expense													
Customer	INTLTD	INSEC	C06	$	-	$	-	$	-	$	-	$	-
Total		INTT		$	372,838	$	170,209	$	1,986,065	$	4,648	$	10,238

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Cost of Service Summary -- Unadjusted								
Operating Revenues								
Sales to Ultimate Consumers		REVUC	R01	$ 965,204,065	$ 379,200,073	$ 135,825,835	$ 11,517,853	$ 151,571,212
Sales for Resale			Energy	42,971,045	15,545,980	5,051,887	601,688	6,971,340
Curtailable Service Rider		CSR	INTCRE	(4,334,522)	(1,955,263)	(494,015)	(49,980)	(632,863)
Forfeited Discounts		FORDIS	FDIS	2,623,527	2,068,557	375,660	4,867	83,927
Misc Service Revenues		REVMISC	MISCR	3,775,989	3,513,478	227,290	848	33,247
Rent From Electric Property			RBT	3,785,840	1,949,894	441,572	34,583	438,415
Other Electric Revenue			RBT	11,598,968	5,974,039	1,352,877	105,955	1,343,205
Unbilled Revenue		UNBREV	R01	-	-	-	-	-
Total Operating Revenues		TOR		$ 1,025,624,912	$ 406,296,758	$ 142,781,106	$ 12,215,815	$ 159,808,482
Operating Expenses								
Operation and Maintenance Expenses				$ 685,621,903	$ 293,489,808	$ 83,910,875	$ 8,319,397	$ 97,709,047
Depreciation Expenses				138,842,527	71,674,242	16,120,550	1,265,472	16,123,530
Regulatory Credits				-	-	-	-	-
Accretion Expense				-	-	-	-	-
Depreciation for Asset Retirement Costs			DET	-	-	-	-	-
Amortization Expense			DET	-	-	-	-	-
Property and Other Taxes			NPT	32,529,209	16,864,804	3,787,838	293,550	3,733,939
Amortization of Investment Tax Credit				(1,002,535)	(519,765)	(116,739)	(9,047)	(115,078)
Other Expenses				-	-	-	-	-
State and Federal Income Taxes			TAXINC	48,157,086	(3,340,126)	14,269,176	800,137	15,784,726
Total Operating Expenses		TOE		$ 904,148,189	$ 378,168,963	$ 117,971,700	$ 10,669,508	$ 133,236,164
Utility Operating Income		TOM		$ 121,476,723	$ 28,127,795	$ 24,809,406	$ 1,546,306	$ 26,572,318
Net Cost Rate Base				$ 2,380,933,927	$ 1,226,298,141	$ 277,706,597	$ 21,749,593	$ 275,721,267

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Cost of Service Summary -- Unadjusted						
Operating Revenues						
Sales to Ultimate Consumers		REVUC	R01	$ 116,918,595	$ 77,629,237	$ 64,284,636
Sales for Resale			Energy	6,729,278	2,959,628	4,097,615
Curtailable Service Rider		CSR	INTCRE	(522,779)	(333,092)	(296,296)
Forfeited Discounts		FORDIS	FDIS	29,247	50,540	10,395
Misc Service Revenues		REVMISC	MISCR	100	262	12
Rent From Electric Property			RBT	360,105	228,517	179,808
Other Electric Revenue			RBT	1,103,281	700,126	550,893
Unbilled Revenue		UNBREV	R01	-	-	-
Total Operating Revenues		TOR		$ 124,617,828	$ 81,235,219	$ 68,827,063
Operating Expenses						
Operation and Maintenance Expenses				$ 90,477,956	$ 43,331,985	$ 52,826,337
Depreciation Expenses				13,152,589	8,451,740	6,535,570
Regulatory Credits				-	-	-
Accretion Expense				-	-	-
Depreciation for Asset Retirement Costs			DET	-	-	-
Amortization Expense			DET	-	-	-
Property and Other Taxes			NPT	3,050,768	1,958,003	1,509,543
Amortization of Investment Tax Credit				(94,023)	(60,345)	(46,523)
Other Expenses				-	-	-
State and Federal Income Taxes			TAXINC	5,467,199	10,671,709	2,293,097
Total Operating Expenses		TOE		$ 112,054,490	$ 64,353,092	$ 63,118,025
Utility Operating Income		TOM		$ 12,563,338	$ 16,882,127	$ 5,709,039
Net Cost Rate Base				$ 226,471,826	$ 143,715,707	$ 113,082,427

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1		Special Contract Customer #2		Street Lighting Rate RLS, LS, DSK		Street Lighting Rate LE		Traffic Street Lighting Rate TLE
Cost of Service Summary -- Unadjusted													
Operating Revenues													
Sales to Ultimate Consumers		REVUC	R01	$	6,341,748	$	3,292,762	$	18,141,167	$	210,819	$	270,128
Sales for Resale			Energy		399,948		211,291		378,490		12,337		11,561
Curtailable Service Rider		CSR	INTCRE		(33,867)		(14,630)		(1,044)		(34)		(659)
Forfeited Discounts		FORDIS	FDIS		-		-		334		-		-
Misc Service Revenues		REVMISC	MISCR		-		-		751		-		-
Rent From Electric Property			RBT		22,959		10,539		118,510		302		636
Other Electric Revenue			RBT		70,340		32,289		363,087		925		1,950
Unbilled Revenue		UNBREV	R01		-		-		-		-		-
Total Operating Revenues		TOR		$	6,801,129	$	3,532,251	$	19,001,296	$	224,350	$	283,616
Operating Expenses													
Operation and Maintenance Expenses				$	5,435,235	$	2,798,128	$	6,980,744	$	154,703	$	187,687
Depreciation Expenses					842,162		381,815		4,262,499		9,459		22,899
Regulatory Credits					-		-		-		-		-
Accretion Expense					-		-		-		-		-
Depreciation for Asset Retirement Costs			DET		-		-		-		-		-
Amortization Expense			DET		-		-		-		-		-
Property and Other Taxes			NPT		195,031		89,036		1,038,909		2,431		5,356
Amortization of Investment Tax Credit					(6,011)		(2,744)		(32,019)		(75)		(165)
Other Expenses					-		-		-		-		-
State and Federal Income Taxes			TAXINC		(17,088)		42,939		2,135,663		23,836		25,817
Total Operating Expenses		TOE		$	6,449,329	$	3,309,175	$	14,385,796	$	190,355	$	241,593
Utility Operating Income		TOM		$	351,799	$	223,076	$	4,615,500	$	33,995	$	42,024
Net Cost Rate Base				$	14,438,869	$	6,627,986	$	74,531,365	$	189,912	$	400,237

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Taxable Income Unadjusted								
Total Operating Revenue				$ 1,025,624,912	$ 406,296,758	$ 142,781,106	$ 12,215,815	$ 159,808,482
Operating Expenses				$ 855,991,103	$ 381,509,089	$ 103,702,524	$ 9,869,371	$ 117,451,438
Interest Expense		INTEXP		$ 62,185,554	$ 32,240,169	$ 7,241,147	$ 561,175	$ 7,138,109
Taxable Income		TAXINC		$ 107,448,255	$ (7,452,500)	$ 31,837,435	$ 1,785,269	$ 35,218,935

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Taxable Income Unadjusted						
Total Operating Revenue				$ 124,617,828	$ 81,235,219	$ 68,827,063
Operating Expenses				$ 106,587,290	$ 53,681,383	$ 60,824,927
Interest Expense		INTEXP		$ 5,832,104	$ 3,743,082	$ 2,885,769
Taxable Income		TAXINC		$ 12,198,434	$ 23,810,754	$ 5,116,367

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Taxable Income Unadjusted								
Total Operating Revenue				$ 6,801,129	$ 3,532,251	$ 19,001,296	$ 224,350	$ 283,616
Operating Expenses				$ 6,466,417	$ 3,266,235	$ 12,250,133	$ 166,519	$ 215,776
Interest Expense		INTEXP		$ 372,838	$ 170,209	$ 1,986,065	$ 4,648	$ 10,238
Taxable Income		TAXINC		$ (38,127)	$ 95,806	$ 4,765,098	$ 53,183	$ 57,602

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Cost of Service Summary -- Pro-Forma								
Operating Revenues								
Total Operating Revenue -- Actual				$ 1,025,624,912	$ 406,296,758	$ 142,781,106	$ 12,215,815	$ 159,808,482
Pro-Forma Adjustments:								
Remove Off-System ECR revenues			ECRREV	(8,423,260)	(3,297,837)	(1,848,542)	(80,619)	(1,002,890)
Customer Account Changes				-				
Total Pro-Forma Operating Revenue				$ 1,017,201,652	$ 402,998,922	$ 140,932,564	$ 12,135,196	$ 158,805,592
Operating Expenses								
Operation and Maintenance Expenses				$ 685,621,903	$ 293,489,808	$ 83,910,875	$ 8,319,397	$ 97,709,047
Depreciation and Amortization Expenses				138,842,527	71,674,242	16,120,550	1,265,472	16,123,530
Property and Other Taxes			NPT	32,529,209	16,864,804	3,787,838	293,550	3,733,939
Amortization of Investment Tax Credit				(1,002,535)	(519,765)	(116,739)	(9,047)	(115,078)
State and Federal Income Taxes			TAXINC	48,157,086	(3,340,126)	14,269,176	800,137	15,784,726
Specific Assignment of Interruptible Credit				-	-	-	-	-
Allocation of Interruptible Credits			INTCRE	-	-	-	-	-
Adjustments to Operating Expenses:								
Eliminate advertising expenses			REVUC	(984,863)	(386,924)	(138,592)	(11,752)	(154,658)
Federal & State Income Tax Adjustment			TAXINC	(3,074,551)	213,248	(911,004)	(51,084)	(1,007,763)
Federal & State Income Tax Interest Adjustment			TAXINC	-	-	-	-	-
Total Expense Adjustments				(4,059,414)	(173,676)	(1,049,597)	(62,837)	(1,162,422)
Total Operating Expenses		TOE		$ 900,088,775	$ 377,995,288	$ 116,922,103	$ 10,606,672	$ 132,073,742
Net Operating Income -- Pro-Forma				$ 117,112,877	$ 25,003,634	$ 24,010,460	$ 1,528,524	$ 26,731,850
Cost of Service Summary -- Pro-Forma								
Net Operating Income -- Pro-Forma				$ 117,112,877	$ 25,003,634	$ 24,010,460	$ 1,528,524	$ 26,731,850
Net Cost Rate Base				$ 2,380,933,927	$ 1,226,298,141	$ 277,706,597	$ 21,749,593	$ 275,721,267
ECR Plan Eliminations			PLPPT	-	-	-	-	-
Adjustment to Reflect Depreciation Reserve			DET	-	-	-	-	-
Cash Working Capital			OMLF	-	-	-	-	-
Adjusted Net Cost Rate Base				$ 2,380,933,927	$ 1,226,298,141	$ 277,706,597	$ 21,749,593	$ 275,721,267
Rate of Return				**4.92%**	**2.04%**	**8.65%**	**7.03%**	**9.70%**

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Cost of Service Summary -- Pro-Forma						
Operating Revenues						
Total Operating Revenue -- Actual				$ 124,617,828	$ 81,235,219	$ 68,827,063
Pro-Forma Adjustments:						
Remove Off-System ECR revenues			ECRREV	(833,194)	(537,754)	(461,699)
Customer Account Changes					-	
Total Pro-Forma Operating Revenue				$ 123,784,634	$ 80,697,466	$ 68,365,364
Operating Expenses						
Operation and Maintenance Expenses				$ 90,477,956	$ 43,331,985	$ 52,826,337
Depreciation and Amortization Expenses				13,152,589	8,451,740	6,535,570
Property and Other Taxes			NPT	3,050,768	1,958,003	1,509,543
Amortization of Investment Tax Credit				(94,023)	(60,345)	(46,523)
State and Federal Income Taxes			TAXINC	5,467,199	10,671,709	2,293,097
Specific Assignment of Interruptible Credit				-	-	-
Allocation of Interruptible Credits			INTCRE	-	-	-
Adjustments to Operating Expenses:						
Eliminate advertising expenses			REVUC	(119,300)	(79,210)	(65,594)
Federal & State Income Tax Adjustment			TAXINC	(349,049)	(681,327)	(146,401)
Federal & State Income Tax Interest Adjustment			TAXINC	-	-	-
Total Expense Adjustments				(468,349)	(760,537)	(211,995)
Total Operating Expenses		TOE		$ 111,586,141	$ 63,592,555	$ 62,906,030
Net Operating Income -- Pro-Forma				$ 12,198,494	$ 17,104,911	$ 5,459,334
Cost of Service Summary -- Pro-Forma						
Net Operating Income -- Pro-Forma				$ 12,198,494	$ 17,104,911	$ 5,459,334
Net Cost Rate Base				$ 226,471,826	$ 143,715,707	$ 113,082,427
ECR Plan Eliminations			PLPPT	-	-	-
Adjustment to Reflect Depreciation Reserve			DET	-	-	-
Cash Working Capital			OMLF	-	-	-
Adjusted Net Cost Rate Base				$ 226,471,826	$ 143,715,707	$ 113,082,427
Rate of Return				**5.39%**	**11.90%**	**4.83%**

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Cost of Service Summary -- Pro-Forma								
Operating Revenues								
Total Operating Revenue -- Actual				$ 6,801,129	$ 3,532,251	$ 19,001,296	$ 224,350	$ 283,616
Pro-Forma Adjustments:								
Remove Off-System ECR revenues			ECRREV	(42,712)	(23,117)	(290,133)	(2,399)	(2,365)
Customer Account Changes				-				
Total Pro-Forma Operating Revenue				$ 6,758,416	$ 3,509,134	$ 18,711,163	$ 221,951	$ 281,252
Operating Expenses								
Operation and Maintenance Expenses				$ 5,435,235	$ 2,798,128	$ 6,980,744	$ 154,703	$ 187,687
Depreciation and Amortization Expenses				842,162	381,815	4,262,499	9,459	22,899
Property and Other Taxes			NPT	195,031	89,036	1,038,909	2,431	5,356
Amortization of Investment Tax Credit				(6,011)	(2,744)	(32,019)	(75)	(165)
State and Federal Income Taxes			TAXINC	(17,088)	42,939	2,135,663	23,836	25,817
Specific Assignment of Interruptible Credit				-	-	-	-	-
Allocation of Interruptible Credits			INTCRE	-	-	-	-	-
Adjustments to Operating Expenses:								
Eliminate advertising expenses			REVUC	(6,471)	(3,360)	(18,511)	(215)	(276)
Federal & State Income Tax Adjustment			TAXINC	1,091	(2,741)	(136,350)	(1,522)	(1,648)
Federal & State Income Tax Interest Adjustment			TAXINC	-	-	-	-	-
Total Expense Adjustments				(5,380)	(6,101)	(154,860)	(1,737)	(1,924)
Total Operating Expenses		TOE		$ 6,443,949	$ 3,303,073	$ 14,230,935	$ 188,618	$ 239,669
Net Operating Income -- Pro-Forma				$ 314,467	$ 206,060	$ 4,480,227	$ 33,333	$ 41,583
Cost of Service Summary -- Pro-Forma								
Net Operating Income -- Pro-Forma				$ 314,467	$ 206,060	$ 4,480,227	$ 33,333	$ 41,583
Net Cost Rate Base				$ 14,438,869	$ 6,627,986	$ 74,531,365	$ 189,912	$ 400,237
ECR Plan Eliminations			PLPPT	-	-	-	-	-
Adjustment to Reflect Depreciation Reserve			DET	-	-	-	-	-
Cash Working Capital			OMLF	-	-	-	-	-
Adjusted Net Cost Rate Base				$ 14,438,869	$ 6,627,986	$ 74,531,365	$ 189,912	$ 400,237
Rate of Return				**2.18%**	**3.11%**	**6.01%**	**17.55%**	**10.39%**

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Taxable Income Pro-Forma								
Total Operating Revenue				$ 1,017,201,652	$ 402,998,922	$ 140,932,564	$ 12,135,196	$ 158,805,592
Operating Expenses				$ 851,931,689	$ 381,335,414	$ 102,652,927	$ 9,806,535	$ 116,289,016
Interest Expense		INTEXP		$ 62,185,554	$ 32,240,169	$ 7,241,147	$ 561,175	$ 7,138,109
Interest Syncronization Adjustment			INTEXP	$ 7,354,012	$ 3,812,696	$ 856,332	$ 66,364	$ 844,147
Taxable Income		TXINCPF		$ 95,730,397	$ (14,389,357)	$ 30,182,157	$ 1,701,123	$ 34,534,320

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Taxable Income Pro-Forma						
Total Operating Revenue				$ 123,784,634	$ 80,697,466	$ 68,365,364
Operating Expenses				$ 106,118,941	$ 52,920,846	$ 60,612,932
Interest Expense		INTEXP		$ 5,832,104	$ 3,743,082	$ 2,885,769
Interest Syncronization Adjustment			INTEXP	$ 689,700	$ 442,654	$ 341,269
Taxable Income		TXINCPF		$ 11,143,889	$ 23,590,884	$ 4,525,394

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Taxable Income Pro-Forma								
Total Operating Revenue				$ 6,758,416	$ 3,509,134	$ 18,711,163	$ 221,951	$ 281,252
Operating Expenses				$ 6,461,037	$ 3,260,134	$ 12,095,273	$ 164,782	$ 213,852
Interest Expense		INTEXP		$ 372,838	$ 170,209	$ 1,986,065	$ 4,648	$ 10,238
Interest Syncronization Adjustment			INTEXP	$ 44,092	$ 20,129	$ 234,870	$ 550	$ 1,211
Taxable Income		TXINCPF		$ (119,551)	$ 58,662	$ 4,394,955	$ 51,971	$ 55,950

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Cost of Service Summary -- Pro-Forma (Adjusted for Proposed Increase)									
Operating Revenues									
Total Operating Revenue -- Actual					$ 1,017,201,652	$ 402,998,922	$ 140,932,564	$ 12,135,196	$ 158,805,592
Pro-Forma Adjustments:									
Proposed Increase					$ 91,719,847	$ 42,131,735	$ 12,180,705	$ 1,034,517	$ 11,631,167
Proposed Reduction in CSR Credit			INTCRE		$ 1,920,271	$ 866,217	$ 218,857	$ 22,142	$ 280,370
Proposed Changes to Miscellaneous Charges			MISCR		$ (22,391)	$ (20,834)	$ (1,348)	$ (5)	$ (197)
Total Pro-Forma Operating Revenue					$ 1,110,819,379	$ 445,976,039	$ 153,330,778	$ 13,191,850	$ 170,716,931
				9.20%					
Operating Expenses									
Total Operating Expenses					$ 904,148,189	$ 378,168,963	$ 117,971,700	$ 10,669,508	$ 133,236,164
Total Pro-Forma Adjustments					(4,059,414)	(173,676)	(1,049,597)	(62,837)	(1,162,422)
Reflect Increase in Uncollectibles Expense			Cust01		211,583	$ 154,044	$ 19,139	$ 30	$ 1,195
Reflect Increase in PSC Fees			R01		181,718	$ 71,392	$ 25,572	$ 2,168	$ 28,536
Incremental Income Taxes					36,172,979	16,605,940	4,790,550	408,281	4,602,426
Total Pro-forma Operating Expenses					$ 936,655,055	$ 394,826,664	$ 121,757,363	$ 11,017,152	$ 136,705,899
Net Operating Income -- Pro-Forma					$ 174,164,325	$ 51,149,375	$ 31,573,415	$ 2,174,698	$ 34,011,033
Net Cost Rate Base					$ 2,380,933,927	$ 1,226,298,141	$ 277,706,597	$ 21,749,593	$ 275,721,267
Rate of Return					**7.31%**	**4.17%**	**11.37%**	**10.00%**	**12.34%**

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Cost of Service Summary -- Pro-Forma (Adjusted for Proposed Increase)							
Operating Revenues							
Total Operating Revenue -- Actual				$	123,784,634	$ 80,697,466	$ 68,365,364
Pro-Forma Adjustments:							
Proposed Increase				$	10,385,231	$ 5,698,088	$ 5,824,465
Proposed Reduction in CSR Credit			INTCRE	$	231,600	$ 147,566	$ 131,264
Proposed Changes to Miscellaneous Charges			MISCR	$	(1)	$ (2)	$ (0)
Total Pro-Forma Operating Revenue				$	134,401,465	$ 86,543,118	$ 74,321,094
				9.20%			
Operating Expenses							
Total Operating Expenses				$	112,054,490	$ 64,353,092	$ 63,118,025
Total Pro-Forma Adjustments					(468,349)	(760,537)	(211,995)
Reflect Increase in Uncollectibles Expense			Cust01	$	45	$ 117	$ 5
Reflect Increase in PSC Fees			R01	$	22,012	$ 14,615	$ 12,103
Incremental Income Taxes					4,102,240	2,258,703	2,301,236
Total Pro-forma Operating Expenses				$	115,710,438	$ 65,865,990	$ 65,219,374
Net Operating Income -- Pro-Forma				$	18,691,028	$ 20,677,128	$ 9,101,720
Net Cost Rate Base				$	226,471,826	$ 143,715,707	$ 113,082,427
Rate of Return					**8.25%**	**14.39%**	**8.05%**

