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Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

Derek Rahn
Manager - Revenue
Requirement
T 502-627-4127
F 502-217-4002
derek.rahn@lge-ku.com

Dr. Talina Mathews
Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

November 18, 2016

Dear Dr. Mathews:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the December 2016 billing cycle which begins November 30, 2016.

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

Sincerely,

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : October 2016

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+)	$	(0.00610)	/ KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$	0.00019	/ KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$	(0.00629)	/ KWH

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

Effective Date for Billing: November 30, 2016

Submitted by _____

Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : October 2016

Fuel "Fm" (Fuel Cost Schedule) / Sales "Sm" (Sales Schedule)	=	$34,010,470 / 1,490,577,562 KWH	= (+) $ 0.02282 / KWH

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) $ 0.02892 / KWH

FAC Factor (1) = $ (0.00610) / KWH

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

Effective Date for Billing: November 30, 2016

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE

Expense Month : October 2016

(A) Company Generation				
Coal Burned	(+)		$27,539,618	(1)
Oil Burned	(+)		405,367	(1)
Gas Burned	(+)		10,559,583	
Fuel (assigned cost during Forced Outage)	(+)		279,803	
Fuel (substitute cost for Forced Outage)	(-)		315,678	
SUB-TOTAL		$	38,468,694	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	375,446	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		615	
Less Purchases above Highest Cost Units	(-)		-	
Internal Economy	(+)		392,935	
Internal Replacement	(+)		99,375	
SUB-TOTAL		$	867,141	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	623,425	
Internal Economy	(+)		2,737,328	
Internal Replacement	(+)		47,891	
Dollars Assigned to Inter-System Sales Losses	(+)		3,117	
SUB-TOTAL		$	3,411,761	
(D) Over or (Under) Recovery				
From Page 5, Line 13		$	1,913,604	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	34,010,470	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	$9,354
Oil burned =	$170

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : October 2016

(A)	Generation (Net)	(+)	1,662,073,000
	Purchases including interchange-in	(+)	55,053,000
	Internal Economy	(+)	17,104,000
	Internal Replacement	(+)	6,175,000
	SUB-TOTAL		1,740,405,000

(B)	Inter-system Sales including interchange-out	(+)	27,041,000
	Internal Economy	(+)	120,911,000
	Internal Replacement	(+)	2,024,000
	(*) System Losses	(+)	99,851,438
	SUB-TOTAL		249,827,438

TOTAL SALES (A-B)	1,490,577,562

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM LOSSES TO REFLECT LOSSES AT RETAIL LEVEL

Expense Month : October 2016

12 Months to Date KWH Sources:	22,545,008,000	KWH
12 MTD Overall System Losses:	1,293,464,079	KWH
October 2016 KWH Sources:	1,740,405,000	KWH

1,293,464,079 / 22,545,008,000 = 5.737253%

5.737253% X 1,740,405,000 = 99,851,438 KWH

WHOLESALE KWH SALES AND LOSSES

142,707,995	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
42,884,000	Wholesale sales at Primary Voltage	(WS-P)
149,976,000	Intersystem Sales at Transmission Voltage	(IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	142,707,995	2.153%	3,140,110	145,848,105
WS-P:	42,884,000	2.153% and 0.985%	1,379,605	44,263,605
IS-T:	149,976,000	0.5%	753,648	150,729,648

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : October 2016

1.	Last FAC Rate Billed			($0.00423)
2.	KWH Billed at Above Rate			1,356,195,147
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$	(5,736,705)
4.	KWH Used to Determine Last FAC Rate			2,004,584,737
5.	Non-Jurisdictional KWH (Included in Line 4)			252,795,670
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,751,789,067
7.	Revised FAC Rate Billed, if prior period adjustment is needed		$	-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	$	(7,410,068)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$	1,673,363
10.	Total Sales "Sm" (From Page 3 of 6)			1,490,577,562
11.	Kentucky Jurisdictional Sales			1,303,444,592
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		1.14356803
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$	1,913,604