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
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LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Cost of Service Summary -- Pro-Forma (Adjusted for Proposed Increase)									
Operating Revenues									
Total Operating Revenue -- Actual				$	6,758,416	$ 3,509,134	$ 18,711,163	$ 221,951	$ 281,252
Pro-Forma Adjustments:									
Proposed Increase				$	604,641	$ 288,490	$ 1,920,228	$ -	$ 20,580
Proposed Reduction in CSR Credit			INTCRE	$	15,003	$ 6,481	$ 463	$ 15	$ 292
Proposed Changes to Miscellaneous Charges			MISCR	$	-	$ -	$ (4)	$ -	$ -
Total Pro-Forma Operating Revenue				$	7,378,061	$ 3,804,105	$ 20,631,849	$ 221,966	$ 302,124
				9.20%					
Operating Expenses									
Total Operating Expenses				$	6,449,329	$ 3,309,175	$ 14,385,796	$ 190,355	$ 241,593
Total Pro-Forma Adjustments					(5,380)	(6,101)	(154,860)	(1,737)	(1,924)
Reflect Increase in Uncollectibles Expense			Cust01	$	0	$ 0	$ 36,554	$ 70	$ 383
Reflect Increase in PSC Fees			R01	$	1,194	$ 620	$ 3,415	$ 40	$ 51
Incremental Income Taxes					239,425	113,974	742,134	6	8,065
Total Pro-forma Operating Expenses				$	6,684,568	$ 3,417,668	$ 15,013,040	$ 188,733	$ 248,168
Net Operating Income -- Pro-Forma				$	693,492	$ 386,437	$ 5,618,809	$ 33,233	$ 53,956
Net Cost Rate Base				$	14,438,869	$ 6,627,986	$ 74,531,365	$ 189,912	$ 400,237
Rate of Return					**4.80%**	**5.83%**	**7.54%**	**17.50%**	**13.48%**

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Allocation Factors								
Energy Allocation Factors								
Energy Usage by Class		E01	Energy	1.000000	0.361778	0.117565	0.014002	0.162233
Customer Allocation Factors								
Primary Distribution Plant -- Average Number of Customers		C01	Cust08	1.000000	0.86211	0.10711	0.00017	0.00669
Customer Services -- Weighted cost of Services		C02		1.000000	0.76862	0.19344	-	0.03375
Meter Costs -- Weighted Cost of Meters		C03		1.000000	0.69992	0.20578	0.00801	0.05536
Lighting Systems -- Lighting Customers		C04	Cust04	1.000000	-	-	-	-
Meter Reading and Billing -- Weighted Cost		C05	Cust05	1.000000	0.74512	0.18515	0.00074	0.02890
Marketing/Economic Development		C06	Cust06	1.000000	0.86209	0.10711	0.00017	0.00669
Revenue per Billing Determinants		R01		965,204,065	379,200,073	135,825,835	11,517,853	151,571,212
Energy				11,646,473,901	4,180,088,831	1,358,379,221	165,297,553	1,874,492,273
Energy (Loss Adjusted)		Energy		12,308,166,695	4,452,824,321	1,447,008,491	172,341,135	1,996,796,030
O&M Customer Allocators								
Customers (Monthly Bills)				6,001,330	4,369,310	542,844	864	33,890
Average Customers (Bills/12)				500,111	364,109	45,237	72	2,824
Average Customers (Lighting = Lights)				500,111	364,109	45,237	72	2,824
Weighted Average Customers (Lighting = 9 Lights per Custor		Cust05		488,656	364,109	90,474	360	14,121
Street Lighting		Cust04		86,402				
Average Customers		Cust01		500,111	364,109	45,237	72	2,824
Average Customers (Lighting = 9 Lights per Cust)		Cust06		422,358	364,109	45,237	72	2,824
Average Secondary Customers		Cust07		419,065	364,109	45,237	-	-
Average Primary Customers		Cust08		422,345	364,109	45,237	72	2,824
Average Transformer Customers		Cust09		422,165	364,109	45,237		2,824
Plant Customer Allocators								
Average Customers				500,111	364,109	45,237	72	2,824
Average Customers (Lighting = 10 Lights)				422,349	364,109	45,237	72	2,824
Weighted Average Customers				487,696	364,109	90,474	360	14,121
Street Lighting (plant in service balance)				99,670,958				
Average Customers				500,111	364,109	45,237	72	2,824
Average Customers (Lighting = 10 Lights per Cust)				421,398	364,109	45,237	72	2,824
Average Secondary Customers				421,205	364,109	45,237	-	2,824
Average Primary Customers				421,385	364,109	45,237	72	2,824
Average Transformer Customers				422,165	364,109	45,237	-	2,824
Demand Allocators								
Max Class Non-Coincident Peak Demands (Transmission)		NCPT		3,508,847	1,559,289	448,837	39,880	462,867
Max Class Non-Coincident Peak Demands (Primary)		NCPP		3,249,885	1,559,289	448,837	39,880	462,867
Sum of the Individual Customer Demands (Transformers)		SICDT		4,718,835	3,273,932	599,115	-	527,645
Sum of the Individual Customer Demands (Secondary)		SICD		3,901,216	3,273,932	599,115	-	-
Summer Peak Period Demand Allocator		SCP		34,305	15,475	3,910	396	5,009
Winter Peak Period Demand Allocator		WCP		34,305	15,475	3,910	396	5,009
Base Demand Allocator		BDEM		34,305	15,475	3,910	396	5,009

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Allocation Factors						
Energy Allocation Factors						
Energy Usage by Class		E01	Energy	0.156600	0.068875	0.095358
Customer Allocation Factors						
Primary Distribution Plant -- Average Number of Customers		C01	Cust08	0.00025	0.00065	-
Customer Services -- Weighted cost of Services		C02		-	0.00420	-
Meter Costs -- Weighted Cost of Meters		C03		0.01254	0.00583	0.01026
Lighting Systems -- Lighting Customers		C04	Cust04	-	-	-
Meter Reading and Billing -- Weighted Cost		C05	Cust05	0.00540	0.01412	0.00067
Marketing/Economic Development		C06	Cust06	0.00025	0.00065	0.00003
Revenue per Billing Determinants		R01		116,918,595	77,629,237	64,284,636
Energy				1,848,687,110	795,801,135	1,147,609,709
Energy (Loss Adjusted)		Energy		1,927,462,502	847,724,245	1,173,677,077
O&M Customer Allocators						
Customers (Monthly Bills)				1,266	3,312	156
Average Customers (Bills/12)				106	276	13
Average Customers (Lighting = Lights)				106	276	13
Weighted Average Customers (Lighting = 9 Lights per Custor		Cust05		2,638	6,900	325
Street Lighting		Cust04		-	-	-
Average Customers		Cust01		106	276	13
Average Customers (Lighting = 9 Lights per Cust)		Cust06		106	276	13
Average Secondary Customers		Cust07		-	-	-
Average Primary Customers		Cust08		106	276	-
Average Transformer Customers		Cust09			276	
Plant Customer Allocators						
Average Customers				106	276	13
Average Customers (Lighting = 10 Lights)				106	276	13
Weighted Average Customers				2,638	6,900	325
Street Lighting (plant in service balance)				-	-	-
Average Customers				106	276	13
Average Customers (Lighting = 10 Lights per Cust)				106	276	13
Average Secondary Customers				-	276	-
Average Primary Customers				106	276	-
Average Transformer Customers				-	276	-
Demand Allocators						
Max Class Non-Coincident Peak Demands (Transmission)		NCPT		421,067	250,008	258,962
Max Class Non-Coincident Peak Demands (Primary)		NCPP		421,067	250,008	-
Sum of the Individual Customer Demands (Transformers)		SICDT		-	289,975	-
Sum of the Individual Customer Demands (Secondary)		SICD		-	-	-
Summer Peak Period Demand Allocator		SCP		4,137	2,636	2,345
Winter Peak Period Demand Allocator		WCP		4,137	2,636	2,345
Base Demand Allocator		BDEM		4,137	2,636	2,345

LOUISVILLE GAS AND ELECTRIC COMPANY
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LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Allocation Factors								
Energy Allocation Factors								
Energy Usage by Class		E01	Energy	0.009307	0.004917	0.008808	0.000287	0.000269
Customer Allocation Factors								
Primary Distribution Plant -- Average Number of Customers		C01	Cust08	0.00000	0.00000	0.02273	0.00004	0.00024
Customer Services -- Weighted cost of Services		C02		-	-	-	-	-
Meter Costs -- Weighted Cost of Meters		C03		0.00012	0.00012	-	0.00032	0.00174
Lighting Systems -- Lighting Customers		C04	Cust04	-	-	1.00000	-	-
Meter Reading and Billing -- Weighted Cost		C05	Cust05	0.00001	0.00001	0.01965	0.00004	0.00021
Marketing/Economic Development		C06	Cust06	0.00000	0.00000	0.02273	0.00004	0.00024
Revenue per Billing Determinants		R01		6,341,748	3,292,762	18,141,167	210,819	270,128
Energy				109,874,900	58,046,500	101,770,582	3,317,374	3,108,713
Energy (Loss Adjusted)		Energy		114,556,838	60,519,950	108,410,740	3,533,821	3,311,545
O&M Customer Allocators								
Customers (Monthly Bills)				12	12	1,036,824	1,980	10,860
Average Customers (Bills/12)				1	1	86,402	165	905
Average Customers (Lighting = Lights)				1	1	86,402	165	905
Weighted Average Customers (Lighting = 9 Lights per Custor		Cust05		5	5	9,600	18	101
Street Lighting		Cust04		-	-	86,402		
Average Customers		Cust01		1	1	86,402	165	905
Average Customers (Lighting = 9 Lights per Cust)		Cust06		1	1	9,600	18	101
Average Secondary Customers		Cust07		-	-	9,600	18	101
Average Primary Customers		Cust08		1	1	9,600	18	101
Average Transformer Customers		Cust09				9,600	18	101
Plant Customer Allocators								
Average Customers				1	1	86,402	165	905
Average Customers (Lighting = 10 Lights)				1	1	8,640	165	905
Weighted Average Customers				5	5	8,640	18	101
Street Lighting (plant in service balance)				-	-	99,670,958	-	-
Average Customers				1	1	86,402	165	905
Average Customers (Lighting = 10 Lights per Cust)				1	1	8,640	18	101
Average Secondary Customers				-	-	8,640	18	101
Average Primary Customers				1	1	8,640	18	101
Average Transformer Customers				-	-	9,600	18	101
Demand Allocators								
Max Class Non-Coincident Peak Demands (Transmission)		NCPT		26,105	13,663	26,916	861	392
Max Class Non-Coincident Peak Demands (Primary)		NCPP		26,105	13,663	26,916	861	392
Sum of the Individual Customer Demands (Transformers)		SICDT		-	-	26,916	861	392
Sum of the Individual Customer Demands (Secondary)		SICD		-	-	26,916	861	392
Summer Peak Period Demand Allocator		SCP		268	116	8	0	5
Winter Peak Period Demand Allocator		WCP		268	116	8	0	5
Base Demand Allocator		BDEM		268	116	8	0	5

LOUISVILLE GAS AND ELECTRIC COMPANY
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12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Allocation Factors (Continued)								
Production Allocation								
Production Residual Winter Demand Allocator		PPWDRA		34,305	15,475	3,910	396	5,009
Production Winter Demand Costs				$ 34,803,614				
Customer Specific Assignment				$ -		-	-	-
Production Winter Demand Residual			PPWDRA	$ 34,803,614	$ 15,699,593	$ 3,966,644	$ 401,309	$ 5,081,513
Production Winter Demand Total		PPWDT		$ 34,803,614	$ 15,699,593	$ 3,966,644	$ 401,309	$ 5,081,513
Production Winter Demand Allocator		PPWDA	PPWDT	1.000000	0.45109	0.11397	0.01153	0.14601
Production Residual Summer Demand Allocator		PPSDRA		34,305	15,475	3,910	396	5,009
Production Summer Demand Costs				$ 28,608,453				
Customer Specific Assignment				$ -		-	-	-
Production Summer Demand Residual			PPSDRA	$ 28,608,453	$ 12,905,013	$ 3,260,568	$ 329,875	$ 4,176,987
Production Summer Demand Total		PPSDT		$ 28,608,453	$ 12,905,013	$ 3,260,568	$ 329,875	$ 4,176,987
Production Summer Demand Allocator		PPSDA	PPSDT	1.000000	0.45109	0.11397	0.01153	0.14601
Production Residual Base Demand Allocator		PPBDRA		34,305	15,475	3,910	396	5,009
Production Base Demand Costs				$ 33,223,400				
Customer Specific Assignment				$ -		-	-	-
Production Base Demand Residual			PPBDRA	$ 33,223,400	$ 14,986,773	$ 3,786,544	$ 383,088	$ 4,850,793
Production Base Demand Total		PPBDT		$ 33,223,400	$ 14,986,773	$ 3,786,544	$ 383,088	$ 4,850,793
Production Base Demand Allocator		PPBDA	PPBDT	1.000000	0.45109	0.11397	0.01153	0.14601

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Rate TOD Primary		Rate TOD Secondary		Rate RTS Transmission
Allocation Factors (Continued)									
Production Allocation									
Production Residual Winter Demand Allocator		PPWDRA			4,137		2,636		2,345
Production Winter Demand Costs									
Customer Specific Assignment					-		-		-
Production Winter Demand Residual			PPWDRA	$	4,197,600	$	2,674,526	$	2,379,079
Production Winter Demand Total		PPWDT		$	4,197,600	$	2,674,526	$	2,379,079
Production Winter Demand Allocator		PPWDA	PPWDT		0.12061		0.07685		0.06836
Production Residual Summer Demand Allocator		PPSDRA			4,137		2,636		2,345
Production Summer Demand Costs									
Customer Specific Assignment					-		-		-
Production Summer Demand Residual			PPSDRA	$	3,450,413	$	2,198,452	$	1,955,595
Production Summer Demand Total		PPSDT		$	3,450,413	$	2,198,452	$	1,955,595
Production Summer Demand Allocator		PPSDA	PPSDT		0.12061		0.07685		0.06836
Production Residual Base Demand Allocator		PPBDRA			4,137		2,636		2,345
Production Base Demand Costs									
Customer Specific Assignment					-		-		-
Production Base Demand Residual			PPBDRA	$	4,007,013	$	2,553,093	$	2,271,060
Production Base Demand Total		PPBDT		$	4,007,013	$	2,553,093	$	2,271,060
Production Base Demand Allocator		PPBDA	PPBDT		0.12061		0.07685		0.06836

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Allocation Factors (Continued)								
Production Allocation								
Production Residual Winter Demand Allocator		PPWDRA		268	116	8	0	5
Production Winter Demand Costs								
Customer Specific Assignment							-	
Production Winter Demand Residual			PPWDRA	$ 271,928	$ 117,472	$ 8,385	$ 271	$ 5,294
Production Winter Demand Total		PPWDT		$ 271,928	$ 117,472	$ 8,385	$ 271	$ 5,294
Production Winter Demand Allocator		PPWDA	PPWDT	0.00781	0.00338	0.00024	0.00001	0.00015
Production Residual Summer Demand Allocator		PPSDRA		268	116	8	0	5
Production Summer Demand Costs								
Customer Specific Assignment							-	
Production Summer Demand Residual			PPSDRA	$ 223,524	$ 96,561	$ 6,892	$ 223	$ 4,351
Production Summer Demand Total		PPSDT		$ 223,524	$ 96,561	$ 6,892	$ 223	$ 4,351
Production Summer Demand Allocator		PPSDA	PPSDT	0.00781	0.00338	0.00024	0.00001	0.00015
Production Residual Base Demand Allocator		PPBDRA		268	116	8	0	5
Production Base Demand Costs								
Customer Specific Assignment							-	
Production Base Demand Residual			PPBDRA	$ 259,582	$ 112,138	$ 8,004	$ 259	$ 5,053
Production Base Demand Total		PPBDT		$ 259,582	$ 112,138	$ 8,004	$ 259	$ 5,053
Production Base Demand Allocator		PPBDA	PPBDT	0.00781	0.00338	0.00024	0.00001	0.00015

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Total System	Residential Rate RS	General Service Rate GS	Rate PS Primary	Rate PS Secondary
Allocation Factors (Continued)								
Revenue Adjustment Allocators								
Forfeited Discounts		FDIS		2,689,127	2,120,280	385,054	4,989	86,025
Misc Service Revenue Allocator		MISCR		(1,630,992)	(1,517,603)	(98,175)	(366)	(14,360)
Revenue and Expense Adjust before IT		ITADJ		$ (7,438,396)	$ (2,910,913)	$ (1,709,950)	$ (68,866)	$ (848,232)
Full Year FAC Base Rate Change		REV01		-				
Temperature Normalization - Revenue		TREV01		-				
Temperature Normalization - Expenses		TEXP01		-				
VDT Revenue		VDTREV		-				
Merger Surcredit Revenue		MSCREV		-				
ECR Revenue		ECRREV		163,886,444	64,164,081	35,966,001	1,568,548	19,512,643
ECR Revenue for Roll-In		ECRREV2		-				
DSM revenue		DSMREV		-				
Year Customers		YREND		-				
Expense Adjustment Allocators								
Interruptible Credit Allocator (Winter & Summer Peak Prod Pl		INTCRE		1,593,301,897	718,723,966	181,592,107	18,371,857	232,630,564
O&M less fuel		OMLF		220,080,914.46	125,067,305.80	29,179,591.57	1,800,809.36	22,182,738.25
Base Rate Revenue at Current Rates				965,204,065	379,200,073	135,825,835	11,517,853	151,571,212

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector	Rate TOD Primary	Rate TOD Secondary	Rate RTS Transmission
Allocation Factors (Continued)						
Revenue Adjustment Allocators						
Forfeited Discounts		FDIS		29,978	51,804	10,655
Misc Service Revenue Allocator		MISCR		(43)	(113)	(5)
Revenue and Expense Adjust before IT		ITADJ		$ (713,894)	$ (458,543)	$ (396,105)
Full Year FAC Base Rate Change		REV01				
Temperature Normalization - Revenue		TREV01				
Temperature Normalization - Expenses		TEXP01				
VDT Revenue		VDTREV				
Merger Surcredit Revenue		MSCREV				
ECR Revenue		ECRREV		16,210,961	10,462,757	8,983,013
ECR Revenue for Roll-In		ECRREV2				
DSM revenue		DSMREV				
Year Customers		YREND				
Expense Adjustment Allocators						
Interruptible Credit Allocator (Winter & Summer Peak Prod Pl		INTCRE		192,165,197	122,439,233	108,913,715
O&M less fuel		OMLF		17,574,101.44	11,267,877.41	8,433,471.75
Base Rate Revenue at Current Rates				116,918,595	77,629,237	64,284,636

LOUISVILLE GAS AND ELECTRIC COMPANY
Cost of Service Study
Class Allocation

LOLP METHODOLOGY

12 Months Ended June 30, 2018

Description	Ref	Name	Allocation Vector		Special Contract Customer #1	Special Contract Customer #2	Street Lighting Rate RLS, LS, DSK	Street Lighting Rate LE	Traffic Street Lighting Rate TLE
Allocation Factors (Continued)									
Revenue Adjustment Allocators									
Forfeited Discounts		FDIS			-	-	342	-	-
Misc Service Revenue Allocator		MISCR					(324.55000)		
Revenue and Expense Adjust before IT		ITADJ		$	(36,241) $	(19,757) $	(271,622) $	(2,184) $	(2,089)
Full Year FAC Base Rate Change		REV01							
Temperature Normalization - Revenue		TREV01							
Temperature Normalization - Expenses		TEXP01							
VDT Revenue		VDTREV							
Merger Surcredit Revenue		MSCREV							
ECR Revenue		ECRREV			831,030	449,773	5,644,950	46,675	46,012
ECR Revenue for Roll-In		ECRREV2							
DSM revenue		DSMREV							
Year Customers		YREND							
Expense Adjustment Allocators									
Interruptible Credit Allocator (Winter & Summer Peak Prod Pl		INTCRE			12,448,812	5,377,835	383,849	12,418	242,342
O&M less fuel		OMLF			1,102,266.00	509,037.16	2,880,243.53	21,040.46	62,431.73
Base Rate Revenue at Current Rates					6,341,748	3,292,762	18,141,167	210,819	270,128

Exhibit WSS-25

Gas Transmission Plant
Functional Assignment
for the Cost of Service Study

Louisville Gas and Electric Company
Transmission Plant Functional Assignment

	Units	Cost	Unit Cost	Storage Feet	Storage Cost	Non-Storage Feet	Non-Storage Cost	Total Feet
2" Transmission Mains	691	$ 24,701.87	$ 35.75	3,696	$ 8,233.96	7,392	$ 16,467.91	11,088
4" Transmission Mains	946	$ 102,001.69	$ 107.82	173,184	$ 98,113.06	6,864	$ 3,888.63	180,048
6" Transmission Mains	736	$ 82,461.90	$ 112.04	51,744	$ 74,140.06	5,808	$ 8,321.84	57,552
8" Transmission Mains	33,504	$ 295,248.74	$ 8.81	100,848	$ 200,685.09	47,520	$ 94,563.65	148,368
10" Transmission Mains	21	$ 8,240.18	$ 392.39	30,624	$ 8,100.52	528	$ 139.66	31,152
12" Transmission Mains	188,381	$ 1,219,346.68	$ 6.47	105,072	$ 249,127.30	409,200	$ 970,219.38	514,272
16" Transmission Mains	341,284	$ 12,941,616.19	$ 37.92	389,664	$ 11,144,588.97	62,832	$ 1,797,027.22	452,496
20" Transmission Mains	526,912	$ 18,412,182.76	$ 34.94	531,696	$ 15,502,565.25	99,792	$ 2,909,617.51	631,488
22" Transmission Mains	13,227	$ 136,688.95	$ 10.33	13,200	$ 136,688.95	-	$ -	13,200
24" Transmission Mains	346	$ 56,770.35	$ 164.08	1,584	$ 56,770.35	-	$ -	1,584
	1,106,048	33,279,259.31		1,401,312	$ 27,479,013.50	639,936	$ 5,800,245.81	2,041,248
Remaining Plant		12,882,840.41			$ 10,637,488.72		2,245,351.69	
		46,162,099.72			$ 38,116,502.22		$ 8,045,597.50	
					82.5710%		17.4290%	

Exhibit WSS-26

Zero Intercept
Distribution Mains

Louisville Gas and Electric Company
Zero Intercept Distribution Mains

Weighted Linear Regression Statistics

	Estimate	Standard Error	LINEST Array	
			1.301410942	7.872765172
Size Coefficient ($ per Foot)	1.3014109	0.4654748	0.465474788	2.328308126
Zero Intercept ($ per Foot)	7.8727652	2.3283081	0.74054422	6844.640716
			49.94887305	35
R-Square	74.05%		4680120150	1639718729

Plant Classification

Total All Distribution Mains		24,992,604
Zero Intercept		7.8727652
Zero Intercept Cost	$	196,760,902
Total Cost of Sample	$	328,352,990
Customer Percentage of Total		59.92%

Louisville Gas and Electric Company
Zero Intercept Distribution Mains

Type of Main	Pipe Size	Net Cost of Plant	Quantity	Avg Cost
PIPE, CAST IRON, 10	10	77,658.52	45,547	1.70501943
PIPE, CAST IRON, 12	12	66,569.39	31,107	2.14001318
PIPE, CAST IRON, 14	14	21,255.50	7,950	2.673647799
PIPE, CAST IRON, 16	16	90,103.45	28,376	3.175340076
PIPE, CAST IRON, 18	18	34,815.59	8,985	3.874856984
PIPE, CAST IRON, 24	24	464,327.77	7,681	60.45147377
PIPE, CAST IRON, 4	4	232,011.34	284,533	0.815411007
PIPE, CAST IRON, 6	6	45,197.47	44,543	1.014692993
PIPE, CAST IRON, 8	8	39,006.81	28,205	1.382975004
PIPE, PLASTIC, 2	2	84,089,680.35	6,828,366	12.31475881
PIPE, PLASTIC, 4	4	85,216,563.46	3,630,750	23.47078798
PIPE, PLASTIC, 6	6	23,716,585.31	699,120	33.92348282
PIPE, PLASTIC, 8	8	12,432,891.59	192,119	64.71453417
PIPE, STEEL, 1	1	1,820,984.47	73,839	24.66155379
PIPE, STEEL, 1 1/2	1.5	25,393.20	652	38.94662577
PIPE, STEEL, 1 1/4	1.25	11,352.19	403	28.16920596
PIPE, STEEL, 10	10	92,683.96	5,185	17.87540212
PIPE, STEEL, 12	12	13,386,182.57	515,967	25.94387348
PIPE, STEEL, 16	16	7,971,454.04	257,727	30.92983677
PIPE, STEEL, 2	2	18,281,010.16	4,264,288	4.28700176
PIPE, STEEL, 2 1/2	2.5	624.01	438	1.424680365
PIPE, STEEL, 20	20	3,658,736.02	154,201	23.72705767
PIPE, STEEL, 22	22	56,616.99	3,497	16.19016014
PIPE, STEEL, 24	24	122,746.10	871	140.9254879
PIPE, STEEL, 4	4	37,862,423.54	4,765,301	7.945442175
PIPE, STEEL, 6	6	11,104,118.37	834,492	13.30644077
PIPE, STEEL, 8	8	27,070,746.01	1,971,678	13.72980071
PIPE, WROUGHT IRON, 1 1/2	1.5	952.91	2,403	0.396550146
PIPE, WROUGHT IRON, 1 1/4	1.25	3,456.16	8,637	0.400157462
PIPE, WROUGHT IRON, 10	10	49,188.14	26,564	1.851684234
PIPE, WROUGHT IRON, 12	12	14,816.90	5,786	2.560819219
PIPE, WROUGHT IRON, 16	16	46,942.53	14,045	3.342294767
PIPE, WROUGHT IRON, 2	2	30,117.31	60,514	0.497691609
PIPE, WROUGHT IRON, 3	3	1,348.82	2,388	0.564832496
PIPE, WROUGHT IRON, 4	4	77,495.09	89,175	0.869022596
PIPE, WROUGHT IRON, 6	6	209.19	204	1.025441176
PIPE, WROUGHT IRON, 8	8	136,724.50	97,067	1.408558006

Louisville Gas and Electric Company
Zero Intercept Distribution Mains

n	y	x	est y	y*n^.5	n^.5	xn^.5
45,547	1.70502	10.00	20.887	363.88	213.42	2134.17431
31,107	2.14001	12.00	23.490	377.44	176.37	2116.4612
7,950	2.67365	14.00	26.093	238.39	89.16	1248.27882
28,376	3.17534	16.00	28.695	534.89	168.45	2695.22838
8,985	3.87486	18.00	31.298	367.29	94.79	1706.20632
7,681	60.45147	24.00	39.107	5298	87.64	2103.39155
284,533	0.81541	4.00	13.078	434.95	533.42	2133.66539
44,543	1.01469	6.00	15.681	214.15	211.05	1266.31276
28,205	1.38298	8.00	18.284	232.26	167.94	1343.54754
6,828,366	12.31476	2.00	10.476	32180	2,613.11	5226.22847
3,630,750	23.47079	4.00	13.078	44722	1,905.45	7621.81081
699,120	33.92348	6.00	15.681	28365	836.13	5016.80376
192,119	64.71453	8.00	18.284	28365	438.31	3506.51052
73,839	24.66155	1.00	9.174	6701.4	271.73	271.733325
652	38.94663	1.50	9.825	994.47	25.53	38.301436
403	28.16921	1.25	9.500	565.49	20.07	25.0935749
5,185	17.87540	10.00	20.887	1287.2	72.01	720.069441
515,967	25.94387	12.00	23.490	18636	718.31	8619.70115
257,727	30.92984	16.00	28.695	15702	507.67	8122.69118
4,264,288	4.28700	2.00	10.476	8852.7	2,065.02	4130.03051
438	1.42468	2.50	11.126	29.816	20.93	52.3211238
154,201	23.72706	20.00	33.901	9317.2	392.68	7853.68703
3,497	16.19016	22.00	36.504	957.41	59.14	1300.97963
871	140.92549	24.00	39.107	4159.1	29.51	708.305019
4,765,301	7.94544	4.00	13.078	17345	2,182.96	8731.82776
834,492	13.30644	6.00	15.681	12156	913.51	5481.03202
1,971,678	13.72980	8.00	18.284	19279	1,404.16	11233.3162
2,403	0.39655	1.50	9.825	19.439	49.02	73.5306059
8,637	0.40016	1.25	9.500	37.189	92.94	116.169327
26,564	1.85168	10.00	20.887	301.8	162.98	1629.84662
5,786	2.56082	12.00	23.490	194.79	76.07	912.789132
14,045	3.34229	16.00	28.695	396.1	118.51	1896.18564
60,514	0.49769	2.00	10.476	122.43	246.00	491.99187
2,388	0.56483	3.00	11.777	27.602	48.87	146.601501
89,175	0.86902	4.00	13.078	259.51	298.62	1194.48734
204	1.02544	6.00	15.681	14.646	14.28	85.6971411
97,067	1.40856	8.00	18.284	438.84	311.56	2492.44619

Exhibit WSS-27

Low-, Medium- and High-Pressure Distribution Mains

Louisville Gas and Electric Company
Low-, Medium-, High-Pressure Distribution
Functional Assignment

	Total Distribution Mains			High Pressure Mains			Low and Medium Pressure Mains	
Nominal Size (in inches)	Feet of Pipe	Installed Costs	Unit Costs		Feet of Pipe	Installed Costs	Feet of Pipe	Installed Costs
				Category II 1"	0			
				Category III 1"	2,059			
1	73,839	1,820,984	24.6616		2,059	50,783	71,780	1,770,201
1.25	9,040	14,808	1.6381		0	0	9,040	14,808
1.5	3,055	26,346	8.6239		0	0	3,055	26,346
				Category II 2"	0			
				Category III 2"	55,440			
2	11,153,168	102,400,808	9.1813		55,440	509,012	11,097,728	101,891,796
2.5	438	624	1.4247		0	0	438	624
3	2,388	1,349	0.5648	*Category II 3"*	106	60	2,282	1,289
				Category II 4"	0			
				Category III 4"	469,286			
4	8,769,759	123,388,493	14.0698		469,286	6,602,752	8,300,473	116,785,741
				Category II 6"	0			
				Category III 6"	152,222			
6	1,578,359	34,866,110	22.0901		152,222	3,362,608	1,426,137	31,503,502
				Category II 8"	0			
				Category III 8"	537,504			
8	2,289,069	39,679,369	17.3343		537,504	9,317,246	1,751,565	30,362,123
10	77,296	219,531	2.8401	*Category II 10"*	264	750	77,032	218,781
				Category II 12"	0			
				Category III 12"	229,838			
12	552,860	13,467,569	24.3598		229,838	5,598,822	323,022	7,868,747
14	7,950	21,256	2.6736		0	0	7,950	21,256
16	300,148	8,108,500	27.0150	*Category II 16"*	191,664	5,177,804	108,484	2,930,696
18	8,985	34,816	3.8749		0	0	8,985	34,816
				Category II 20"	0			
				Category III 20"	74,818			
20	154,201	3,658,736	23.7271		74,818	1,775,202	79,383	1,883,534
22	3,497	56,617	16.1902	*Category II 22"*	950	15,387	2,547	41,230
24	8,552	587,074	68.6476	*Category II 24"*	950	65,243	7,602	521,831
tal All Mains	**24,992,604**	**$ 328,352,990**			**1,715,102**	**$ 32,475,669**	**23,277,502**	**$ 295,877,321**
ro Intercept		**$ 7.8727652**				**$ 7.8727652**		**$ 7.8727652**
lated Costs*		**$ 196,760,902**				**$ 13,502,598**		**$ 183,258,304**
tion of Total		**59.92%**				**4.11%**		**55.81%**
ated Costs**		**$ 131,592,087**				**$ 18,973,071**		**$ 112,619,017**
tion of Total		**40.08%**				**5.78%**		**34.30%**

Exhibit WSS-28

Gas Cost of Service Study Functional Assignment and Classification

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector		Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Gas Plant at Original Cost											
Underground Storage Plant											
350-357	Underground Storage Plant	PT350	F003	$	153,419,352	-	-	153,419,352	-	-	-
358	Asset Retire Obligation Gas Plant	PT350	F003	$	-	-	-	-	-	-	-
Total Storage Plant		PTST		$	153,419,352	$ -	$ -	$ 153,419,352	$ -	$ -	$ -
Transmission Plant											
365-372	Transmission	PT365	F005	$	53,150,756	-	-	-	-	9,263,651	43,887,105
Distribution Plant											
374	Land and Land Rights	PT374	F008	$	134,497	-	-	-	-	-	-
375	Structures & Improvements	PT375	F008		1,155,812	-	-	-	-	-	-
376	Mains	PT376	F009		427,054,945	-	-	-	-	-	-
378	Meas. & Reg. Sta. Equip. - General	PT378	F008		23,937,002	-	-	-	-	-	-
379	Meas. & Reg. Sta. Equip. - City Gate	PT379	F008		12,352,333	-	-	-	-	-	-
380	Services	PT380	F010		374,861,864	-	-	-	-	-	-
381	Meters	PT381	F011		57,176,384	-	-	-	-	-	-
382	Meter Installations	PT382	F011			-	-	-	-	-	-
383	House Regulators	PT383	F011		25,550,380	-	-	-	-	-	-
384	House Regulator Installations	PT384	F011			-	-	-	-	-	-
385	Industrial Meas. & Reg. Equip.	PT385	F011		2,260,538	-	-	-	-	-	-
387	Other Equipment	PT387	F011		1,928,759	-	-	-	-	-	-
388	Asset Retire Obligation Gas Plant-City Gate	PT388	F008		-	-	-	-	-	-	-
388	Asset Retire Obligation Gas Plant-Mains	PT388	F009		-	-	-	-	-	-	-
Sub-Total Distribution Plant		PTDSUB		$	926,412,515	$ -	$ -	$ -	$ -	$ -	$ -
U-T-D Subtotal		PTSUB		$	1,132,982,623	-	-	153,419,352	-	9,263,651	43,887,105
117	Gas Stored Underground/Non-Current	PT117	F003	$	11,788,845	-	-	11,788,845	-	-	-
301-303	Intangible Plant	PT301	PTSUB		387	-	-	52	-	3	15
392-396	General Plant	PT389	PTSUB		13,168,757	-	-	1,783,207	-	107,672	510,104
389-399	Common Utility Plant	PTCP	PTSUB		86,673,008	-	-	11,736,558	-	708,668	3,357,357
Total Plant in Service		PTIS		$	1,244,613,621	-	-	178,728,015	-	10,079,995	47,754,581

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
Gas Plant at Original Cost									
Underground Storage Plant									
350-357	Underground Storage Plant	PT350	F003	-	-	-	-	-	-
358	Asset Retire Obligation Gas Plant	PT350	F003	-	-	-	-	-	-
Total Storage Plant		PTST		$ -	$ -	$ -	$ -	$ -	$ -
Transmission Plant									
365-372	Transmission	PT365	F005	-	-	-	-	-	-
Distribution Plant									
374	Land and Land Rights	PT374	F008	-	134,497	-	-	-	-
375	Structures & Improvements	PT375	F008	-	1,155,812	-	-	-	-
376	Mains	PT376	F009	-	-	146,471,966	238,345,218	24,676,321	17,561,440
378	Meas. & Reg. Sta. Equip. - General	PT378	F008	-	23,937,002	-	-	-	-
379	Meas. & Reg. Sta. Equip. - City Gate	PT379	F008	-	12,352,333	-	-	-	-
380	Services	PT380	F010	-	-	-	-	-	-
381	Meters	PT381	F011	-	-	-	-	-	-
382	Meter Installations	PT382	F011	-	-	-	-	-	-
383	House Regulators	PT383	F011	-	-	-	-	-	-
384	House Regulator Installations	PT384	F011	-	-	-	-	-	-
385	Industrial Meas. & Reg. Equip.	PT385	F011	-	-	-	-	-	-
387	Other Equipment	PT387	F011	-	-	-	-	-	-
388	Asset Retire Obligation Gas Plant-City Gate	PT388	F008	-	-	-	-	-	-
388	Asset Retire Obligation Gas Plant-Mains	PT388	F009	-	-	-	-	-	-
Sub-Total Distribution Plant		PTDSUB		$ -	$ 37,579,644	$ 146,471,966	$ 238,345,218	$ 24,676,321	$ 17,561,440
U-T-D Subtotal		PTSUB		-	37,579,644	146,471,966	238,345,218	24,676,321	17,561,440
117	Gas Stored Underground/Non-Current	PT117	F003	-	-	-	-	-	-
301-303	Intangible Plant	PT301	PTSUB	-	13	50	82	8	6
392-396	General Plant	PT389	PTSUB	-	436,792	1,702,457	2,770,308	286,815	204,118
389-399	Common Utility Plant	PTCP	PTSUB	-	2,874,837	11,205,084	18,233,375	1,887,735	1,343,448
Total Plant in Service		PTIS		-	40,891,286	159,379,558	259,348,982	26,850,879	19,109,012

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Gas Plant at Original Cost							
Underground Storage Plant							
350-357	Underground Storage Plant	PT350	F003	-	-	-	-
358	Asset Retire Obligation Gas Plant	PT350	F003	-	-	-	-
Total Storage Plant		PTST		$ -	$ -	$ -	$ -
Transmission Plant							
365-372	Transmission	PT365	F005	-	-	-	-
Distribution Plant							
374	Land and Land Rights	PT374	F008	-	-	-	-
375	Structures & Improvements	PT375	F008	-	-	-	-
376	Mains	PT376	F009	-	-	-	-
378	Meas. & Reg. Sta. Equip. - General	PT378	F008	-	-	-	-
379	Meas. & Reg. Sta. Equip. - City Gate	PT379	F008	-	-	-	-
380	Services	PT380	F010	374,861,864	-	-	-
381	Meters	PT381	F011	-	57,176,384	-	-
382	Meter Installations	PT382	F011	-	-	-	-
383	House Regulators	PT383	F011	-	25,550,380	-	-
384	House Regulator Installations	PT384	F011	-	-	-	-
385	Industrial Meas. & Reg. Equip.	PT385	F011	-	2,260,538	-	-
387	Other Equipment	PT387	F011	-	1,928,759	-	-
388	Asset Retire Obligation Gas Plant-City Gate	PT388	F008	-	-	-	-
388	Asset Retire Obligation Gas Plant-Mains	PT388	F009	-	-	-	-
Sub-Total Distribution Plant		PTDSUB		$ 374,861,864	$ 86,916,062	$ -	$ -
U-T-D Subtotal		PTSUB		374,861,864	86,916,062	-	-
117	Gas Stored Underground/Non-Current	PT117	F003	-	-	-	-
301-303	Intangible Plant	PT301	PTSUB	128	30	-	-
392-396	General Plant	PT389	PTSUB	4,357,053	1,010,233	-	-
389-399	Common Utility Plant	PTCP	PTSUB	28,676,879	6,649,066	-	-
Total Plant in Service		PTIS		407,895,923	94,575,391	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector		Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Gas Plant at Original Cost (Continued)										
Construction Work in Progress										
Underground Storage	CWIPUS	F003	$	4,450,250	-	-	4,450,250	-	-	-
Transmission	CWIPTR	F005		6,876,704	-	-	-	-	1,198,542	5,678,163
Distribution Mains	CWIPDM	F009		5,653,869	-	-	-	-	-	-
Other Distribution	CWIPOD	PTDSUB		-	-	-	-	-	-	-
General	CWIPCO	PTSUB		119,481	-	-	16,179	-	977	4,628
Common		PTSUB		7,805,570	-	-	1,056,967	-	63,821	302,356
	CWIP		$	24,905,873	$ -	$ -	$ 5,523,396	$ -	$ 1,263,339	$ 5,985,147
	PTT		$	1,269,519,494	-	-	184,251,411	-	11,343,334	53,739,727

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
Gas Plant at Original Cost (Continued)								
Construction Work in Progress								
Underground Storage	CWIPUS	F003	-	-	-	-	-	-
Transmission	CWIPTR	F005	-	-	-	-	-	-
Distribution Mains	CWIPDM	F009	-	-	1,939,173	3,155,502	326,695	232,500
Other Distribution	CWIPOD	PTDSUB	-	-	-	-	-	-
General	CWIPCO	PTSUB	-	3,963	15,446	25,135	2,602	1,852
Common		PTSUB	-	258,901	1,009,104	1,642,055	170,005	120,988
	CWIP		$ -	$ 262,864	$ 2,963,723	$ 4,822,692	$ 499,302	$ 355,339
	PTT		-	41,154,150	162,343,281	264,171,674	27,350,181	19,464,351

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Gas Plant at Original Cost (Continued)						
Construction Work in Progress						
Underground Storage	CWIPUS	F003	-	-	-	-
Transmission	CWIPTR	F005	-	-	-	-
Distribution Mains	CWIPDM	F009	-	-	-	-
Other Distribution	CWIPOD	PTDSUB	-	-	-	-
General	CWIPCO	PTSUB	39,532	9,166	-	-
Common		PTSUB	2,582,573	598,799	-	-
	CWIP		$ 2,622,105	$ 607,965	$ -	$ -
	PTT		410,518,028	95,183,356	-	-
				$ 1,020,185,022		

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector	Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Net Cost Rate Base									
Total Gas Utility Plant at Original Cost			$ 1,269,519,494	$ -	$ -	$ 184,251,411	$ -	$ 11,343,334	$ 53,739,727
Less:									
Reserve for Depreciation									
Underground Storage	DEPRUS	PTST	$ 39,041,082	-	-	39,041,082	-	-	-
Transmission	DEPTR	F005	11,949,641	-	-	-	-	2,082,704	9,866,937
Distribution	DEPRDI	DEPRDIS	271,564,808	-	-	-	-	-	-
General & Intangible	DEPRGE	PT389	5,985,030	-	-	810,444	-	48,936	231,836
Common	DEPRCO	PTCP	44,929,599	-	-	6,084,003	-	367,360	1,740,389
Total Depreciation Reserve	DEPR		$ 373,470,160	$ -	$ -	$ 45,935,530	$ -	$ 2,499,000	$ 11,839,161
Customer Advances For Construction	CAD	CADAL	$ 53,441	-	-	-	-	-	-
Accum. Deferred Income Taxes	DIT	PTSUB	221,284,688	-	-	29,964,584	-	1,809,299	8,571,662
PLUS:									
Materials and Supplies	MSP	PTSUB	$ 323,951	-	-	43,867	-	2,649	12,549
Prepayments	PPY	PTSUB	2,521,950	-	-	341,502	-	20,620	97,690
Gas Stored Underground	GSU	F003	24,895,211	-	-	24,895,211	-	-	-
Cash Working Capital	CWC	OMT	9,932,409	17,092	128,499	574,635	1,398,816	150,464	712,833
Adjustments:									
Unamortized Debt		PTSUB	$ -	-	-	-	-	-	-
Regulatory		PTSUB	-	-	-	-	-	-	-
Customer Advances for Construction		PTSUB	-	-	-	-	-	-	-
Depreciation Adjustment		PTSUB	-	-	-	-	-	-	-
Net Cost Rate Base	NCRB		$ 712,384,727	$ 17,092	$ 128,499	$ 134,206,512	$ 1,398,816	$ 7,208,769	$ 34,151,975

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector		Distribution Commodity		Distribution Structures & Equipment Demand		Distribution Mains - Low & Med. Pressure Demand		Distribution Mains - Low & Med. Pressure Customer		Distribution Mains - High Pressure Demand		Distribution Mains - High Pressure Customer
Net Cost Rate Base														
Total Gas Utility Plant at Original Cost			$	-	$	41,154,150	$	162,343,281	$	264,171,674	$	27,350,181	$	19,464,351
Less:														
Reserve for Depreciation														
Underground Storage	DEPRUS	PTST		-		-		-		-		-		-
Transmission	DEPTR	F005		-		-		-		-		-		-
Distribution	DEPRDI	DEPRDIS		-		4,825,224		48,761,020		81,622,198		7,095,620		5,113,647
General & Intangible	DEPRGE	PT389		-		198,516		773,745		1,259,069		130,354		92,769
Common	DEPRCO	PTCP		-		1,490,260		5,808,498		9,451,826		978,565		696,417
Total Depreciation Reserve	DEPR		$	-	$	6,514,000	$	55,343,262	$	92,333,094	$	8,204,539	$	5,902,833
Customer Advances For Construction	CAD	CADAL		-		-		9,761		15,884		1,644		1,170
Accum. Deferred Income Taxes	DIT	PTSUB		-		7,339,742		28,607,679		46,551,594		4,819,572		3,429,954
PLUS:														
Materials and Supplies	MSP	PTSUB		-		10,745		41,880		68,150		7,056		5,021
Prepayments	PPY	PTSUB		-		83,650		326,038		530,542		54,928		39,091
Gas Stored Underground	GSU	F003		-		-		-		-		-		-
Cash Working Capital	CWC	OMT		231,676		468,397		956,386		1,556,271		161,124		114,667
Adjustments:														
Unamortized Debt		PTSUB		-		-		-		-		-		-
Regulatory		PTSUB		-		-		-		-		-		-
Customer Advances for Construction		PTSUB		-		-		-		-		-		-
Depreciation Adjustment		PTSUB		-		-		-		-		-		-
Net Cost Rate Base	NCRB		$	231,676	$	27,863,200	$	79,706,883	$	127,426,065	$	14,547,533	$	10,289,174