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : October 2016

KENTUCKY UTILITIES COMPANY

			KWH	
Purchases				
Internal Economy				
	$	391,208.04	17,104,000	Fuel for LGE Sale to KU for Native Load
		1,727.30		Half of Split Savings to LGE from KU
	$	392,935.34	17,104,000	
Internal Replacement				
	$	99,374.86	6,175,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	99,374.86	6,175,000	
Total Purchases	$	492,310.20	23,279,000	
Sales				
Internal Economy				
	$	2,737,097.66	120,911,000	KU Fuel Cost - Sales to LGE Native Load
		230.58		Half of Split Savings
	$	2,737,328.24	120,911,000	
Internal Replacement				
	$	47,890.58	2,024,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	47,890.58	2,024,000	
Total Sales	$	2,785,218.82	122,935,000	

LOUISVILLE GAS AND ELECTRIC COMPANY

			KWH	
Purchases				
Internal Economy				
	$	2,737,097.66	120,911,000	KU Fuel Cost - Sales to LGE Native Load
		230.58		Half of Split Savings
	$	2,737,328.24	120,911,000	
Internal Replacement				
	$	47,890.58	2,024,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	47,890.58	2,024,000	
Total Purchases	$	2,785,218.82	122,935,000	
Sales				
Internal Economy				
	$	391,208.04	17,104,000	Fuel for LGE Sale to KU for Native Load
		1,727.30		Half of Split Savings to LGE from KU
	$	392,935.34	17,104,000	
Internal Replacement				
	$	99,374.86	6,175,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	99,374.86	6,175,000	
Total Sales	$	492,310.20	23,279,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY

Expense Month : October 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	353,839
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	265,379
4.	Current Month True-up	OSS Page 3	$	22,619
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	287,998
6.	Current Month S(m)	Form A Page 3		1,490,577,562
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	$	0.00019

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY

Expense Month : October 2016

Line No.				
1.	Total OSS Revenues		$	1,192,651
2.	Total OSS Expenses		$	838,812
3.	Total OSS Margins	L. 1 - L. 2	$	353,839

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY

Expense Month : October 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ (0.00005)
2.	KWH Billed at Above Rate		1,356,195,147
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	$ (67,810)
4.	KWH Used to Determine Last OSS Adjustment Factor		2,004,584,737
5.	Non-Jurisdictional KWH (Included in Line 4)		252,795,670
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,751,789,067
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		-
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	$ (87,589)
9.	(Over) or Under Amount	(Line 3 - Line 8)	$ 19,779
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		1,490,577,562
11.	Kentucky Jurisdictional Sales		1,303,444,592
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.14356803
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	$ 22,619

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Dr. Talina Mathews
Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

October 18, 2016

Dear Dr. Mathews:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the November 2016 billing cycle which begins October 28, 2016.

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

Sincerely,

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : September 2016

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+)	$	(0.00464)	/ KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$	0.00011	/ KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$	(0.00475)	/ KWH

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

Effective Date for Billing: October 28, 2016

Submitted by _____

Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : September 2016

Fuel "Fm" (Fuel Cost Schedule)		$41,676,819		
----------	=	----------	= (+) $ 0.02428	/ KWH
Sales "Sm" (Sales Schedule)		1,716,718,996 KWH		

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) $ 0.02892 / KWH

FAC Factor (1) = $ (0.00464) / KWH

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

Effective Date for Billing: October 28, 2016

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE

Expense Month : September 2016

(A) Company Generation				
Coal Burned	(+)		$31,542,116	(1)
Oil Burned	(+)		309,698	(1)
Gas Burned	(+)		10,264,607	
Fuel (assigned cost during Forced Outage)	(+)		2,021,834	
Fuel (substitute cost for Forced Outage)	(-)		2,191,810	
SUB-TOTAL		$	41,946,445	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	735,867	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		41,924	
Less Purchases above Highest Cost Units	(-)		-	
Internal Economy	(+)		841,680	
Internal Replacement	(+)		166,118	
SUB-TOTAL		$	1,701,741	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	529,102	
Internal Economy	(+)		1,363,163	
Internal Replacement	(+)		74,749	
Dollars Assigned to Inter-System Sales Losses	(+)		2,646	
SUB-TOTAL		$	1,969,660	
(D) Over or (Under) Recovery				
From Page 5, Line 13		$	1,707	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	41,676,819	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	$9,143
Oil burned =	$146

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : September 2016

(A)	Generation (Net)	(+)	1,793,761,000
	Purchases including interchange-in	(+)	69,284,000
	Internal Economy	(+)	35,768,000
	Internal Replacement	(+)	6,155,000
	SUB-TOTAL		1,904,968,000

(B)	Inter-system Sales including interchange-out	(+)	19,153,000
	Internal Economy	(+)	56,995,000
	Internal Replacement	(+)	2,731,000
	(*) System Losses	(+)	109,370,004
	SUB-TOTAL		188,249,004

TOTAL SALES (A-B)	1,716,718,996

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM LOSSES TO REFLECT LOSSES AT RETAIL LEVEL

Expense Month : September 2016

12 Months to Date KWH Sources:	22,469,789,000	KWH
12 MTD Overall System Losses:	1,290,059,000	KWH
September 2016 KWH Sources:	1,904,968,000	KWH

1,290,059,000 / 22,469,789,000 = 5.741304%

5.741304% X 1,904,968,000 = 109,370,004 KWH

WHOLESALE KWH SALES AND LOSSES

163,102,209	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
50,483,600	Wholesale sales at Primary Voltage	(WS-P)
78,879,000	Intersystem Sales at Transmission Voltage	(IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	163,102,209	2.153%	3,588,859	166,691,068
WS-P:	50,483,600	2.153% and 0.985%	1,624,089	52,107,689
IS-T:	78,879,000	0.5%	396,377	79,275,377

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : September 2016

1.	Last FAC Rate Billed			($0.00252)
2.	KWH Billed at Above Rate			1,682,562,510
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$	(4,240,058)
4.	KWH Used to Determine Last FAC Rate			1,919,723,010
5.	Non-Jurisdictional KWH (Included in Line 4)			243,220,792
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,676,502,218
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		$	(0.00253)
8.	Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	$	(4,241,551)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$	1,493
10.	Total Sales "Sm" (From Page 3 of 6)			1,716,718,996
11.	Kentucky Jurisdictional Sales			1,501,495,837
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		1.14333916
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$	1,707

Note 1: The forced outage exclusion amount originally reported for July 2016 was understated. The corrected amount resulted in a revised July billing factor of ($0.00253) vs ($0.00252).

Original forced outage exclusion amount reported	$	620,444
Adjusted forced outage exclusion amount reported	$	630,799
Net adjustment to July fuel expense	$	(10,355)
Original July Fm / Sm reported $50,678,254 / 1,919,723,010	$	0.02640
Revised July Fm / Sm $50,667,899 / 1,919,723,010	$	0.02639
Adjustment to July FAC factor	$	(0.00001)
Reported July FAC factor	$	(0.00252)
Revised July FAC factor	$	(0.00253)

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : September 2016

KENTUCKY UTILITIES COMPANY

			KWH	
Purchases				
Internal Economy				
	$	832,472.76	35,768,000	Fuel for LGE Sale to KU for Native Load
		9,207.30		Half of Split Savings to LGE from KU
	$	841,680.06	35,768,000	
Internal Replacement				
	$	166,118.46	6,155,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	166,118.46	6,155,000	
Total Purchases	$	1,007,798.52	41,923,000	
Sales				
Internal Economy				
	$	1,352,119.96	56,995,000	KU Fuel Cost - Sales to LGE Native Load
		11,042.95		Half of Split Savings
	$	1,363,162.91	56,995,000	
Internal Replacement				
	$	74,748.52	2,731,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	74,748.52	2,731,000	
Total Sales	$	1,437,911.43	59,726,000	

LOUISVILLE GAS AND ELECTRIC COMPANY

			KWH	
Purchases				
Internal Economy				
	$	1,352,119.96	56,995,000	KU Fuel Cost - Sales to LGE Native Load
		11,042.95		Half of Split Savings
	$	1,363,162.91	56,995,000	
Internal Replacement				
	$	74,748.52	2,731,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	74,748.52	2,731,000	
Total Purchases	$	1,437,911.43	59,726,000	
Sales				
Internal Economy				
	$	832,472.76	35,768,000	Fuel for LGE Sale to KU for Native Load
		9,207.30		Half of Split Savings to LGE from KU
	$	841,680.06	35,768,000	
Internal Replacement				
	$	166,118.46	6,155,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	166,118.46	6,155,000	
Total Sales	$	1,007,798.52	41,923,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY