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Net Cost Rate Base						
Total Gas Utility Plant at Original Cost			$ 410,518,028	$ 95,183,356	$ -	$ -
Less:						
Reserve for Depreciation						
Underground Storage	DEPRUS	PTST	-	-	-	-
Transmission	DEPTR	F005	-	-	-	-
Distribution	DEPRDI	DEPRDIS	102,772,954	21,374,144	-	-
General & Intangible	DEPRGE	PT389	1,980,224	459,138	-	-
Common	DEPRCO	PTCP	14,865,535	3,446,746	-	-
Total Depreciation Reserve	DEPR		$ 119,618,714	$ 25,280,028	$ -	$ -
Customer Advances For Construction	CAD	CADAL	24,981	-	-	-
Accum. Deferred Income Taxes	DIT	PTSUB	73,214,883	16,975,718	-	-
PLUS:						
Materials and Supplies	MSP	PTSUB	107,183	24,852	-	-
Prepayments	PPY	PTSUB	834,420	193,470	-	-
Gas Stored Underground	GSU	F003	-	-	-	-
Cash Working Capital	CWC	OMT	944,227	605,331	1,808,350	103,640
Adjustments:						
Unamortized Debt		PTSUB	-	-	-	-
Regulatory		PTSUB	-	-	-	-
Customer Advances for Construction		PTSUB	-	-	-	-
Depreciation Adjustment		PTSUB	-	-	-	-
Net Cost Rate Base	NCRB		$ 219,545,280	$ 53,751,262	$ 1,808,350	$ 103,640

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Labor Expenses										
807-813	Procurement Expenses	LB807	DMCM	614,676	72,163	542,513	-	-	-	-
Storage Expenses										
Operation										
814	Operations Supervision and Engineer	LB814	OSE	536,969	-	-	124,734	412,235	-	-
815	Maps and Records	LB815	F003	-	-	-	-	-	-	-
816	Well Expenses	LB816	F003	26,000	-	-	26,000	-	-	-
817	Lines Expenses	LB817	F003	393,901	-	-	393,901	-	-	-
818	Compressor Station Exp - Payroll	LB818	F004	708,539	-	-	-	708,539	-	-
819	Compressor Station Fuel and Power	LB819	F004	-	-	-	-	-	-	-
820	Measurement and Regulator Station	LB820	F003	-	-	-	-	-	-	-
821	Purification of Natural Gas	LB821	F004	679,199	-	-	-	679,199	-	-
823	Gas losses	LB823	F004	-	-	-	-	-	-	-
824	Other Expenses	LB824	F004	-	-	-	-	-	-	-
825	Storage Well Royalities	LB825	F003	-	-	-	-	-	-	-
826	Rents	LB826	F003	-	-	-	-	-	-	-
Total Storage Operation Labor		LBSO		$ 2,344,608	$ -	$ -	$ 544,635	$ 1,799,973	$ -	$ -
Storage Expense										
Maintenance										
830	Maintenance Super and Eng.	LB830	MSE	410,327	-	-	176,230	234,097	-	-
831	Maintenance of Structures	LB831	F003	-	-	-	-	-	-	-
832	Maintenance of Resevoirs	LB832	F003	234,554	-	-	234,554	-	-	-
833	Maintenance of Lines	LB833	F003	78,000	-	-	78,000	-	-	-
834	Main of Compressor Station Equipment	LB834	F004	368,303	-	-	-	368,303	-	-
835	Main of Meas and Reg Sta. Equip	LB835	F003	19,000	-	-	19,000	-	-	-
836	Main of Purification Equip	LB836	F004	337,789	-	-	-	337,789	-	-
837	Main of Other Equipment	LB837	F003	200,000	-	-	200,000	-	-	-
Total Maintenance Labor		LBSM		$ 1,647,973	$ -	$ -	$ 707,784	$ 940,189	$ -	$ -
Total Storage Labor		LBS		$ 3,992,581	-	-	1,252,419	2,740,162	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
Labor Expenses									
807-813	Procurement Expenses	LB807	DMCM	-	-	-	-	-	-
Storage Expenses									
Operation									
814	Operations Supervision and Engineer	LB814	OSE	-	-	-	-	-	-
815	Maps and Records	LB815	F003	-	-	-	-	-	-
816	Well Expenses	LB816	F003	-	-	-	-	-	-
817	Lines Expenses	LB817	F003	-	-	-	-	-	-
818	Compressor Station Exp - Payroll	LB818	F004	-	-	-	-	-	-
819	Compressor Station Fuel and Power	LB819	F004	-	-	-	-	-	-
820	Measurement and Regulator Station	LB820	F003	-	-	-	-	-	-
821	Purification of Natural Gas	LB821	F004	-	-	-	-	-	-
823	Gas losses	LB823	F004	-	-	-	-	-	-
824	Other Expenses	LB824	F004	-	-	-	-	-	-
825	Storage Well Royalities	LB825	F003	-	-	-	-	-	-
826	Rents	LB826	F003	-	-	-	-	-	-
Total Storage Operation Labor		LBSO		$ -	$ -	$ -	$ -	$ -	$ -
Storage Expense									
Maintenance									
830	Maintenance Super and Eng.	LB830	MSE	-	-	-	-	-	-
831	Maintenance of Structures	LB831	F003	-	-	-	-	-	-
832	Maintenance of Resevoirs	LB832	F003	-	-	-	-	-	-
833	Maintenance of Lines	LB833	F003	-	-	-	-	-	-
834	Main of Compressor Station Equipment	LB834	F004	-	-	-	-	-	-
835	Main of Meas and Reg Sta. Equip	LB835	F003	-	-	-	-	-	-
836	Main of Purification Equip	LB836	F004	-	-	-	-	-	-
837	Main of Other Equipment	LB837	F003	-	-	-	-	-	-
Total Maintenance Labor		LBSM		$ -	$ -	$ -	$ -	$ -	$ -
Total Storage Labor		LBS		-	-	-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Labor Expenses							
807-813	Procurement Expenses	LB807	DMCM	-	-	-	-
Storage Expenses							
Operation							
814	Operations Supervision and Engineer	LB814	OSE	-	-	-	-
815	Maps and Records	LB815	F003	-	-	-	-
816	Well Expenses	LB816	F003	-	-	-	-
817	Lines Expenses	LB817	F003	-	-	-	-
818	Compressor Station Exp - Payroll	LB818	F004	-	-	-	-
819	Compressor Station Fuel and Power	LB819	F004	-	-	-	-
820	Measurement and Regulator Station	LB820	F003	-	-	-	-
821	Purification of Natural Gas	LB821	F004	-	-	-	-
823	Gas losses	LB823	F004	-	-	-	-
824	Other Expenses	LB824	F004	-	-	-	-
825	Storage Well Royalities	LB825	F003	-	-	-	-
826	Rents	LB826	F003	-	-	-	-
Total Storage Operation Labor		LBSO		$ -	$ -	$ -	$ -
Storage Expense							
Maintenance							
830	Maintenance Super and Eng.	LB830	MSE	-	-	-	-
831	Maintenance of Structures	LB831	F003	-	-	-	-
832	Maintenance of Resevoirs	LB832	F003	-	-	-	-
833	Maintenance of Lines	LB833	F003	-	-	-	-
834	Main of Compressor Station Equipment	LB834	F004	-	-	-	-
835	Main of Meas and Reg Sta. Equip	LB835	F003	-	-	-	-
836	Main of Purification Equip	LB836	F004	-	-	-	-
837	Main of Other Equipment	LB837	F003	-	-	-	-
Total Maintenance Labor		LBSM		$ -	$ -	$ -	$ -
Total Storage Labor		LBS		-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Labor Expenses (Continued)										
Transmission										
850-867	Transmission Expenses	LB850	F005	$ 2,082,630	-	-	-	-	362,982	1,719,648
Distribution Expenses										
Operation										
870	Operation Supr and Engr	LB870	DOES	$ -	-	-	-	-	-	-
871	Dist Load Dispatching	LB871	F007	678,000	-	-	-	-	-	-
872	Compr. Station Labor and Exp.	LB872	F007	-	-	-	-	-	-	-
873	Compr. Station Fuel and Power	LB873	F007	-	-	-	-	-	-	-
874.01	Other Mains/Serv. Expenses	LB874.01	CADAL	944,124	-	-	-	-	-	-
874.02	Leak Survey-Mains	LB874.02	F009	-	-	-	-	-	-	-
874.03	Leak Survey - Service	LB874.03	F010	-	-	-	-	-	-	-
874.04	Locate Main per Request	LB874.04	CADAL	-	-	-	-	-	-	-
874.05	Check Stop Box Access	LB874.05	F010	-	-	-	-	-	-	-
874.06	Patrolling Mains	LB874.06	F009	-	-	-	-	-	-	-
874.07	Check/Grease Valves	LB874.07	F009	-	-	-	-	-	-	-
874.08	Opr. Odor Equipment	LB874.08	F007	-	-	-	-	-	-	-
874.09	Locate and Inspect Valve Boxes	LB874.09	F009	-	-	-	-	-	-	-
874.1	Cut Grass - Right of Way	LB874.10	F009	-	-	-	-	-	-	-
875	Meas and Reg Station Exp.- General	LB875	F008	$ 695,000	-	-	-	-	-	-
876	Meas and Reg Station Exp.- Industrial	LB876	F011	$ 339,000	-	-	-	-	-	-
877	Meas and Reg Station Exp. - City Gate	LB877	F008	$ 53,000	-	-	-	-	-	-
878	Meter and House Reg. Expense	LB878	F011	$ 656,175	-	-	-	-	-	-
879	Customer Installation Expense	LB879	F011	$ 67,000	-	-	-	-	-	-
880	Other Expenses	LB880	PTDSUB	$ 1,534,995	-	-	-	-	-	-
881	Rents	LB881	PTDSUB	$ -	-	-	-	-	-	-
Total Operations Distribution Labor		LBDO		$ 4,967,294	$ -	$ -	$ -	$ -	$ -	$ -
Total Operations Transmission and Distribution Labor		LBTDO		$ 7,049,924	$ -	$ -	$ -	$ -	$ 362,982	$ 1,719,648

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
Labor Expenses (Continued)									
Transmission									
850-867	Transmission Expenses	LB850	F005	-	-	-	-	-	-
Distribution Expenses									
Operation									
870	Operation Supr and Engr	LB870	DOES	-	-	-	-	-	-
871	Dist Load Dispatching	LB871	F007	678,000	-	-	-	-	-
872	Compr. Station Labor and Exp.	LB872	F007	-	-	-	-	-	-
873	Compr. Station Fuel and Power	LB873	F007	-	-	-	-	-	-
874.01	Other Mains/Serv. Expenses	LB874.01	CADAL	-	-	172,446	280,612	29,052	20,676
874.02	Leak Survey-Mains	LB874.02	F009	-	-	-	-	-	-
874.03	Leak Survey - Service	LB874.03	F010	-	-	-	-	-	-
874.04	Locate Main per Request	LB874.04	CADAL	-	-	-	-	-	-
874.05	Check Stop Box Access	LB874.05	F010	-	-	-	-	-	-
874.06	Patrolling Mains	LB874.06	F009	-	-	-	-	-	-
874.07	Check/Grease Valves	LB874.07	F009	-	-	-	-	-	-
874.08	Opr. Odor Equipment	LB874.08	F007	-	-	-	-	-	-
874.09	Locate and Inspect Valve Boxes	LB874.09	F009	-	-	-	-	-	-
874.1	Cut Grass - Right of Way	LB874.10	F009	-	-	-	-	-	-
875	Meas and Reg Station Exp.- General	LB875	F008	-	695,000	-	-	-	-
876	Meas and Reg Station Exp.- Industrial	LB876	F011	-	-	-	-	-	-
877	Meas and Reg Station Exp. - City Gate	LB877	F008	-	53,000	-	-	-	-
878	Meter and House Reg. Expense	LB878	F011	-	-	-	-	-	-
879	Customer Installation Expense	LB879	F011	-	-	-	-	-	-
880	Other Expenses	LB880	PTDSUB	-	62,267	242,693	394,920	40,887	29,098
881	Rents	LB881	PTDSUB	-	-	-	-	-	-
Total Operations Distribution Labor		LBDO		$ 678,000	$ 810,267	$ 415,139	$ 675,532	$ 69,939	$ 49,774
Total Operations Transmission and Distribution Labor		LBTDO		$ 678,000	$ 810,267	$ 415,139	$ 675,532	$ 69,939	$ 49,774

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Labor Expenses (Continued)							
Transmission							
850-867	Transmission Expenses	LB850	F005	-	-	-	-
Distribution Expenses							
Operation							
870	Operation Supr and Engr	LB870	DOES	-	-	-	-
871	Dist Load Dispatching	LB871	F007	-	-	-	-
872	Compr. Station Labor and Exp.	LB872	F007	-	-	-	-
873	Compr. Station Fuel and Power	LB873	F007	-	-	-	-
874.01	Other Mains/Serv. Expenses	LB874.01	CADAL	441,338	-	-	-
874.02	Leak Survey-Mains	LB874.02	F009	-	-	-	-
874.03	Leak Survey - Service	LB874.03	F010	-	-	-	-
874.04	Locate Main per Request	LB874.04	CADAL	-	-	-	-
874.05	Check Stop Box Access	LB874.05	F010	-	-	-	-
874.06	Patrolling Mains	LB874.06	F009	-	-	-	-
874.07	Check/Grease Valves	LB874.07	F009	-	-	-	-
874.08	Opr. Odor Equipment	LB874.08	F007	-	-	-	-
874.09	Locate and Inspect Valve Boxes	LB874.09	F009	-	-	-	-
874.1	Cut Grass - Right of Way	LB874.10	F009	-	-	-	-
875	Meas and Reg Station Exp.- General	LB875	F008	-	-	-	-
876	Meas and Reg Station Exp.- Industrial	LB876	F011	-	339,000	-	-
877	Meas and Reg Station Exp. - City Gate	LB877	F008	-	-	-	-
878	Meter and House Reg. Expense	LB878	F011	-	656,175	-	-
879	Customer Installation Expense	LB879	F011	-	67,000	-	-
880	Other Expenses	LB880	PTDSUB	621,118	144,013	-	-
881	Rents	LB881	PTDSUB	-	-	-	-
Total Operations Distribution Labor		LBDO		$ 1,062,455	$ 1,206,188	$ -	$ -
Total Operations Transmission and Distribution Labor		LBTDO		$ 1,062,455	$ 1,206,188	$ -	$ -

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Labor Expenses (Continued)										
Maintenance Expense -- Distribution										
885	Maintenance Supr and Engr	LB885	DMES	$ -	-	-	-	-	-	-
886	Maintenance Structures	LB886	F008	-	-	-	-	-	-	-
887	Maintenance Mains	LB887	F009	3,914,029	-	-	-	-	-	-
888	Maintenance Comp. Station Equip.	LB888	F007	-	-	-	-	-	-	-
889	Maintenance Meas and Reg. General	LB889	F008	62,000	-	-	-	-	-	-
890	Maintenance Meas and Reg - Industrial	LB890	F011	168,000	-	-	-	-	-	-
891	Maintenance Meas and Reg.-City Gate	LB891	F008	175,000	-	-	-	-	-	-
892	Maintenance Services	LB892	F010	604,557	-	-	-	-	-	-
893	Maintenance Meters and House Reg.	LB893	F011	-	-	-	-	-	-	-
894	Maintenance Other Equipment	LB894	PTDSUB	129,000	-	-	-	-	-	-
Total Maintenance Labor		LBDM		$ 5,052,586	$ -	$ -	$ -	$ -	$ -	$ -
Total Transmission & Distribution Labor		LBTD		$ 12,102,510	$ -	$ -	$ -	$ -	$ 362,982	$ 1,719,648
Customer Accounts Expense										
901	Supervision	LB901	F012	$ 687,661	-	-	-	-	-	-
902	Meter Reading	LB902	F012	267,218	-	-	-	-	-	-
903	Customer Records and Collections	LB903	F012	2,423,677	-	-	-	-	-	-
904	Uncollectible Accounts	LB904	F012	-	-	-	-	-	-	-
905	Misc. Cust Account Expenses	LB905	F012	-	-	-	-	-	-	-
Total Customer Accounts Labor		LBCA		$ 3,378,555	$ -	$ -	$ -	$ -	$ -	$ -
Customer Service Expenses										
907-910	Customer Service	LB907	F013	$ 224,138	-	-	-	-	-	-
Sales Expenses										
911-916	Sales Expenses	LB911	F013	$ -	-	-	-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
<u>Labor Expenses (Continued)</u>									
Maintenance Expense -- Distribution									
885	Maintenance Supr and Engr	LB885	DMES	-	-	-	-	-	-
886	Maintenance Structures	LB886	F008	-	-	-	-	-	-
887	Maintenance Mains	LB887	F009	-	-	1,342,440	2,184,473	226,163	160,953
888	Maintenance Comp. Station Equip.	LB888	F007	-	-	-	-	-	-
889	Maintenance Meas and Reg. General	LB889	F008	-	62,000	-	-	-	-
890	Maintenance Meas and Reg - Industrial	LB890	F011	-	-	-	-	-	-
891	Maintenance Meas and Reg.-City Gate	LB891	F008	-	175,000	-	-	-	-
892	Maintenance Services	LB892	F010	-	-	-	-	-	-
893	Maintenance Meters and House Reg.	LB893	F011	-	-	-	-	-	-
894	Maintenance Other Equipment	LB894	PTDSUB	-	5,233	20,396	33,189	3,436	2,445
Total Maintenance Labor		LBDM		$ -	$ 242,233	$ 1,362,835	$ 2,217,662	$ 229,599	$ 163,399
Total Transmission & Distribution Labor		LBTD		$ 678,000	$ 1,052,499	$ 1,777,975	$ 2,893,194	$ 299,538	$ 213,173
Customer Accounts Expense									
901	Supervision	LB901	F012	-	-	-	-	-	-
902	Meter Reading	LB902	F012	-	-	-	-	-	-
903	Customer Records and Collections	LB903	F012	-	-	-	-	-	-
904	Uncollectible Accounts	LB904	F012	-	-	-	-	-	-
905	Misc. Cust Account Expenses	LB905	F012	-	-	-	-	-	-
Total Customer Accounts Labor		LBCA		$ -	$ -	$ -	$ -	$ -	$ -
Customer Service Expenses									
907-910	Customer Service	LB907	F013	-	-	-	-	-	-
Sales Expenses									
911-916	Sales Expenses	LB911	F013	-	-	-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Labor Expenses (Continued)							
Maintenance Expense -- Distribution							
885	Maintenance Supr and Engr	LB885	DMES	-	-	-	-
886	Maintenance Structures	LB886	F008	-	-	-	-
887	Maintenance Mains	LB887	F009	-	-	-	-
888	Maintenance Comp. Station Equip.	LB888	F007	-	-	-	-
889	Maintenance Meas and Reg. General	LB889	F008	-	-	-	-
890	Maintenance Meas and Reg - Industrial	LB890	F011	-	168,000	-	-
891	Maintenance Meas and Reg.-City Gate	LB891	F008	-	-	-	-
892	Maintenance Services	LB892	F010	604,557	-	-	-
893	Maintenance Meters and House Reg.	LB893	F011	-	-	-	-
894	Maintenance Other Equipment	LB894	PTDSUB	52,198	12,103	-	-
Total Maintenance Labor		LBDM		$ 656,755	$ 180,103	$ -	$ -
Total Transmission & Distribution Labor		LBTD		$ 1,719,211	$ 1,386,291	$ -	$ -
Customer Accounts Expense							
901	Supervision	LB901	F012	-	-	687,661	-
902	Meter Reading	LB902	F012	-	-	267,218	-
903	Customer Records and Collections	LB903	F012	-	-	2,423,677	-
904	Uncollectible Accounts	LB904	F012	-	-	-	-
905	Misc. Cust Account Expenses	LB905	F012	-	-	-	-
Total Customer Accounts Labor		LBCA		$ -	$ -	$ 3,378,555	$ -
Customer Service Expenses							
907-910	Customer Service	LB907	F013	-	-	-	224,138
Sales Expenses							
911-916	Sales Expenses	LB911	F013	-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector		Total Company		Procurement Demand		Procurement Commodity		Storage Demand		Storage Commodity		Transmission Non-Storage Related Demand		Transmission Storage Related Demand
Labor Expenses (Continued)																	
Administrative & General																	
920	Admin and General Salaries	LB920	LBSUB		$6,056,882		21,518		161,770		373,453		817,077		108,236		512,774
921	Office Supplies and Expense	LB921	LBSUB		-		-		-		-		-		-		-
922	Admin. Expenses Transferred	LB922	LBSUB		(683,568)		(2,428)		(18,257)		(42,147)		(92,214)		(12,215)		(57,871)
923	Outside Services Employed	LB923	LBSUB		-		-		-		-		-		-		-
924	Property Insurance	LB924	PTT		-		-		-		-		-		-		-
925	Injuries and Damages	LB925	LBSUB		-		-		-		-		-		-		-
926	Employee Pensions and Benefits	LB926	LBSUB		-		-		-		-		-		-		-
927	Franchise Requirement	LB927	PTT		-		-		-		-		-		-		-
928	Regulatory Commission Fee	LB928	PTT		-		-		-		-		-		-		-
929	Duplicate Charges -Credit	LB929	LBSUB		-		-		-		-		-		-		-
930.1	General Advertising Expense	LB930.1	PTT		-		-		-		-		-		-		-
930.2	Misc. General Expense	LB930.2	LBSUB		-		-		-		-		-		-		-
931	Rents	LB931	PTT		-		-		-		-		-		-		-
935	Maintenance of General Plant	LB935	PT389		184,591		-		-		24,996		-		1,509		7,150
Total Administrative and General Labor		LBAG		$	5,557,905	$	19,089	$	143,513	$	356,302	$	724,863	$	97,530	$	462,054
Total Labor Expense		LBTOT		$	25,870,365	$	91,252	$	686,026	$	1,608,721	$	3,465,025	$	460,512	$	2,181,702

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
Labor Expenses (Continued)									
Administrative & General									
920	Admin and General Salaries	LB920	LBSUB	202,170	313,840	530,166	862,709	89,318	63,565
921	Office Supplies and Expense	LB921	LBSUB	-	-	-	-	-	-
922	Admin. Expenses Transferred	LB922	LBSUB	(22,816)	(35,419)	(59,834)	(97,364)	(10,080)	(7,174)
923	Outside Services Employed	LB923	LBSUB	-	-	-	-	-	-
924	Property Insurance	LB924	PTT	-	-	-	-	-	-
925	Injuries and Damages	LB925	LBSUB	-	-	-	-	-	-
926	Employee Pensions and Benefits	LB926	LBSUB	-	-	-	-	-	-
927	Franchise Requirement	LB927	PTT	-	-	-	-	-	-
928	Regulatory Commission Fee	LB928	PTT	-	-	-	-	-	-
929	Duplicate Charges -Credit	LB929	LBSUB	-	-	-	-	-	-
930.1	General Advertising Expense	LB930.1	PTT	-	-	-	-	-	-
930.2	Misc. General Expense	LB930.2	LBSUB	-	-	-	-	-	-
931	Rents	LB931	PTT	-	-	-	-	-	-
935	Maintenance of General Plant	LB935	PT389	-	6,123	23,864	38,832	4,020	2,861
Total Administrative and General Labor		LBAG		$ 179,353	$ 284,543	$ 494,197	$ 804,177	$ 83,258	$ 59,252
Total Labor Expense		LBTOT		$ 857,353	$ 1,337,043	$ 2,272,172	$ 3,697,371	$ 382,796	$ 272,425

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector		Services Customer		Meters Customer		Customer Accounts Customer		Customer Service Expense Customer
Labor Expenses (Continued)											
Administrative & General											
920	Admin and General Salaries	LB920	LBSUB		512,644		413,372		1,007,436		66,835
921	Office Supplies and Expense	LB921	LBSUB		-		-		-		-
922	Admin. Expenses Transferred	LB922	LBSUB		(57,856)		(46,652)		(113,697)		(7,543)
923	Outside Services Employed	LB923	LBSUB		-		-		-		-
924	Property Insurance	LB924	PTT		-		-		-		-
925	Injuries and Damages	LB925	LBSUB		-		-		-		-
926	Employee Pensions and Benefits	LB926	LBSUB		-		-		-		-
927	Franchise Requirement	LB927	PTT		-		-		-		-
928	Regulatory Commission Fee	LB928	PTT		-		-		-		-
929	Duplicate Charges -Credit	LB929	LBSUB		-		-		-		-
930.1	General Advertising Expense	LB930.1	PTT		-		-		-		-
930.2	Misc. General Expense	LB930.2	LBSUB		-		-		-		-
931	Rents	LB931	PTT		-		-		-		-
935	Maintenance of General Plant	LB935	PT389		61,074		14,161		-		-
Total Administrative and General Labor		LBAG		$	515,862	$	380,880	$	893,739	$	59,292
Total Labor Expense		LBTOT		$	2,235,073	$	1,767,171	$	4,272,294	$	283,429

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector		Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Operation & Maintenance Expenses											
807 & 813	Procurement Expenses	OM807	DMCM	$	356,999	41,912	315,087	-	-	-	-
Storage Expenses											
Operation											
814	Operations Supervision and Engineer	OM814	OSE		669,590	-	-	155,541	514,049	-	-
815	Maps and Records	OM815	F003		-	-	-	-	-	-	-
816	Well Expenses	OM816	F003		38,570	-	-	38,570	-	-	-
817	Lines Expenses	OM817	F003		908,360	-	-	908,360	-	-	-
818	Compressor Station Exp - Payroll	OM818	F004		3,082,282	-	-	-	3,082,282	-	-
819	Compressor Station Fuel and Power	OM819	F004		631,000	-	-	-	631,000	-	-
820	Measurement and Regulator Station	OM820	F003		-	-	-	-	-	-	-
821	Purification of Natural Gas *(1)*	OM821	F004		1,439,653	-	-	-	1,439,653	-	-
823	Gas losses *(2)*	OM823	F004		-	-	-	-	-	-	-
824	Other Expenses	OM824	F004		-	-	-	-	-	-	-
825	Storage Well Royalities	OM825	F003		136,735	-	-	136,735	-	-	-
826	Rents	OM826	F003		-	-	-	-	-	-	-
Total Operation Expenses		OMOE		$	6,906,190	$ -	$ -	$ 1,239,206	$ 5,666,984	$ -	$ -
Storage Expense											
Maintenance											
830	Maintenance Super and Eng.	OM830	MSE	$	481,346	-	-	206,732	274,614	-	-
831	Maintenance of Structures	OM831	F003		-	-	-	-	-	-	-
832	Maintenance of Resevoirs	OM832	F003		655,057	-	-	655,057	-	-	-
833	Maintenance of Lines	OM833	F003		148,661	-	-	148,661	-	-	-
834	Main of Compressor Station Equipment	OM834	F004		479,611	-	-	-	479,611	-	-
835	Main of Meas and Reg Sta. Equip	OM835	F003		27,400	-	-	27,400	-	-	-
836	Main of Purification Equip	OM836	F004		642,528	-	-	-	642,528	-	-
837	Main of Other Equipment	OM837	F003		344,250	-	-	344,250	-	-	-
Total Maintenance Expense		OMME		$	2,778,853	$ -	$ -	$ 1,382,100	$ 1,396,753	$ -	$ -
Total Storage Expense		OMS		$	9,685,043	-	-	2,621,306	7,063,737	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
Operation & Maintenance Expenses									
807 & 813	Procurement Expenses	OM807	DMCM	-	-	-	-	-	-
Storage Expenses									
Operation									
814	Operations Supervision and Engineer	OM814	OSE	-	-	-	-	-	-
815	Maps and Records	OM815	F003	-	-	-	-	-	-
816	Well Expenses	OM816	F003	-	-	-	-	-	-
817	Lines Expenses	OM817	F003	-	-	-	-	-	-
818	Compressor Station Exp - Payroll	OM818	F004	-	-	-	-	-	-
819	Compressor Station Fuel and Power	OM819	F004	-	-	-	-	-	-
820	Measurement and Regulator Station	OM820	F003	-	-	-	-	-	-
821	Purification of Natural Gas *(1)*	OM821	F004	-	-	-	-	-	-
823	Gas losses *(2)*	OM823	F004	-	-	-	-	-	-
824	Other Expenses	OM824	F004	-	-	-	-	-	-
825	Storage Well Royalities	OM825	F003	-	-	-	-	-	-
826	Rents	OM826	F003	-	-	-	-	-	-
Total Operation Expenses		OMOE		$ -	$ -	$ -	$ -	$ -	$ -
Storage Expense									
Maintenance									
830	Maintenance Super and Eng.	OM830	MSE	-	-	-	-	-	-
831	Maintenance of Structures	OM831	F003	-	-	-	-	-	-
832	Maintenance of Resevoirs	OM832	F003	-	-	-	-	-	-
833	Maintenance of Lines	OM833	F003	-	-	-	-	-	-
834	Main of Compressor Station Equipment	OM834	F004	-	-	-	-	-	-
835	Main of Meas and Reg Sta. Equip	OM835	F003	-	-	-	-	-	-
836	Main of Purification Equip	OM836	F004	-	-	-	-	-	-
837	Main of Other Equipment	OM837	F003	-	-	-	-	-	-
Total Maintenance Expense		OMME		$ -	$ -	$ -	$ -	$ -	$ -
Total Storage Expense		OMS		-	-	-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Operation & Maintenance Expenses							
807 & 813	Procurement Expenses	OM807	DMCM	-	-	-	-
Storage Expenses							
Operation							
814	Operations Supervision and Engineer	OM814	OSE	-	-	-	-
815	Maps and Records	OM815	F003	-	-	-	-
816	Well Expenses	OM816	F003	-	-	-	-
817	Lines Expenses	OM817	F003	-	-	-	-
818	Compressor Station Exp - Payroll	OM818	F004	-	-	-	-
819	Compressor Station Fuel and Power	OM819	F004	-	-	-	-
820	Measurement and Regulator Station	OM820	F003	-	-	-	-
821	Purification of Natural Gas *(1)*	OM821	F004	-	-	-	-
823	Gas losses *(2)*	OM823	F004	-	-	-	-
824	Other Expenses	OM824	F004	-	-	-	-
825	Storage Well Royalities	OM825	F003	-	-	-	-
826	Rents	OM826	F003	-	-	-	-
Total Operation Expenses		OMOE		$ -	$ -	$ -	$ -
Storage Expense							
Maintenance							
830	Maintenance Super and Eng.	OM830	MSE	-	-	-	-
831	Maintenance of Structures	OM831	F003	-	-	-	-
832	Maintenance of Resevoirs	OM832	F003	-	-	-	-
833	Maintenance of Lines	OM833	F003	-	-	-	-
834	Main of Compressor Station Equipment	OM834	F004	-	-	-	-
835	Main of Meas and Reg Sta. Equip	OM835	F003	-	-	-	-
836	Main of Purification Equip	OM836	F004	-	-	-	-
837	Main of Other Equipment	OM837	F003	-	-	-	-
Total Maintenance Expense		OMME		$ -	$ -	$ -	$ -
Total Storage Expense		OMS		-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector		Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Operation & Maintenance Expenses (Continued)											
Transmission											
850-867	Transmission Expenses	OM850	F005	$	3,862,617	-	-	-	-	673,216	3,189,401
Distribution Expenses											
Operation											
870	Operation Supr and Engr	OM870	DOES	$	-	-	-	-	-	-	-
871	Dist Load Dispatching	OM871	F007		912,592	-	-	-	-	-	-
872	Compr. Station Labor and Exp.	OM872	F007		-	-	-	-	-	-	-
873	Compr. Station Fuel and Power	OM873	F007		-	-	-	-	-	-	-
874.01	Other Mains/Serv. Expenses	OM874.01	CADAL		3,602,301	-	-	-	-	-	-
874.02	Leak Survey-Mains	OM874.02	F009		-	-	-	-	-	-	-
874.03	Leak Survey - Service	OM874.03	F010		-	-	-	-	-	-	-
874.04	Locate Main per Request	OM874.04	CADAL		-	-	-	-	-	-	-
874.05	Check Stop Box Access	OM874.05	F010		-	-	-	-	-	-	-
874.06	Patrolling Mains	OM874.06	F009		-	-	-	-	-	-	-
874.07	Check/Grease Valves	OM874.07	F009		-	-	-	-	-	-	-
874.08	Opr. Odor Equipment	OM874.08	F007		-	-	-	-	-	-	-
874.09	Locate and Inspect Valve Boxes	OM874.09	F009		-	-	-	-	-	-	-
874.1	Cut Grass - Right of Way	OM874.10	F009		-	-	-	-	-	-	-
875	Meas and Reg Station Exp.- General	OM875	F008		1,161,507	-	-	-	-	-	-
876	Meas and Reg Station Exp.- Industrial	OM876	F011		490,681	-	-	-	-	-	-
877	Meas and Reg Station Exp. - City Gate	OM877	F008		250,192	-	-	-	-	-	-
878	Meter and House Reg. Expense	OM878	F011		1,371,331	-	-	-	-	-	-
879	Customer Installation Expense	OM879	F011		161,930	-	-	-	-	-	-
880	Other Expenses	OM880	PTDSUB		4,011,065	-	-	-	-	-	-
881	Rents	OM881	PTDSUB		6,755	-	-	-	-	-	-
Total Operations Distribution Expense		OMDO		$	11,968,354	-	-	-	-	-	-
Total Transmission and Distribution Oper Exp		OMTDO		$	15,830,971	$ -	$ -	$ -	$ -	$ 673,216	$ 3,189,401

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector		Distribution Commodity		Distribution Structures & Equipment Demand		Distribution Mains - Low & Med. Pressure Demand		Distribution Mains - Low & Med. Pressure Customer		Distribution Mains - High Pressure Demand		Distribution Mains - High Pressure Customer
Operation & Maintenance Expenses (Continued)															
Transmission															
850-867	Transmission Expenses	OM850	F005		-		-		-		-		-		-
Distribution Expenses															
Operation															
870	Operation Supr and Engr	OM870	DOES		-		-		-		-		-		-
871	Dist Load Dispatching	OM871	F007		912,592		-		-		-		-		-
872	Compr. Station Labor and Exp.	OM872	F007		-		-		-		-		-		-
873	Compr. Station Fuel and Power	OM873	F007		-		-		-		-		-		-
874.01	Other Mains/Serv. Expenses	OM874.01	CADAL		-		-		657,969		1,070,674		110,849		78,888
874.02	Leak Survey-Mains	OM874.02	F009		-		-		-		-		-		-
874.03	Leak Survey - Service	OM874.03	F010		-		-		-		-		-		-
874.04	Locate Main per Request	OM874.04	CADAL		-		-		-		-		-		-
874.05	Check Stop Box Access	OM874.05	F010		-		-		-		-		-		-
874.06	Patrolling Mains	OM874.06	F009		-		-		-		-		-		-
874.07	Check/Grease Valves	OM874.07	F009		-		-		-		-		-		-
874.08	Opr. Odor Equipment	OM874.08	F007		-		-		-		-		-		-
874.09	Locate and Inspect Valve Boxes	OM874.09	F009		-		-		-		-		-		-
874.1	Cut Grass - Right of Way	OM874.10	F009		-		-		-		-		-		-
875	Meas and Reg Station Exp.- General	OM875	F008		-		1,161,507		-		-		-		-
876	Meas and Reg Station Exp.- Industrial	OM876	F011		-		-		-		-		-		-
877	Meas and Reg Station Exp. - City Gate	OM877	F008		-		250,192		-		-		-		-
878	Meter and House Reg. Expense	OM878	F011		-		-		-		-		-		-
879	Customer Installation Expense	OM879	F011		-		-		-		-		-		-
880	Other Expenses	OM880	PTDSUB		-		162,708		634,176		1,031,957		106,840		76,035
881	Rents	OM881	PTDSUB		-		274		1,068		1,738		180		128
Total Operations Distribution Expense		OMDO			912,592		1,574,681		1,293,213		2,104,369		217,869		155,051
Total Transmission and Distribution Oper Exp		OMTDO		$	912,592	$	1,574,681	$	1,293,213	$	2,104,369	$	217,869	$	155,051

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Operation & Maintenance Expenses (Continued)							
Transmission							
850-867	Transmission Expenses	OM850	F005	-	-	-	-
Distribution Expenses							
Operation							
870	Operation Supr and Engr	OM870	DOES	-	-	-	-
871	Dist Load Dispatching	OM871	F007	-	-	-	-
872	Compr. Station Labor and Exp.	OM872	F007	-	-	-	-
873	Compr. Station Fuel and Power	OM873	F007	-	-	-	-
874.01	Other Mains/Serv. Expenses	OM874.01	CADAL	1,683,922	-	-	-
874.02	Leak Survey-Mains	OM874.02	F009	-	-	-	-
874.03	Leak Survey - Service	OM874.03	F010	-	-	-	-
874.04	Locate Main per Request	OM874.04	CADAL	-	-	-	-
874.05	Check Stop Box Access	OM874.05	F010	-	-	-	-
874.06	Patrolling Mains	OM874.06	F009	-	-	-	-
874.07	Check/Grease Valves	OM874.07	F009	-	-	-	-
874.08	Opr. Odor Equipment	OM874.08	F007	-	-	-	-
874.09	Locate and Inspect Valve Boxes	OM874.09	F009	-	-	-	-
874.1	Cut Grass - Right of Way	OM874.10	F009	-	-	-	-
875	Meas and Reg Station Exp.- General	OM875	F008	-	-	-	-
876	Meas and Reg Station Exp.- Industrial	OM876	F011	-	490,681	-	-
877	Meas and Reg Station Exp. - City Gate	OM877	F008	-	-	-	-
878	Meter and House Reg. Expense	OM878	F011	-	1,371,331	-	-
879	Customer Installation Expense	OM879	F011	-	161,930	-	-
880	Other Expenses	OM880	PTDSUB	1,623,030	376,318	-	-
881	Rents	OM881	PTDSUB	2,733	634	-	-
Total Operations Distribution Expense		OMDO		3,309,685	2,400,894	-	-
Total Transmission and Distribution Oper Exp		OMTDO		$ 3,309,685	$ 2,400,894	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector		Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Operation & Maintenance Expenses (Continued)											
Maintenance Expense -- Distribution											
885	Maintenance Supr and Engr	OM885	DMES		-	-	-	-	-	-	-
886	Maintenance Structures	OM886	F008		-	-	-	-	-	-	-
887	Maintenance Mains	OM887	F009		10,017,232	-	-	-	-	-	-
888	Maintenance Comp. Station Equip.	OM888	F007		-	-	-	-	-	-	-
889	Maintenance Meas and Reg. General	OM889	F008		166,690	-	-	-	-	-	-
890	Maintenance Meas and Reg - Industrial	OM890	F011		286,414	-	-	-	-	-	-
891	Maintenance Meas and Reg.-City Gate	OM891	F008		415,357	-	-	-	-	-	-
892	Maintenance Services	OM892	F010		1,072,829	-	-	-	-	-	-
893	Maintenance Meters and House Reg.	OM893	F011		15,198	-	-	-	-	-	-
894	Maintenance Other Equipment	OM894	PTDSUB		561,398	-	-	-	-	-	-
Total Maintenance Expenses		OMME		$	12,535,118	$ -	$ -	$ -	$ -	$ -	$ -
Total Transmission & Distribution Expenses		OMDE		$	28,366,089	$ -	$ -	$ -	$ -	$ 673,216	$ 3,189,401
Customer Accounts Expense											
901	Supervision	OM901	F012		1,016,772	-	-	-	-	-	-
902	Meter Reading	OM902	F012		2,000,723	-	-	-	-	-	-
903	Customer Records and Collections	OM903	F012		5,889,512	-	-	-	-	-	-
904	Uncollectible Accounts	OM904	F012		411,866	-	-	-	-	-	-
905	Misc. Cust Account Expenses	OM905	F012		1,012	-	-	-	-	-	-
Total Customer Accounts Expense		OMCA		$	9,319,886	$ -	$ -	$ -	$ -	$ -	$ -
Customer Service Expenses											
907-910	Customer Service	OM907	F013	$	499,125	-	-	-	-	-	-
Sales Expenses											
911-916	Sales Expenses	OM911	F013	$	-	-	-	-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
Operation & Maintenance Expenses (Continued)									
Maintenance Expense -- Distribution									
885	Maintenance Supr and Engr	OM885	DMES	-	-	-	-	-	-
886	Maintenance Structures	OM886	F008	-	-	-	-	-	-
887	Maintenance Mains	OM887	F009	-	-	3,435,726	5,590,754	578,821	411,931
888	Maintenance Comp. Station Equip.	OM888	F007	-	-	-	-	-	-
889	Maintenance Meas and Reg. General	OM889	F008	-	166,690	-	-	-	-
890	Maintenance Meas and Reg - Industrial	OM890	F011	-	-	-	-	-	-
891	Maintenance Meas and Reg.-City Gate	OM891	F008	-	415,357	-	-	-	-
892	Maintenance Services	OM892	F010	-	-	-	-	-	-
893	Maintenance Meters and House Reg.	OM893	F011	-	-	-	-	-	-
894	Maintenance Other Equipment	OM894	PTDSUB	-	22,773	88,761	144,435	14,954	10,642
Total Maintenance Expenses		OMME		$ -	$ 604,820	$ 3,524,486	$ 5,735,190	$ 593,775	$ 422,573
Total Transmission & Distribution Expenses		OMDE		$ 912,592	$ 2,179,501	$ 4,817,699	$ 7,839,559	$ 811,644	$ 577,624
Customer Accounts Expense									
901	Supervision	OM901	F012	-	-	-	-	-	-
902	Meter Reading	OM902	F012	-	-	-	-	-	-
903	Customer Records and Collections	OM903	F012	-	-	-	-	-	-
904	Uncollectible Accounts	OM904	F012	-	-	-	-	-	-
905	Misc. Cust Account Expenses	OM905	F012	-	-	-	-	-	-
Total Customer Accounts Expense		OMCA		$ -	$ -	$ -	$ -	$ -	$ -
Customer Service Expenses									
907-910	Customer Service	OM907	F013	-	-	-	-	-	-
Sales Expenses									
911-916	Sales Expenses	OM911	F013	-	-	-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Operation & Maintenance Expenses (Continued)							
Maintenance Expense -- Distribution							
885	Maintenance Supr and Engr	OM885	DMES	-	-	-	-
886	Maintenance Structures	OM886	F008	-	-	-	-
887	Maintenance Mains	OM887	F009	-	-	-	-
888	Maintenance Comp. Station Equip.	OM888	F007	-	-	-	-
889	Maintenance Meas and Reg. General	OM889	F008	-	-	-	-
890	Maintenance Meas and Reg - Industrial	OM890	F011	-	286,414	-	-
891	Maintenance Meas and Reg.-City Gate	OM891	F008	-	-	-	-
892	Maintenance Services	OM892	F010	1,072,829	-	-	-
893	Maintenance Meters and House Reg.	OM893	F011	-	15,198	-	-
894	Maintenance Other Equipment	OM894	PTDSUB	227,163	52,670	-	-
Total Maintenance Expenses		OMME		$ 1,299,992	$ 354,282	$ -	$ -
Total Transmission & Distribution Expenses		OMDE		$ 4,609,677	$ 2,755,176	$ -	$ -
Customer Accounts Expense							
901	Supervision	OM901	F012	-	-	1,016,772	-
902	Meter Reading	OM902	F012	-	-	2,000,723	-
903	Customer Records and Collections	OM903	F012	-	-	5,889,512	-
904	Uncollectible Accounts	OM904	F012	-	-	411,866	-
905	Misc. Cust Account Expenses	OM905	F012	-	-	1,012	-
Total Customer Accounts Expense		OMCA		$ -	$ -	$ 9,319,886	$ -
Customer Service Expenses							
907-910	Customer Service	OM907	F013	-	-	-	499,125
Sales Expenses							
911-916	Sales Expenses	OM911	F013	-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector		Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Operation & Maintenance Expenses (Continued)											
Administrative & General											
920	Admin and General Salaries	OM920	LBSUB	$	7,797,587	27,702	208,261	480,781	1,051,899	139,342	660,142
921	Office Supplies and Expense	OM921	LBSUB		1,753,271	6,229	46,827	108,103	236,517	31,331	148,432
922	Admin. Expenses Transferred	OM922	LBSUB		(1,218,695)	(4,330)	(32,549)	(75,142)	(164,403)	(21,778)	(103,174)
923	Outside Services Employed	OM923	LBSUB		4,461,617	15,851	119,163	275,093	601,875	79,729	377,719
924	Property Insurance	OM924	PTT		178,474	-	-	25,903	-	1,595	7,555
925	Injuries and Damages	OM925	LBSUB		918,880	3,264	24,542	56,656	123,957	16,420	77,792
926	Employee Pensions and Benefits	OM926	LBSUB		9,609,082	34,138	256,643	592,474	1,296,270	171,713	813,503
927	Franchise Requirement	OM927	PTT		-	-	-	-	-	-	-
928	Regulatory Commission Fee	OM928	PTT		194,514	-	-	28,231	-	1,738	8,234
929	Duplicate Charges -Credit	OM929	LBSUB		(597,722)	(2,123)	(15,964)	(36,854)	(80,633)	(10,681)	(50,603)
930.1	General Advertising Expense	OM930.1	PTT		-	-	-	-	-	-	-
930.2	Misc. General Expense	OM930.2	LBSUB		593,100	2,107	15,841	36,569	80,009	10,599	50,212
931	Rents	OM931	PTT		316,976	-	-	46,004	-	2,832	13,418
935	Maintenance of General Plant	OM935	PT389		257,250	-	-	34,835	-	2,103	9,965
Total Administrative and General Expense		OMAGT		$	24,264,334	$ 82,837	$ 622,763	$ 1,572,652	$ 3,145,492	$ 424,943	$ 2,013,194
Total Operation & Maintenance Expense		OMT		$	72,491,476	$ 124,749	$ 937,850	$ 4,193,958	$ 10,209,229	$ 1,098,159	$ 5,202,595