Expense Month : September 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	259,417
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	194,563
4.	Current Month True-up	OSS Page 3	$	(278)
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	194,285
6.	Current Month S(m)	Form A Page 3		1,716,718,996
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	$	0.00011

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY

Expense Month : September 2016

Line No.				
1.	Total OSS Revenues		$	955,369
2.	Total OSS Expenses		$	695,952
3.	Total OSS Margins	L. 1 - L. 2	$	259,417

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY

Expense Month : September 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ (0.00004)
2.	KWH Billed at Above Rate		1,682,562,510
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	$ (67,303)
4.	KWH Used to Determine Last OSS Adjustment Factor		1,919,723,010
5.	Non-Jurisdictional KWH (Included in Line 4)		243,220,792
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,676,502,218
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		-
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	$ (67,060)
9.	(Over) or Under Amount	(Line 3 - Line 8)	$ (243)
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		1,716,718,996
11.	Kentucky Jurisdictional Sales		1,501,495,837
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.14333916
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	$ (278)

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Dr. Talina Mathews
Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

September 19, 2016

Dear Dr. Mathews:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the October 2016 billing cycle which begins September 29, 2016.

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

Sincerely,

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : August 2016

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+)	$	(0.00423)	/ KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$	0.00005	/ KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$	(0.00428)	/ KWH

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

Effective Date for Billing: September 29, 2016

Submitted by _____

Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : August 2016

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$49{,}490{,}941}{2{,}004{,}584{,}737 \quad \text{KWH}} = (+)\ \$\ 0.02469\ /\ \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) $ 0.02892 / KWH

FAC Factor (1) = $ (0.00423) / KWH

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

Effective Date for Billing: September 29, 2016

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE

Expense Month : August 2016

(A) Company Generation				
Coal Burned	(+)		$38,380,143	(1)
Oil Burned	(+)		237,266	(1)
Gas Burned	(+)		11,251,005	
Fuel (assigned cost during Forced Outage)	(+)		778,873	*
Fuel (substitute cost for Forced Outage)	(-)		648,576	*
SUB-TOTAL		$	49,868,414	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	684,658	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		426	*
Less Purchases above Highest Cost Units	(-)		-	
Internal Economy	(+)		231,040	
Internal Replacement	(+)		110,154	
SUB-TOTAL		$	1,025,852	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	473,598	
Internal Economy	(+)		1,477,298	
Internal Replacement	(+)		59,498	
Dollars Assigned to Inter-System Sales Losses	(+)		2,368	
SUB-TOTAL		$	2,012,762	
(D) Over or (Under) Recovery				
From Page 5, Line 13		$	(609,437)	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	49,490,941	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	$9,539
Oil burned =	$62

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

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : August 2016

(A)	Generation (Net)	(+)	2,124,325,000
	Purchases including interchange-in	(+)	69,487,000
	Internal Economy	(+)	9,070,000
	Internal Replacement	(+)	4,299,000
	SUB-TOTAL		2,207,181,000

(B)	Inter-system Sales including interchange-out	(+)	17,097,000
	Internal Economy	(+)	60,610,000
	Internal Replacement	(+)	2,108,000
	(*) System Losses	(+)	122,781,263
	SUB-TOTAL		202,596,263

TOTAL SALES (A-B)	2,004,584,737

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM LOSSES TO REFLECT LOSSES AT RETAIL LEVEL

Expense Month : August 2016

12 Months to Date KWH Sources:	22,465,323,000	KWH
12 MTD Overall System Losses:	1,249,702,963	KWH
August 2016 KWH Sources:	2,207,181,000	KWH

1,249,702,963 / 22,465,323,000 = 5.562809%

5.562809% X 2,207,181,000 = 122,781,263 KWH

WHOLESALE KWH SALES AND LOSSES

192,102,231	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
58,935,200	Wholesale sales at Primary Voltage	(WS-P)
79,815,000	Intersystem Sales at Transmission Voltage	(IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	192,102,231	2.153%	4,226,968	196,329,199
WS-P:	58,935,200	2.153% and 0.985%	1,895,982	60,831,182
IS-T:	79,815,000	0.5%	401,080	80,216,080