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
Operation & Maintenance Expenses (Continued)									
Administrative & General									
920	Admin and General Salaries	OM920	LBSUB	260,272	404,036	682,532	1,110,645	114,987	81,833
921	Office Supplies and Expense	OM921	LBSUB	58,522	90,847	153,466	249,726	25,855	18,400
922	Admin. Expenses Transferred	OM922	LBSUB	(40,678)	(63,147)	(106,674)	(173,584)	(17,971)	(12,790)
923	Outside Services Employed	OM923	LBSUB	148,922	231,181	390,531	635,488	65,793	46,823
924	Property Insurance	OM924	PTT	-	5,786	22,823	37,138	3,845	2,736
925	Injuries and Damages	OM925	LBSUB	30,671	47,612	80,431	130,880	13,550	9,643
926	Employee Pensions and Benefits	OM926	LBSUB	320,737	497,899	841,095	1,368,664	141,700	100,844
927	Franchise Requirement	OM927	PTT	-	-	-	-	-	-
928	Regulatory Commission Fee	OM928	PTT	-	6,306	24,874	40,476	4,191	2,982
929	Duplicate Charges -Credit	OM929	LBSUB	(19,951)	(30,971)	(52,319)	(85,136)	(8,814)	(6,273)
930.1	General Advertising Expense	OM930.1	PTT	-	-	-	-	-	-
930.2	Misc. General Expense	OM930.2	LBSUB	19,797	30,732	51,915	84,478	8,746	6,224
931	Rents	OM931	PTT	-	10,275	40,534	65,959	6,829	4,860
935	Maintenance of General Plant	OM935	PT389	-	8,533	33,257	54,118	5,603	3,987
Total Administrative and General Expense		OMAGT		$ 778,291	$ 1,239,087	$ 2,162,465	$ 3,518,852	$ 364,313	$ 259,271
Total Operation & Maintenance Expense		OMT		$ 1,690,883	$ 3,418,587	$ 6,980,164	$ 11,358,410	$ 1,175,957	$ 836,896

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Operation & Maintenance Expenses (Continued)							
Administrative & General							
920	Admin and General Salaries	OM920	LBSUB	659,974	532,172	1,296,966	86,042
921	Office Supplies and Expense	OM921	LBSUB	148,394	119,658	291,620	19,346
922	Admin. Expenses Transferred	OM922	LBSUB	(103,148)	(83,174)	(202,705)	(13,448)
923	Outside Services Employed	OM923	LBSUB	377,623	304,498	742,097	49,232
924	Property Insurance	OM924	PTT	57,712	13,381	-	-
925	Injuries and Damages	OM925	LBSUB	77,772	62,712	152,837	10,139
926	Employee Pensions and Benefits	OM926	LBSUB	813,296	655,804	1,598,271	106,031
927	Franchise Requirement	OM927	PTT	-	-	-	-
928	Regulatory Commission Fee	OM928	PTT	62,899	14,584	-	-
929	Duplicate Charges -Credit	OM929	LBSUB	(50,590)	(40,794)	(99,419)	(6,596)
930.1	General Advertising Expense	OM930.1	PTT	-	-	-	-
930.2	Misc. General Expense	OM930.2	LBSUB	50,199	40,478	98,650	6,545
931	Rents	OM931	PTT	102,499	23,766	-	-
935	Maintenance of General Plant	OM935	PT389	85,115	19,735	-	-
Total Administrative and General Expense		OMAGT		$ 2,281,744	$ 1,662,820	$ 3,878,318	$ 257,293
Total Operation & Maintenance Expense		OMT		$ 6,891,422	$ 4,417,996	$ 13,198,203	$ 756,418
					$ 36,770,315		

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector		Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Depreciation Expenses											
Underground Storage											
350-357	Underground Storage Plant	DP350	F003	$	3,577,970	-	-	3,577,970	-	-	-
358	Asset Retire Obligation Gas Plant	DP350	F003	$	-	-	-	-	-	-	-
Total Underground Storage				$	3,577,970	-	-	3,577,970	-	-	-
Transmission											
365-372	Transmission Plant	DP365	F005	$	1,086,759	-	-	-	-	189,411	897,347
Distribution											
374	Land & Land Rights	DP374	F008	$	-	-	-	-	-	-	-
375	Structures & Improvements	DP375	F008		36,434	-	-	-	-	-	-
376	Mains	DP376	F009		8,512,130	-	-	-	-	-	-
378	Meas & Reg Station Eq.-Gen	DP378	F008		664,445	-	-	-	-	-	-
379	Meas & Reg Station Eq.-City Gate	DP379	F008		448,793	-	-	-	-	-	-
380	Services	DP380	F010		12,286,773	-	-	-	-	-	-
381	Meters	DP381	F011		2,192,731	-	-	-	-	-	-
382	Meter Installations	DP382	F011		-	-	-	-	-	-	-
383	House Regulators	DP383	F011		962,550	-	-	-	-	-	-
384	House Regulator Installations	DP384	F011		-	-	-	-	-	-	-
385	Industrial Meas & Reg Equipment	DP385	F011		52,324	-	-	-	-	-	-
387	Other Equipment	DP387	F011		38,167	-	-	-	-	-	-
388	Asset Retire Obligation Gas Plant-City Gate	DP388	F008		-	-	-	-	-	-	-
388	Asset Retire Obligation Gas Plant-Mains	DP388	F009		-	-	-	-	-	-	-
Total Distribution				$	25,194,348	$ -	$ -	$ -	$ -	$ -	$ -
117	Gas Stored Underground	DP117	F003	$	-	-	-	-	-	-	-
301-303	Intangible Plant	DP301	PTSUB		48	-	-	6	-	0	2
389-399	General Plant	DP389	PTSUB		401,460	-	-	54,363	-	3,282	15,551
Common Utility Plant		DPCP	PTSUB		8,449,877	-	-	1,144,214	-	69,089	327,314
Common Utility Plant Amortization		DPCP	PTSUB		-	-	-	-	-	-	-
Total Depreciation Expense		DEPREX		$	38,710,461	$ -	$ -	$ 4,776,553	$ -	$ 261,783	$ 1,240,214
Regulatory Credits and Accretion											
	Regulatory Credits	REGCR	PTSUB	$	-	-	-	-	-	-	-
	Accretion	ACCRE	PTSUB	$	-	-	-	-	-	-	-
Amortization of Investment Tax Credits		ITCAM	PTSUB	$	(35,870)	-	-	(4,857)	-	(293)	(1,389)

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
Depreciation Expenses									
Underground Storage									
350-357	Underground Storage Plant	DP350	F003	-	-	-	-	-	-
358	Asset Retire Obligation Gas Plant	DP350	F003	-	-	-	-	-	-
Total Underground Storage				-	-	-	-	-	-
Transmission									
365-372	Transmission Plant	DP365	F005	-	-	-	-	-	-
Distribution									
374	Land & Land Rights	DP374	F008	-	-	-	-	-	-
375	Structures & Improvements	DP375	F008	-	36,434	-	-	-	-
376	Mains	DP376	F009	-	-	2,919,504	4,750,737	491,853	350,038
378	Meas & Reg Station Eq.-Gen	DP378	F008	-	664,445	-	-	-	-
379	Meas & Reg Station Eq.-City Gate	DP379	F008	-	448,793	-	-	-	-
380	Services	DP380	F010	-	-	-	-	-	-
381	Meters	DP381	F011	-	-	-	-	-	-
382	Meter Installations	DP382	F011	-	-	-	-	-	-
383	House Regulators	DP383	F011	-	-	-	-	-	-
384	House Regulator Installations	DP384	F011	-	-	-	-	-	-
385	Industrial Meas & Reg Equipment	DP385	F011	-	-	-	-	-	-
387	Other Equipment	DP387	F011	-	-	-	-	-	-
388	Asset Retire Obligation Gas Plant-City Gate	DP388	F008	-	-	-	-	-	-
388	Asset Retire Obligation Gas Plant-Mains	DP388	F009	-	-	-	-	-	-
Total Distribution				$ -	$ 1,149,673	$ 2,919,504	$ 4,750,737	$ 491,853	$ 350,038
117	Gas Stored Underground	DP117	F003	-	-	-	-	-	-
301-303	Intangible Plant	DP301	PTSUB	-	2	6	10	1	1
389-399	General Plant	DP389	PTSUB	-	13,316	51,901	84,455	8,744	6,223
Common Utility Plant		DPCP	PTSUB	-	280,272	1,092,400	1,777,598	184,038	130,975
Common Utility Plant Amortization		DPCP	PTSUB	-	-	-	-	-	-
Total Depreciation Expense		DEPREX		$ -	$ 1,443,262	$ 4,063,811	$ 6,612,800	$ 684,635	$ 487,236
Regulatory Credits and Accretion									
	Regulatory Credits	REGCR	PTSUB	-	-	-	-	-	-
	Accretion	ACCRE	PTSUB	-	-	-	-	-	-
Amortization of Investment Tax Credits		ITCAM	PTSUB	-	(1,190)	(4,637)	(7,546)	(781)	(556)

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description		Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Depreciation Expenses							
Underground Storage							
350-357	Underground Storage Plant	DP350	F003	-	-	-	-
358	Asset Retire Obligation Gas Plant	DP350	F003	-	-	-	-
Total Underground Storage				-	-	-	-
Transmission							
365-372	Transmission Plant	DP365	F005	-	-	-	-
Distribution							
374	Land & Land Rights	DP374	F008	-	-	-	-
375	Structures & Improvements	DP375	F008	-	-	-	-
376	Mains	DP376	F009	-	-	-	-
378	Meas & Reg Station Eq.-Gen	DP378	F008	-	-	-	-
379	Meas & Reg Station Eq.-City Gate	DP379	F008	-	-	-	-
380	Services	DP380	F010	12,286,773	-	-	-
381	Meters	DP381	F011	-	2,192,731	-	-
382	Meter Installations	DP382	F011	-	-	-	-
383	House Regulators	DP383	F011	-	962,550	-	-
384	House Regulator Installations	DP384	F011	-	-	-	-
385	Industrial Meas & Reg Equipment	DP385	F011	-	52,324	-	-
387	Other Equipment	DP387	F011	-	38,167	-	-
388	Asset Retire Obligation Gas Plant-City Gate	DP388	F008	-	-	-	-
388	Asset Retire Obligation Gas Plant-Mains	DP388	F009	-	-	-	-
Total Distribution				$ 12,286,773	$ 3,245,772	$ -	$ -
117	Gas Stored Underground	DP117	F003	-	-	-	-
301-303	Intangible Plant	DP301	PTSUB	16	4	-	-
389-399	General Plant	DP389	PTSUB	132,828	30,798	-	-
Common Utility Plant		DPCP	PTSUB	2,795,750	648,227	-	-
Common Utility Plant Amortization		DPCP	PTSUB	-	-	-	-
Total Depreciation Expense		DEPREX		$ 15,215,367	$ 3,924,800	$ -	$ -
Regulatory Credits and Accretion							
	Regulatory Credits	REGCR	PTSUB	-	-	-	-
	Accretion	ACCRE	PTSUB	-	-	-	-
Amortization of Investment Tax Credits		ITCAM	PTSUB	(11,868)	(2,752)	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector		Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Taxes Other Than Income Taxes										
	OTRE	PTT			-	-	-	-	-	-
Taxes Other Than Income Taxes	OTPP	PTT		11,113,566	-	-	1,612,965	-	99,301	470,446
Unemployment Insurance	OTUN	LBTOT		-	-	-	-	-	-	-
Federal Old Age & Survivor Insurance	OTFICA	LBTOT		-	-	-	-	-	-	-
Public Service Commission Fee	OTCF	PTT		-	-	-	-	-	-	-
Miscellaneous	OTMISC	PTT		-	-	-	-	-	-	-
Total Taxes Other Than Income Taxes	OTT		$	11,113,566	$ -	$ -	$ 1,612,965	$ -	$ 99,301	$ 470,446
Interest Expenses	INT	PTT	$	12,736,800	-	-	1,848,552	-	113,805	539,158

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
<u>Taxes Other Than Income Taxes</u>								
	OTRE	PTT	-	-	-	-		
Taxes Other Than Income Taxes	OTPP	PTT	-	360,270	1,421,178	2,312,599	239,428	170,394
Unemployment Insurance	OTUN	LBTOT	-	-	-	-	-	-
Federal Old Age & Survivor Insurance	OTFICA	LBTOT	-	-	-	-	-	-
Public Service Commission Fee	OTCF	PTT	-	-	-	-	-	-
Miscellaneous	OTMISC	PTT	-	-	-	-	-	-
Total Taxes Other Than Income Taxes	OTT		$ -	$ 360,270	$ 1,421,178	$ 2,312,599	$ 239,428	$ 170,394
Interest Expenses	INT	PTT	-	412,890	1,628,753	2,650,374	274,398	195,281

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Taxes Other Than Income Taxes						
	OTRE	PTT	-	-	-	-
Taxes Other Than Income Taxes	OTPP	PTT	3,593,737	833,250	-	-
Unemployment Insurance	OTUN	LBTOT	-	-	-	-
Federal Old Age & Survivor Insurance	OTFICA	LBTOT	-	-	-	-
Public Service Commission Fee	OTCF	PTT	-	-	-	-
Miscellaneous	OTMISC	PTT	-	-	-	-
Total Taxes Other Than Income Taxes	OTT		$ 3,593,737	$ 833,250	$ -	$ -
Interest Expenses	INT	PTT	4,118,634	954,953	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector	Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Functional Assignment Vectors									
Gas Supply Demand	F001		1.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Gas Supply Commodity	F002		1.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000
Storage Demand	F003		1.000000	0.000000	0.000000	1.000000	0.000000	0.000000	0.000000
Storage Commodity	F004		1.000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000
Transmission Demand	F005		1.000000	0.000000	0.000000	0.000000	0.000000	0.174290	0.825710
Distribution Expense Commodity	F007		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Distribution Structures & Equipment	F008		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Distribution Mains	F009		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Services	F010		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meters	F011		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Customer Accounts	F012		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Customer Service Expense	F013		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Transmission & Distribution Mains	TDMSUB		$ 480,205,701	$ -	$ -	$ -	$ -	$ 9,263,651	$ 43,887,105

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
Functional Assignment Vectors								
Gas Supply Demand	F001		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Gas Supply Commodity	F002		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Storage Demand	F003		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Storage Commodity	F004		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Transmission Demand	F005		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Distribution Expense Commodity	F007		1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Distribution Structures & Equipment	F008		0.000000	1.000000	0.000000	0.000000	0.000000	0.000000
Distribution Mains	F009		0.000000	0.000000	0.342982	0.558114	0.057783	0.041122
Services	F010		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meters	F011		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Customer Accounts	F012		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Customer Service Expense	F013		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Transmission & Distribution Mains	TDMSUB		$ -	$ -	$ 146,471,966	$ 238,345,218	$ 24,676,321	$ 17,561,440

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Functional Assignment Vectors						
Gas Supply Demand	F001		0.000000	0.000000	0.000000	0.000000
Gas Supply Commodity	F002		0.000000	0.000000	0.000000	0.000000
Storage Demand	F003		0.000000	0.000000	0.000000	0.000000
Storage Commodity	F004		0.000000	0.000000	0.000000	0.000000
Transmission Demand	F005		0.000000	0.000000	0.000000	0.000000
Distribution Expense Commodity	F007		0.000000	0.000000	0.000000	0.000000
Distribution Structures & Equipment	F008		0.000000	0.000000	0.000000	0.000000
Distribution Mains	F009		0.000000	0.000000	0.000000	0.000000
Services	F010		1.000000	0.000000	0.000000	0.000000
Meters	F011		0.000000	1.000000	0.000000	0.000000
Customer Accounts	F012		0.000000	0.000000	1.000000	0.000000
Customer Service Expense	F013		0.000000	0.000000	0.000000	1.000000
Transmission & Distribution Mains	TDMSUB		$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector	Total Company	Procurement Demand	Procurement Commodity	Storage Demand	Storage Commodity	Transmission Non-Storage Related Demand	Transmission Storage Related Demand
Internally Generated Functional Vectors									
Sub-Total Distribution Plant		PTDSUB	1.000000	-	-	-	-	-	-
Storage-Transmission-Distribution Subtotal		PTSUB	1.000000	-	-	0.135412	-	0.008176	0.038736
Total Storage Plant		PTST	1.000000	-	-	1.000000	-	-	-
Transmission Plant		PT365	1.000000	-	-	-	-	0.174290	0.825710
General Plant		PT389	1.000000	-	-	0.135412	-	0.008176	0.038736
Total Distribution Plant		PTDSUB	1.000000	-	-	-	-	-	-
Sub-Total CWIP		CWIP	1.000000	-	-	0.221771	-	0.050725	0.240311
Total Operation and Maintenance Expenses		OMT	1.000000	0.001721	0.012937	0.057855	0.140834	0.015149	0.071768
Total Depreciation Reserve		DEPR	1.000000	-	-	0.122997	-	0.006691	0.031700
Storage-Transmission -Distribution Plant Subtotal		PTSUB	1.000000	-	-	0.135412	-	0.008176	0.038736
Total Labor Expenses		LBTOT	1.000000	0.003527	0.026518	0.062184	0.133938	0.017801	0.084332
Transmission and Distribution Payroll		LBTD	1.000000	-	-	-	-	0.029992	0.142090
Transmission and Distribution Mains		TDMSUB	1.000000	-	-	-	-	0.019291	0.091392
Storage Operation Expenses Labor Subtotal	OSE		1,807,639	-	-	419,901	1,387,738	-	-
Storage Maintenance Expenses Labor Subtotal	MSE		1,237,646	-	-	531,554	706,092	-	-
Mains & Services	CADAL		801,916,809	-	-	-	-	-	-
Demand/Commodity Percent of Purchased Gas Cost	DMCM		1.00000	11.74%	88.26%				
Distribution Operation Expenses Labor Subtotal	DOES		4,967,294	-	-	-	-	-	-
Distribution Maintenance Expenses Labor Subtotal	DMES		5,052,586	-	-	-	-	-	-
Subtotal Labor Expenses	LBSUB		$ 20,312,460	$ 72,163	$ 542,513	$ 1,252,419	$ 2,740,162	$ 362,982	$ 1,719,648
Subtotal O&M Expenses	OMSUB		$ 48,227,142	$ 41,912	$ 315,087	$ 2,621,306	$ 7,063,737	$ 673,216	$ 3,189,401
Depreciation Reserve - Distribution	DEPRDIS		$ 239,031,181	$ -	$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector	Distribution Commodity	Distribution Structures & Equipment Demand	Distribution Mains - Low & Med. Pressure Demand	Distribution Mains - Low & Med. Pressure Customer	Distribution Mains - High Pressure Demand	Distribution Mains - High Pressure Customer
Internally Generated Functional Vectors								
Sub-Total Distribution Plant		PTDSUB	-	0.040565	0.158107	0.257278	0.026636	0.018956
Storage-Transmission-Distribution Subtotal		PTSUB	-	0.033169	0.129280	0.210370	0	0
Total Storage Plant		PTST	-	-	-	-	-	-
Transmission Plant		PT365	-	-	-	-	-	-
General Plant		PT389	-	0.033169	0.129280	0.210370	0	0
Total Distribution Plant		PTDSUB	-	0.040565	0.158107	0.257278	0	0
Sub-Total CWIP		CWIP	-	0.010554	0.118997	0.193637	0	0
Total Operation and Maintenance Expenses		OMT	0.023325	0.047158	0.096289	0.156686	0	0
Total Depreciation Reserve		DEPR	-	0.017442	0.148187	0.247230	0	0
Storage-Transmission -Distribution Plant Subtotal		PTSUB	-	0.033169	0.129280	0.210370	0	0
Total Labor Expenses		LBTOT	0.033140	0.051682	0.087829	0.142919	0	0
Transmission and Distribution Payroll		LBTD	0.056021	0.086965	0.146910	0.239057	0	0
Transmission and Distribution Mains		TDMSUB	-	-	0.305019	0.496340	0	0
Storage Operation Expenses Labor Subtotal	OSE		-	-	-	-	-	-
Storage Maintenance Expenses Labor Subtotal	MSE		-	-	-	-	-	-
Mains & Services	CADAL		-	-	146,471,966	238,345,218	24,676,321	17,561,440
Demand/Commodity Percent of Purchased Gas Cost	DMCM							
Distribution Operation Expenses Labor Subtotal	DOES		678,000	810,267	415,139	675,532	69,939	49,774
Distribution Maintenance Expenses Labor Subtotal	DMES		-	242,233	1,362,835	2,217,662	229,599	163,399
Subtotal Labor Expenses	LBSUB		$ 678,000	$ 1,052,499	$ 1,777,975	$ 2,893,194	$ 299,538	$ 213,173
Subtotal O&M Expenses	OMSUB		$ 912,592	$ 2,179,501	$ 4,817,699	$ 7,839,559	$ 811,644	$ 577,624
Depreciation Reserve - Distribution	DEPRDIS		$ -	$ 4,247,160	$ 42,919,420	$ 71,843,810	$ 6,245,561	$ 4,501,029

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Functional Assignment and Classification

Description	Name	Vector	Services Customer	Meters Customer	Customer Accounts Customer	Customer Service Expense Customer
Internally Generated Functional Vectors						
Sub-Total Distribution Plant		PTDSUB	0.404638	0.093820	-	-
Storage-Transmission-Distribution Subtotal		PTSUB	0	0	-	-
Total Storage Plant		PTST	-	-	-	-
Transmission Plant		PT365	-	-	-	-
General Plant		PT389	0	0	-	-
Total Distribution Plant		PTDSUB	0	0	-	-
Sub-Total CWIP		CWIP	0	0	-	-
Total Operation and Maintenance Expenses		OMT	0	0	0	0
Total Depreciation Reserve		DEPR	0	0	-	-
Storage-Transmission -Distribution Plant Subtotal		PTSUB	0	0	-	-
Total Labor Expenses		LBTOT	0	0	0	0
Transmission and Distribution Payroll		LBTD	0	0	-	-
Transmission and Distribution Mains		TDMSUB	-	-	-	-
Storage Operation Expenses Labor Subtotal	OSE		-	-	-	-
Storage Maintenance Expenses Labor Subtotal	MSE		-	-	-	-
Mains & Services	CADAL		374,861,864	-	-	-
Demand/Commodity Percent of Purchased Gas Cost	DMCM					
Distribution Operation Expenses Labor Subtotal	DOES		1,062,455	1,206,188	-	-
Distribution Maintenance Expenses Labor Subtotal	DMES		656,755	180,103	-	-
Subtotal Labor Expenses	LBSUB		$ 1,719,211	$ 1,386,291	$ 3,378,555	$ 224,138
Subtotal O&M Expenses	OMSUB		$ 4,609,677	$ 2,755,176	$ 9,319,886	$ 499,125
Depreciation Reserve - Distribution	DEPRDIS		$ 90,460,693	$ 18,813,509	$ -	$ -

Exhibit WSS-29

Gas Cost of Service Study
Class Allocation

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector	Total System	Residential (RGS)	Commercial (CGS)	Industrial (IGS)	As Available Gas Service (AAGS)	Firm Transportation Service (FT)
Plant in Service									
Procurement Expenses									
Demand	PTIS	PTISGSD	DEM01	$ -	$ -	$ -	$ -	$ -	$ -
Commodity	PTIS	PTISGSC	COM01	-	-	-	-	-	-
Total Procurement Expenses				$ -	$ -	$ -	$ -	$ -	$ -
Storage									
Demand	PTIS	PTISSD	DEM02	$ 178,728,015	$ 119,039,286	$ 53,570,566	$ 4,558,642	$ -	$ 1,559,520
Commodity	PTIS	PTISSC	COM02	-	-	-	-	-	-
Total Storage				$ 178,728,015	$ 119,039,286	$ 53,570,566	$ 4,558,642	$ -	$ 1,559,520
Transmission									
Demand Non-Storage Related	PTIS	PTISTD	DEM04	$ 10,079,995	$ 5,472,514	$ 2,501,058	$ 247,446	$ 55,309	$ 1,803,666
Storage Related	PTIS	PTISTC	DEM03	47,754,581	31,806,268	14,313,592	1,218,030	-	416,690
Total Transmission				$ 57,834,575	$ 37,278,783	$ 16,814,650	$ 1,465,476	$ 55,309	$ 2,220,357
Distribution Expenses									
Commodity	PTIS	PTISDEC	COM04	$ -	$ -	$ -	$ -	$ -	$ -
Distribution Structures & Equipment									
Demand	PTIS	PTISDSD	DEM04	$ 40,891,286	$ 22,200,225	$ 10,145,986	$ 1,003,810	$ 224,372	$ 7,316,893
Distribution Mains									
Low/Medium Pressure - Demand	PTIS	PTISDMD	DEM05a	$ 159,379,558	$ 102,373,766	$ 46,787,037	$ 4,327,269	$ 878,106	$ 5,013,380
Low/Medium Pressure - Customer	PTIS	PTISDMC	CUST01a	259,348,982	239,181,948	19,952,466	212,955	-	1,613
High Pressure - Demand	PTIS	PTISDMD	DEM05	26,850,879	14,577,570	6,662,266	659,143	147,331	4,804,569
High Pressure - Customer	PTIS	PTISDMC	CUST01	19,109,012	17,618,543	1,469,732	16,043	357	4,338
Total Distribution Mains		PTISDIS		$ 464,688,431	$ 373,751,826	$ 74,871,501	$ 5,215,410	$ 1,025,794	$ 9,823,900
Services									
Customer	PTIS	PTISSC	CUST02	$ 407,895,923	$ 303,436,555	$ 97,935,054	$ 2,733,366	$ 61,309	$ 3,729,640
Meters									
Customer	PTIS	PTISMC	CUST03	$ 94,575,391	$ 63,557,579	$ 26,103,938	$ 2,145,267	$ 60,546	$ 2,708,061
Customer Accounts									
Customer	PTIS	PTISCAC	CUST04	$ -	$ -	$ -	$ -	$ -	$ -
Customer Service									
Customer	PTIS	PTISCSC	CUST05	$ -	$ -	$ -	$ -	$ -	$ -
Total		PLT		$ 1,244,613,621	$ 919,264,254	$ 279,441,695	$ 17,121,972	$ 1,427,330	$ 27,358,370

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector		Total System		Residential (RGS)		Commercial (CGS)		Industrial (IGS)		As Available Gas Service (AAGS)		Firm Transportation Service (FT)
Rate Base															
Procurement Expenses															
Demand	NCRB	RBGSD	DEM01	$	17,092	$	11,302	$	5,165	$	511	$	114	$	-
Commodity	NCRB	RBGSC	COM01		128,499		78,401		40,726		7,829		1,543		-
Total Procurement Expenses				$	145,592	$	89,703	$	45,892	$	8,340	$	1,657	$	-
Storage															
Demand	NCRB	RBSD	DEM02	$	134,206,512	$	89,386,364	$	40,226,032	$	3,423,076	$	-	$	1,171,040
Commodity	NCRB	RBSC	COM02		1,398,816		907,417		431,830		59,569		-		-
Total Storage				$	135,605,328	$	90,293,781	$	40,657,861	$	3,482,645	$	-	$	1,171,040
Transmission															
Demand Non-Storage Related	NCRB	RBTD	DEM04	$	7,208,769	$	3,913,702	$	1,788,647	$	176,963	$	39,555	$	1,289,903
Storage Related	NCRB	RBTC	DEM03		34,151,975		22,746,444		10,236,452		871,081		-		297,999
Total Transmission				$	41,360,744	$	26,660,146	$	12,025,098	$	1,048,044	$	39,555	$	1,587,901
Distribution Expenses															
Commodity	NCRB	RBDEC	COM04	$	231,676	$	102,062	$	53,017	$	10,191	$	2,009	$	64,397
Distribution Structures & Equipment															
Demand	NCRB	RBDSD	DEM04	$	27,863,200	$	15,127,167	$	6,913,444	$	683,993	$	152,886	$	4,985,709
Distribution Mains															
Low/Medium Pressure - Demand	NCRB	RBDMD	DEM05a	$	79,706,883	$	51,197,869	$	23,398,539	$	2,164,099	$	439,147	$	2,507,228
Low/Medium Pressure - Customer	NCRB	RBDMC	CUST01a		127,426,065		117,517,386		9,803,255		104,631		-		793
High Pressure - Demand	NCRB	RBDMD	DEM05		14,547,533		7,897,979		3,609,548		357,117		79,823		2,603,067
High Pressure - Customer	NCRB	RBDMC	CUST01		10,289,174		9,486,636		791,372		8,638		192		2,336
Total Distribution Mains				$	231,969,654	$	186,099,870	$	37,602,714	$	2,634,485	$	519,162	$	5,113,423
Services															
Customer	NCRB	RBSC	CUST02	$	219,545,280	$	163,321,229	$	52,712,414	$	1,471,203	$	32,999	$	2,007,436
Meters															
Customer	NCRB	RBMC	CUST03	$	53,751,262	$	36,122,506	$	14,835,991	$	1,219,248	$	34,411	$	1,539,107
Customer Accounts															
Customer	NCRB	RBCAC	CUST04	$	1,808,350	$	1,542,101	$	259,605	$	2,784	$	62	$	3,798
Customer Service															
Customer	NCRB	RBCSC	CUST05	$	103,640	$	88,381	$	14,879	$	160	$	4	$	218
Total		RBT		$	712,384,727	$	519,446,947	$	165,120,915	$	10,561,092	$	782,745	$	16,473,029

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector	Total System	Residential (RGS)	Commercial (CGS)	Industrial (IGS)	As Available Gas Service (AAGS)	Firm Transportation Service (FT)
						$ 78,417,515			
Operation and Maintenance Expenses									
Procurement Expenses									
Demand	OMT	OMGSD	DEM01	$ 124,749	$ 82,487	$ 37,698	$ 3,730	$ 834	$ -
Commodity	OMT	OMGSC	COM01	937,850	572,212	297,240	57,136	11,262	-
Total Procurement Expenses		OMGST		$ 1,062,599	$ 654,699	$ 334,938	$ 60,866	$ 12,096	$ -
Storage									
Demand	OMT	OMSD	DEM02	$ 4,193,958	$ 2,793,327	$ 1,257,065	$ 106,971	$ -	$ 36,595
Commodity	OMT	OMSC	COM02	10,209,229	6,622,766	3,151,699	434,764	-	-
Total Storage		OMST		$ 14,403,187	$ 9,416,093	$ 4,408,763	$ 541,736	$ -	$ 36,595
Transmission									
Demand Non-Storage Related	OMT	OMTD	DEM04	$ 1,098,159	$ 596,200	$ 272,476	$ 26,958	$ 6,026	$ 196,499
Storage Related	OMT	OMTC	DEM03	5,202,595	3,465,115	1,559,386	132,698	-	45,396
Total Transmission		OMTRT		$ 6,300,754	$ 4,061,315	$ 1,831,862	$ 159,655	$ 6,026	$ 241,895
Distribution Expenses									
Commodity	OMT	OMDEC	COM04	$ 1,690,883	$ 744,901	$ 386,944	$ 74,380	$ 14,661	$ 469,997
Distribution Structures & Equipment									
Demand	OMT	OMDSD	DEM04	$ 3,418,587	$ 1,855,980	$ 848,223	$ 83,920	$ 18,758	$ 611,706
Distribution Mains									
Low/Medium Pressure - Demand	OMT	OMDMD	DEM05a	$ 6,980,164	$ 4,483,547	$ 2,049,078	$ 189,516	$ 38,457	$ 219,565
Low/Medium Pressure - Customer	OMT	OMDMC	CUST01a	11,358,410	10,475,178	873,835	9,327	-	71
High Pressure - Demand	OMT	OMDMD	DEM05	1,175,957	638,437	291,780	28,868	6,453	210,420
High Pressure - Customer	OMT	OMDMD	CUST01	836,896	771,619	64,368	703	16	190
Total Distribution Mains				$ 20,351,427	$ 16,368,781	$ 3,279,061	$ 228,413	$ 44,926	$ 430,246
Services									
Customer	OMT	OMSC	CUST02	$ 6,891,422	$ 5,126,576	$ 1,654,618	$ 46,180	$ 1,036	$ 63,012
Meters									
Customer	OMT	OMMC	CUST03	$ 4,417,996	$ 2,969,030	$ 1,219,420	$ 100,214	$ 2,828	$ 126,504
Customer Accounts									
Customer	OMT	OMCAC	CUST04	$ 13,198,203	$ 11,254,990	$ 1,894,719	$ 20,317	$ 456	$ 27,722
Customer Service									
Customer	OMT	OMCSC	CUST05	$ 756,418	$ 645,048	$ 108,590	$ 1,164	$ 26	$ 1,589
Total		OMTT		$ 72,491,476	$ 53,097,411	$ 15,967,139	$ 1,316,846	$ 100,812	$ 2,009,268

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector		Total System		Residential (RGS)		Commercial (CGS)		Industrial (IGS)		As Available Gas Service (AAGS)		Firm Transportation Service (FT)
Payroll Expenses															
Procurement Expenses															
Demand	LBTOT	LBGSD	DEM01	$	91,252	$	60,338	$	27,576	$	2,728	$	610	$	-
Commodity	LBTOT	LBGSC	COM01		686,026		418,566		217,427		41,795		8,238		-
Total Procurement Expenses		LBGST		$	777,278	$	478,904	$	245,003	$	44,523	$	8,848	$	-
Storage															
Demand	LBTOT	LBSD	DEM02	$	1,608,721	$	1,071,466	$	482,186	$	41,032	$	-	$	14,037
Commodity	LBTOT	LBSC	COM02		3,465,025		2,247,775		1,069,690		147,560		-		-
Total Storage		LBST		$	5,073,746	$	3,319,241	$	1,551,876	$	188,592	$	-	$	14,037
Transmission															
Demand Non-Storage Related	LBTOT	LBTD	DEM04	$	460,512	$	250,016	$	114,263	$	11,305	$	2,527	$	82,402
Storage Related	LBTOT	LBTC	DEM03		2,181,702		1,453,092		653,927		55,647		-		19,037
Total Transmission		LBTRT		$	2,642,214	$	1,703,108	$	768,189	$	66,951	$	2,527	$	101,439
Distribution Expenses															
Commodity	LBTOT	LBDEC	COM04	$	857,353	$	377,698	$	196,198	$	37,714	$	7,434	$	238,310
Distribution Structures & Equipment															
Demand	LBTOT	LBDSD	DEM04	$	1,337,043	$	725,892	$	331,748	$	32,822	$	7,336	$	239,244
Distribution Mains															
Low/Medium Pressure - Demand	LBTOT	LBDMD	DEM05a	$	2,272,172	$	1,459,477	$	667,013	$	61,691	$	12,519	$	71,473
Low/Medium Pressure - Customer	LBTOT	LBDMC	CUST01a		3,697,371		3,409,863		284,449		3,036		-		23
High Pressure - Demand	LBTOT	LBDMC	DEM05		382,796		207,823		94,980		9,397		2,100		68,496
High Pressure - Customer	LBTOT	LBDMC	CUST01		272,425		251,176		20,953		229		5		62
Total Distribution Mains				$	6,624,763	$	5,328,339	$	1,067,395	$	74,353	$	14,624	$	140,053
Services															
Customer	LBTOT	LBSC	CUST02	$	2,235,073	$	1,662,686	$	536,637	$	14,978	$	336	$	20,437
Meters															
Customer	LBTOT	LBMC	CUST03	$	1,767,171	$	1,187,594	$	487,760	$	40,085	$	1,131	$	50,601
Customer Accounts															
Customer	LBTOT	LBCAC	CUST04	$	4,272,294	$	3,643,271	$	613,326	$	6,577	$	148	$	8,974
Customer Service															
Customer	LBTOT	LBCSC	CUST05	$	283,429	$	241,699	$	40,689	$	436	$	10	$	595
Total		LBTT		$	25,870,365	$	18,668,431	$	5,838,821	$	507,030	$	42,394	$	813,689

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector		Total System		Residential (RGS)		Commercial (CGS)		Industrial (IGS)		As Available Gas Service (AAGS)		Firm Transportation Service (FT)
Depreciation Expenses															
Procurement Expenses															
Demand	DEPREX	DEGSD	DEM01	$	-	$	-	$	-	$	-	$	-	$	-
Commodity	DEPREX	DEGSC	COM01		-		-		-		-		-		-
Total Procurement Expenses		DEGST		$	-	$	-	$	-	$	-	$	-	$	-
Storage															
Demand	DEPREX	DESD	DEM02	$	4,776,553	$	3,181,356	$	1,431,687	$	121,831	$	-	$	41,679
Commodity	DEPREX	DESC	COM02		-		-		-		-		-		-
Total Storage		DEST		$	4,776,553	$	3,181,356	$	1,431,687	$	121,831	$	-	$	41,679
Transmission															
Demand Non-Storage Related	DEPREX	DETD	DEM04	$	261,783	$	142,124	$	64,954	$	6,426	$	1,436	$	46,842
Storage Related	DEPREX	DETC	DEM03		1,240,214		826,027		371,732		31,633		-		10,822
Total Transmission		DETT		$	1,501,997	$	968,151	$	436,686	$	38,059	$	1,436	$	57,664
Distribution Expenses															
Commodity	DEPREX	DEDEC	COM04	$	-	$	-	$	-	$	-	$	-	$	-
Distribution Structures & Equipment															
Demand	DEPREX	DEDSD	DEM04	$	1,443,262	$	783,559	$	358,104	$	35,430	$	7,919	$	258,250
Distribution Mains															
Low/Medium Pressure - Demand	DEPREX	DEDMD	DEM05a	$	4,063,811	$	2,610,295	$	1,192,961	$	110,335	$	22,390	$	127,830
Low/Medium Pressure - Customer	DEPREX	DEDMC	CUST01a		6,612,800		6,098,587		508,742		5,430		-		41
High Pressure - Demand	DEPREX	DEDMD	DEM05		684,635		371,694		169,872		16,807		3,757		122,505
High Pressure - Customer	DEPREX	DEDMC	CUST01		487,236		449,232		37,475		409		9		111
Total Distribution Mains				$	11,848,481	$	9,529,808	$	1,909,050	$	132,981	$	26,155	$	250,487
Services															
Customer	DEPREX	DESC	CUST02	$	15,215,367	$	11,318,815	$	3,653,181	$	101,960	$	2,287	$	139,123
Meters															
Customer	DEPREX	DEMC	CUST03	$	3,924,800	$	2,637,587	$	1,083,292	$	89,027	$	2,513	$	112,382
Customer Accounts															
Customer	DEPREX	DECAC	CUST04	$	-	$	-	$	-	$	-	$	-	$	-
Customer Service															
Customer	DEPREX	DECSC	CUST05	$	-	$	-	$	-	$	-	$	-	$	-
Total		DET		$	38,710,461	$	28,419,277	$	8,872,001	$	519,288	$	40,311	$	859,585

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector	Total System	Residential (RGS)	Commercial (CGS)	Industrial (IGS)	As Available Gas Service (AAGS)	Firm Transportation Service (FT)
Regulatory Credits									
Procurement Expenses									
Demand	REGCR	DEGSD	DEM01	$ -	$ -	$ -	$ -	$ -	$ -
Commodity	REGCR	DEGSC	COM01	-	-	-	-	-	-
Total Procurement Expenses		DEGST		$ -	$ -	$ -	$ -	$ -	$ -
Storage									
Demand	REGCR	DESD	DEM02	$ -	$ -	$ -	$ -	$ -	$ -
Commodity	REGCR	DESC	COM02	-	-	-	-	-	-
Total Storage		DEST		$ -	$ -	$ -	$ -	$ -	$ -
Transmission									
Demand Non-Storage Related	REGCR	DETD	DEM04	$ -	$ -	$ -	$ -	$ -	$ -
Storage Related	REGCR	DETC	DEM03	-	-	-	-	-	-
Total Transmission		DETT		$ -	$ -	$ -	$ -	$ -	$ -
Distribution Expenses									
Commodity	REGCR	DEDEC	COM04	$ -	$ -	$ -	$ -	$ -	$ -
Distribution Structures & Equipment									
Demand	REGCR	DEDSD	DEM04	$ -	$ -	$ -	$ -	$ -	$ -
Distribution Mains									
Low/Medium Pressure - Demand	REGCR	DEDMD	DEM05a	$ -	$ -	$ -	$ -	$ -	$ -
Low/Medium Pressure - Customer	REGCR	DEDMC	CUST01a	-	-	-	-	-	-
High Pressure - Demand	REGCR	DEDMD	DEM05	-	-	-	-	-	-
High Pressure - Customer	REGCR	DEDMC	CUST01	-	-	-	-	-	-
Total Distribution Mains				$ -	$ -	$ -	$ -	$ -	$ -
Services									
Customer	REGCR	DESC	CUST02	$ -	$ -	$ -	$ -	$ -	$ -
Meters									
Customer	REGCR	DEMC	CUST03	$ -	$ -	$ -	$ -	$ -	$ -
Customer Accounts									
Customer	REGCR	DECAC	CUST04	$ -	$ -	$ -	$ -	$ -	$ -
Customer Service									
Customer	REGCR	DECSC	CUST05	$ -	$ -	$ -	$ -	$ -	$ -
Total		RCR		$ -	$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector	Total System	Residential (RGS)	Commercial (CGS)	Industrial (IGS)	As Available Gas Service (AAGS)	Firm Transportation Service (FT)
Accretion Expense									
Procurement Expenses									
Demand	ACCRE	DEGSD	DEM01	$ -	$ -	$ -	$ -	$ -	$ -
Commodity	ACCRE	DEGSC	COM01	-	-	-	-	-	-
Total Procurement Expenses		DEGST		$ -	$ -	$ -	$ -	$ -	$ -
Storage									
Demand	ACCRE	DESD	DEM02	$ -	$ -	$ -	$ -	$ -	$ -
Commodity	ACCRE	DESC	COM02	-	-	-	-	-	-
Total Storage		DEST		$ -	$ -	$ -	$ -	$ -	$ -
Transmission									
Demand Non-Storage Related	ACCRE	DETD	DEM04	$ -	$ -	$ -	$ -	$ -	$ -
Storage Related	ACCRE	DETC	DEM03	-	-	-	-	-	-
Total Transmission		DETT		$ -	$ -	$ -	$ -	$ -	$ -
Distribution Expenses									
Commodity	ACCRE	DEDEC	COM04	$ -	$ -	$ -	$ -	$ -	$ -
Distribution Structures & Equipment									
Demand	ACCRE	DEDSD	DEM04	$ -	$ -	$ -	$ -	$ -	$ -
Distribution Mains									
Low/Medium Pressure - Demand	ACCRE	DEDMD	DEM05a	$ -	$ -	$ -	$ -	$ -	$ -
Low/Medium Pressure - Customer	ACCRE	DEDMC	CUST01a	-	-	-	-	-	-
High Pressure - Demand	ACCRE	DEDMD	DEM05	-	-	-	-	-	-
High Pressure - Customer	ACCRE	DEDMC	CUST01	-	-	-	-	-	-
Total Distribution Mains				$ -	$ -	$ -	$ -	$ -	$ -
Services									
Customer	ACCRE	DESC	CUST02	$ -	$ -	$ -	$ -	$ -	$ -
Meters									
Customer	ACCRE	DEMC	CUST03	$ -	$ -	$ -	$ -	$ -	$ -
Customer Accounts									
Customer	ACCRE	DECAC	CUST04	$ -	$ -	$ -	$ -	$ -	$ -
Customer Service									
Customer	ACCRE	DECSC	CUST05	$ -	$ -	$ -	$ -	$ -	$ -
Total		ACC		$ -	$ -	$ -	$ -	$ -	$ -

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector	Total System	Residential (RGS)	Commercial (CGS)	Industrial (IGS)	As Available Gas Service (AAGS)	Firm Transportation Service (FT)
ITC Amortization									
Procurement Expenses									
Demand	ITCAM	DEGSD	DEM01	$ -	$ -	$ -	$ -	$ -	$ -
Commodity	ITCAM	DEGSC	COM01	-	-	-	-	-	-
Total Procurement Expenses		DEGST		$ -	$ -	$ -	$ -	$ -	$ -
Storage									
Demand	ITCAM	DESD	DEM02	$ (4,857)	$ (3,235)	$ (1,456)	$ (124)	$ -	$ (42)
Commodity	ITCAM	DESC	COM02	-	-	-	-	-	-
Total Storage		DEST		$ (4,857)	$ (3,235)	$ (1,456)	$ (124)	$ -	$ (42)
Transmission									
Demand Non-Storage Related	ITCAM	DETD	DEM04	$ (293)	$ (159)	$ (73)	$ (7)	$ (2)	$ (52)
Storage Related	ITCAM	DETC	DEM03	(1,389)	(925)	(416)	(35)	-	(12)
Total Transmission		DETT		$ (1,683)	$ (1,085)	$ (489)	$ (43)	$ (2)	$ (65)
Distribution Expenses									
Commodity	ITCAM	DEDEC	COM04	$ -	$ -	$ -	$ -	$ -	$ -
Distribution Structures & Equipment									
Demand	ITCAM	DEDSD	DEM04	$ (1,190)	$ (646)	$ (295)	$ (29)	$ (7)	$ (213)
Distribution Mains									
Low/Medium Pressure - Demand	ITCAM	DEDMD	DEM05a	$ (4,637)	$ (2,979)	$ (1,361)	$ (126)	$ (26)	$ (146)
Low/Medium Pressure - Customer	ITCAM	DEDMC	CUST01a	(7,546)	(6,959)	(581)	(6)	-	(0)
High Pressure - Demand	ITCAM	DEDMD	DEM05	(781)	(424)	(194)	(19)	(4)	(140)
High Pressure - Customer	ITCAM	DEDMC	CUST01	(556)	(513)	(43)	(0)	(0)	(0)
Total Distribution Mains				$ (13,520)	$ (10,875)	$ (2,178)	$ (152)	$ (30)	$ (286)
Services									
Customer	ITCAM	DESC	CUST02	$ (11,868)	$ (8,829)	$ (2,849)	$ (80)	$ (2)	$ (109)
Meters									
Customer	ITCAM	DEMC	CUST03	$ (2,752)	$ (1,849)	$ (760)	$ (62)	$ (2)	$ (79)
Customer Accounts									
Customer	ITCAM	DECAC	CUST04	$ -	$ -	$ -	$ -	$ -	$ -
Customer Service									
Customer	ITCAM	DECSC	CUST05	$ -	$ -	$ -	$ -	$ -	$ -
Total		ITC		$ (35,870)	$ (26,518)	$ (8,028)	$ (489)	$ (42)	$ (793)

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector		Total System		Residential (RGS)		Commercial (CGS)		Industrial (IGS)		As Available Gas Service (AAGS)		Firm Transportation Service (FT)
Other Taxes															
Procurement Expenses															
Demand	OTT	OTTGSD	DEM01	$	-	$	-	$	-	$	-	$	-	$	-
Commodity	OTT	OTTGSC	COM01		-		-		-		-		-		-
Total Procurement Expenses		OTTGST		$	-	$	-	$	-	$	-	$	-	$	-
Storage															
Demand	OTT	OTTSD	DEM02	$	1,612,965	$	1,074,293	$	483,458	$	41,140	$	-	$	14,074
Commodity	OTT	OTTSC	COM02		-		-		-		-		-		-
Total Storage		OTTST		$	1,612,965	$	1,074,293	$	483,458	$	41,140	$	-	$	14,074
Transmission															
Demand Non-Storage Related	OTT	OTTTD	DEM04	$	99,301	$	53,911	$	24,639	$	2,438	$	545	$	17,768
Storage Related	OTT	OTTTC	DEM03		470,446		313,334		141,008		11,999		-		4,105
Total Transmission		OTTTT		$	569,747	$	367,245	$	165,647	$	14,437	$	545	$	21,873
Distribution Expenses															
Commodity	OTT	OTTDEC	COM04	$	-	$	-	$	-	$	-	$	-	$	-
Distribution Structures & Equipment															
Demand	OTT	OTTDSD	DEM04	$	360,270	$	195,593	$	89,390	$	8,844	$	1,977	$	64,465
Distribution Mains															
Low/Medium Pressure - Demand	OTT	OTTDMD	DEM05a	$	1,421,178	$	912,861	$	417,197	$	38,586	$	7,830	$	44,704
Low/Medium Pressure - Customer	OTT	OTTDMC	CUST01a		2,312,599		2,132,771		177,915		1,899		-		14
High Pressure - Demand	OTT	OTTDMD	DEM05		239,428		129,987		59,407		5,878		1,314		42,842
High Pressure - Customer	OTT	OTTDMC	CUST01		170,394		157,103		13,106		143		3		39
Total Distribution Mains				$	4,143,598	$	3,332,722	$	667,625	$	46,505	$	9,147	$	87,599
Services															
Customer	OTT	OTTSC	CUST02	$	3,593,737	$	2,673,405	$	862,850	$	24,082	$	540	$	32,860
Meters															
Customer	OTT	OTTMC	CUST03	$	833,250	$	559,969	$	229,987	$	18,901	$	533	$	23,859
Customer Accounts															
Customer	OTT	OTTCAC	CUST04	$	-	$	-	$	-	$	-	$	-	$	-
Customer Service															
Customer	OTT	OTTCSC	CUST05	$	-	$	-	$	-	$	-	$	-	$	-
Total		OTTT		$	11,113,566	$	8,203,228	$	2,498,956	$	153,910	$	12,742	$	244,731

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector	Total System	Residential (RGS)	Commercial (CGS)	Industrial (IGS)	As Available Gas Service (AAGS)	Firm Transportation Service (FT)
Interest Expense									
Procurement Expenses									
Demand	INT	INTGSD	DEM01	$ -	$ -	$ -	$ -	$ -	$ -
Commodity	INT	INTGSC	COM01	-	-	-	-	-	-
Total Procurement Expenses		INTGST		$ -	$ -	$ -	$ -	$ -	$ -
Storage									
Demand	INT	INTSD	DEM02	$ 1,848,552	$ 1,231,202	$ 554,071	$ 47,149	$ -	$ 16,130
Commodity	INT	INTSC	COM02	-	-	-	-	-	-
Total Storage		INTST		$ 1,848,552	$ 1,231,202	$ 554,071	$ 47,149	$ -	$ 16,130
Transmission									
Demand Non-Storage Related	INT	INTTD	DEM04	$ 113,805	$ 61,786	$ 28,237	$ 2,794	$ 624	$ 20,364
Storage Related	INT	INTTC	DEM03	539,158	359,099	161,603	13,752	-	4,705
Total Transmission		INTTT		$ 652,964	$ 420,885	$ 189,841	$ 16,546	$ 624	$ 25,068
Distribution Expenses									
Commodity	INT	INTDEC	COM04	$ -	$ -	$ -	$ -	$ -	$ -
Distribution Structures & Equipment									
Demand	INT	INTDSD	DEM04	$ 412,890	$ 224,162	$ 102,447	$ 10,136	$ 2,266	$ 73,881
Distribution Mains									
Low/Medium Pressure - Demand	INT	INTDMD	DEM05a	$ 1,628,753	$ 1,046,192	$ 478,132	$ 44,222	$ 8,974	$ 51,233
Low/Medium Pressure - Customer	INT	INTDMC	CUST01a	2,650,374	2,444,281	203,901	2,176	-	16
High Pressure - Demand	INT	INTDMD	DEM05	274,398	148,973	68,084	6,736	1,506	49,100
High Pressure - Customer	INT	INTDMC	CUST01	195,281	180,050	15,020	164	4	44
Total Distribution Mains				$ 4,748,807	$ 3,819,495	$ 765,137	$ 53,298	$ 10,483	$ 100,394
Services									
Customer	INT	INTSC	CUST02	$ 4,118,634	$ 3,063,880	$ 988,876	$ 27,600	$ 619	$ 37,659
Meters									
Customer	INT	INTMC	CUST03	$ 954,953	$ 641,758	$ 263,578	$ 21,661	$ 611	$ 27,344
Customer Accounts									
Customer	INT	INTCAC	CUST04	$ -	$ -	$ -	$ -	$ -	$ -
Customer Service									
Customer	INT	INTCSC	CUST05	$ -	$ -	$ -	$ -	$ -	$ -
Total		INTT		$ 12,736,800	$ 9,401,382	$ 2,863,950	$ 176,389	$ 14,603	$ 280,476

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector	Total System	Residential (RGS)	Commercial (CGS)	Industrial (IGS)	As Available Gas Service (AAGS)	Firm Transportation Service (FT)
Net Operating Income -- Adjusted Forecast Period									
Operating Revenues									
Sales and Transportation			REV01	324,979,207	214,163,791	90,246,981	11,720,052	1,076,927	7,771,455
Interdepartmental Sales			REV01	2,922,301	1,925,818	811,525	105,390	9,684	69,883
Forfeited Discounts			REVFD	$ 1,168,995	953,703	194,939	20,262	91	-
Miscellaneous Revenue		REVMSR	REVMISC	477,465	137,012	340,453	-	-	-
Total Operating Revenues		TOR		$ 329,547,967	$ 217,180,325	$ 91,593,897	$ 11,845,704	$ 1,086,703	$ 7,841,338
Pro-Forma Adjustments to Revenues									
Adjustment to eliminate gas line tracker revenues			REVGLT	(4,397,745)	$ (2,965,728)	$ (1,272,142)	$ (127,900)	$ (31,974)	$ -
Adjustment to eliminate gas supply cost recoveries			REVGSC	(135,270,880)	$ (84,917,418)	$ (43,709,322)	$ (6,139,196)	$ (504,944)	$ -
Adj to eliminate GSC recoveries Interdepartmental Sales			REV01	(630,517)	$ (415,516)	$ (175,095)	$ (22,739)	$ (2,089)	$ (15,078)
Removal of DSM Revenues			REVADJ4	(5,131,908)	(2,013,224)	(1,178,168)	(1)	(10,395)	(1,930,120)
Total Revenue Adjustments				$ (145,431,050)	$ (90,311,886)	$ (46,334,727)	$ (6,289,836)	$ (549,403)	$ (1,945,198)
Total Adjusted Revenue		TREVADJ		$ 184,116,917	$ 126,868,439	$ 45,259,170	$ 5,555,867	$ 537,300	$ 5,896,140
Expenses									
Operation and Maintenance Expenses				$ 72,491,476	$ 53,097,411	$ 15,967,139	$ 1,316,846	$ 100,812	$ 2,009,268
Depreciation and Amortization Expenses				38,710,461	28,419,277	8,872,001	519,288	40,311	859,585
Other Expenses (ITC amortization, Reg Credits, Accretion)				(35,870)	(26,518)	(8,028)	(489)	(42)	(793)
Other Taxes				11,113,566	8,203,228	2,498,956	153,910	12,742	244,731
Total Operating Expenses		TOE		$ 122,279,633	$ 89,693,397	$ 27,330,068	$ 1,989,554	$ 153,823	$ 3,112,790

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector		Total System		Residential (RGS)		Commercial (CGS)		Industrial (IGS)		As Available Gas Service (AAGS)		Firm Transportation Service (FT)
Net Operating Income -- Adjusted Forecast Period (Cont.)															
Net Income Before Income Taxes				$	61,837,284	$	37,175,042	$	17,929,102	$	3,566,313	$	383,477	$	2,783,349
Income Taxes			TXINC	$	19,063,197		10,783,086		5,849,025		1,316,133		143,215		971,737
Net Operating Income (Pro-Forma)		TOM		$	42,774,086	$	26,391,955	$	12,080,077	$	2,250,180	$	240,262	$	1,811,612
Unadjusted Net Cost Rate Base				$	712,384,727	$	519,446,947	$	165,120,915	$	10,561,092	$	782,745	$	16,473,029
Depreciation Adjustment			DET	$	-		-		-		-		-		-
Cash Working Capital Adjustment			OMTT	$	-		-		-		-		-		-
Net Cost Rate Base				$	712,384,727	$	519,446,947	$	165,120,915	$	10,561,092	$	782,745	$	16,473,029
Rate of Return -- Pro-Forma					**6.00%**		**5.08%**		**7.32%**		**21.31%**		**30.69%**		**11.00%**

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector	Total System	Residential (RGS)	Commercial (CGS)	Industrial (IGS)	As Available Gas Service (AAGS)	Firm Transportation Service (FT)
<u>Net Operating Income -- Proposed Rates</u>									
Test Year Operating Income				$ 42,774,086	$ 26,391,955	$ 12,080,077	$ 2,250,180	$ 240,262	$ 1,811,612
Proposed Increase				$ 13,899,452	$ 10,631,026	$ 3,183,141	$ 1,705	$ (71,575)	155,155
Increase in Miscellaneous Charges - Interdepartmental Sales			REV01	(70,922)	(46,738)	(19,695)	(2,558)	(235)	(1,696)
Incremental Income Taxes			38.64%	5,343,209	4,089,666	1,222,325	(329)	(27,747)	59,295
Incremental Uncollectable Accounts Expense			CUST04	31,253	26,651	4,487	48	1	66
Incremental Commission Fees			REV01	26,841	17,689	7,454	968	89	642
Net Operating Income Adjusted for Increase				51,201,313	32,842,237	14,009,258	2,248,640	196,109	1,905,068
Net Cost Rate Base (Same as Above)				$ 712,384,727	$ 519,446,947	$ 165,120,915	$ 10,561,092	$ 782,745	$ 16,473,029
Rate of Return -- Proposed				**7.19%**	**6.32%**	**8.48%**	**21.29%**	**25.05%**	**11.56%**

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector	Total System	Residential (RGS)	Commercial (CGS)	Industrial (IGS)	As Available Gas Service (AAGS)	Firm Transportation Service (FT)
Allocation Factors									
Commodity									
Procurement Expenses		COM01		31,987,085	19,516,322	10,137,906	1,948,741	384,116	-
					0.610131	0.316937	0.060923	0.012008	-
Storage		COM02		20,188,041	13,096,059	6,232,265	859,717		-
Transmission		COM03		20,188,041	13,096,059	6,232,265	859,717	-	-
Distribution		COM04		44,300,973	19,516,322	10,137,906	1,948,741	384,116	12,313,888
Adjusted Deliveries				44,300,973	19,516,322	10,137,906	1,948,741	384,116	12,313,888
Demand									
Procurement Expenses		DEM01		466,311	308,337	140,917	13,942	3,116	-
Storage		DEM02		11,840,000	7,885,866	3,548,831	301,991		103,312
					0.666036	0.299732	0.025506		0.008726
Transmission Storage Related		DEM03		11,840,000	7,885,866	3,548,831	301,991	-	103,312
Distribution Structures		DEM04		567,935	308,337	140,917	13,942	3,116	101,624
High Pressure Distribution Mains		DEM05		567,935	308,337	140,917	13,942	3,116	101,624
Low/Medium Pressure Distribution Mains		DEM05a		480,031	308,337	140,917	13,033	2,645	15,100
Customer									
High Pressure Distrib Mains		CUST01		321,597	296,513	24,735	270	6	73
Low/Med Pres. Distrib Mains		CUST01a		321,514	296,513	24,735	264	-	2
Services		CUST02		257,660,226	191,675,197	61,863,742	1,726,616	38,728	2,355,944
Meters		CUST03		145,264,687	97,622,349	40,094,790	3,295,060	92,996	4,159,492
Customer Count (Average)				321,669	296,376	24,947	268	6	73
Customer Accounts		CUST04		347,546	296,376	49,893	535	12	730
Customer Service		CUST05		347,546	296,376	49,893	535	12	730
Forfeited Discounts		REVFD		993,014	810,132	165,593	17,212	78	

LOUISVILLE GAS AND ELECTRIC COMPANY

Cost of Service Study
12 Months Ended June 30, 2018

Class Allocation

Description	Ref	Name	Allocation Vector	Total System	Residential (RGS)	Commercial (CGS)	Industrial (IGS)	As Available Gas Service (AAGS)	Firm Transportation Service (FT)
Allocation Factors Continued									
Taxable Income									
Net Income Before Income Tax		NIBIT		$ 61,837,284	$ 37,175,042	$ 17,929,102	$ 3,566,313	$ 383,477	$ 2,783,349
Interest Expense		INT		$ 12,736,800	$ 9,401,382	$ 2,863,950	$ 176,389	$ 14,603	$ 280,476
Interest Adjustment				$ -	-	-	-	-	-
Taxable Income		TXINC		$ 49,100,483	$ 27,773,660	$ 15,065,152	$ 3,389,924	$ 368,874	$ 2,502,874
Total Distribution Expense		DISTRT		$ 36,770,315	$ 27,065,266	$ 7,388,266	$ 533,108	$ 82,209	$ 1,701,466
Number of Customers				321,597	296,513	24,735	270	6	73
Services Cost				257,660,226	191,675,197	61,863,742	1,726,616	38,728	2,355,944
					$ 646.73	$ 1,239.92	$ 3,227.32	$ 3,227.32	$ 3,227.32
Actual Revenue		REV01		324,979,207	214,163,791	90,246,981	11,720,052	1,076,927	7,771,455
DSM Allocation		REVADJ4		5,131,908	2,013,224	1,178,168	1	10,395	1,930,120
Miscellaneous Revenue Allocation		REVMISC		332,763	95,489	237,274			
GSC Revenue		REVGSC		135,270,880	84,917,418	43,709,322	6,139,196	504,944	
Removal of GLT Revenue		REVGLT		(4,397,745)	(2,965,728)	(1,272,142)	(127,900)	(31,974)	
Pro-Forma Adjustments		PROFO		(145,431,050)	(90,311,886)	(46,334,727)	(6,289,836)	(549,403)	(1,945,198)
High Pressure System		RBTHP		24,836,706	17,384,615	4,400,920	365,755	80,015	2,605,402

Exhibit WSS-30

Gas Cost of Service Study
Storage Allocation

LOUISVILLE GAS AND ELECTRIC COMPANY
Summary of Allocation of Underground Storage Investment
Based on Design Winter

Calculation of Maximum Class Demands On February 27th Design Day (4 Degrees) for Determination of Demand Allocation Factors

	Total	Residential Rate RGS	Commercial Rate CGS	Industrial Rate IGS	Rate FT 5 Percent Balancing
Calculated Daily Requirements at 4 Degrees (61 HDDs)	426,596	282,452	130,790	10,029	3,325
Percentage of Total		66.21%	30.66%	2.35%	0.78%

Allocation of Underground Storage

	Storage Withdrawals	Residential Rate RGS	Commercial Rate CGS	Industrial Rate IGS	Rate FT 5 Percent Balancing
Total Allocated Withdrawals Thru February 28th	8,670,408	5,787,279	2,577,034	227,506	78,589
Balance of Working Gas Allocated on the Basis of 4 Degree Feb. 28th	3,169,592	2,098,587	971,797	74,485	24,723
Total Working Gas Cycled	11,840,000	7,885,866	3,548,831	301,991	103,312
Total Allocation Factor For Underground Storage	1.000000	0.666036	0.299732	0.025506	0.008726