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : August 2016

1.	Last FAC Rate Billed		($0.00347)
2.	KWH Billed at Above Rate		1,720,233,181
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$ (5,969,209)
4.	KWH Used to Determine Last FAC Rate		1,794,455,212
5.	Non-Jurisdictional KWH (Included in Line 4)		227,703,796
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,566,751,416
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		$ -
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	$ (5,436,627)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$ (532,582)
10.	Total Sales "Sm" (From Page 3 of 6)		2,004,584,737
11.	Kentucky Jurisdictional Sales		1,751,789,067
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.14430714
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$ (609,437)

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : August 2016

KENTUCKY UTILITIES COMPANY

			KWH	
Purchases				
Internal Economy				
	$	227,902.48	9,070,000	Fuel for LGE Sale to KU for Native Load
		3,137.45		Half of Split Savings to LGE from KU
	$	231,039.93	9,070,000	
Internal Replacement				
	$	110,153.75	4,299,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	110,153.75	4,299,000	
Total Purchases	$	341,193.68	13,369,000	
Sales				
Internal Economy				
	$	1,471,476.07	60,610,000	KU Fuel Cost - Sales to LGE Native Load
		5,822.38		Half of Split Savings
	$	1,477,298.45	60,610,000	
Internal Replacement				
	$	59,497.86	2,108,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	59,497.86	2,108,000	
Total Sales	$	1,536,796.31	62,718,000	

LOUISVILLE GAS AND ELECTRIC COMPANY

			KWH	
Purchases				
Internal Economy				
	$	1,471,476.07	60,610,000	KU Fuel Cost - Sales to LGE Native Load
		5,822.38		Half of Split Savings
	$	1,477,298.45	60,610,000	
Internal Replacement				
	$	59,497.86	2,108,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	59,497.86	2,108,000	
Total Purchases	$	1,536,796.31	62,718,000	
Sales				
Internal Economy				
	$	227,902.48	9,070,000	Fuel for LGE Sale to KU for Native Load
		3,137.45		Half of Split Savings to LGE from KU
	$	231,039.93	9,070,000	
Internal Replacement				
	$	110,153.75	4,299,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	110,153.75	4,299,000	
Total Sales	$	341,193.68	13,369,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY

Expense Month : August 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	123,332
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	92,499
4.	Current Month True-up	OSS Page 3	$	(1,755)
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	90,744
6.	Current Month S(m)	Form A Page 3		2,004,584,737
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	$	0.00005

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY

Expense Month : August 2016

Line No.				
1.	Total OSS Revenues		$	758,410
2.	Total OSS Expenses		$	635,078
3.	Total OSS Margins	L. 1 - L. 2	$	123,332

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY

Expense Month : August 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ (0.00001)
2.	KWH Billed at Above Rate		1,720,233,181
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	$ (17,202)
4.	KWH Used to Determine Last OSS Adjustment Factor		1,794,455,212
5.	Non-Jurisdictional KWH (Included in Line 4)		227,703,796
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,566,751,416
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		-
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	$ (15,668)
9.	(Over) or Under Amount	(Line 3 - Line 8)	$ (1,534)
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		2,004,584,737
11.	Kentucky Jurisdictional Sales		1,751,789,067
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.14430714
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	$ (1,755)

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PUBLIC SERVICE COMMISSION

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AUG 22 2016

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

Derek Rahn
Manager - Revenue Requirement
T 502-627-4127
F 502-217-4002
derek.rahn@lge-ku.com

Dr. Talina Mathews
Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

August 19, 2016

Dear Dr. Mathews:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the September 2016 billing cycle which begins August 31, 2016.

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

Sincerely,

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : July 2016

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+)	$ (0.00252)	/ KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$ 0.00004	/ KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$ (0.00256)	/ KWH

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

Effective Date for Billing: August 31, 2016

Submitted by _____

Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : July 2016

Fuel "Fm" (Fuel Cost Schedule)		$50,678,254	
----------	=	----------	= (+) $ 0.02640 / KWH
Sales "Sm" (Sales Schedule)		1,919,723,010 KWH	

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) $ 0.02892 / KWH

FAC Factor (1) = $ (0.00252) / KWH

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

Effective Date for Billing: August 31, 2016

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE

Expense Month : July 2016

(A) Company Generation				
Coal Burned	(+)		$34,910,720	(1)
Oil Burned	(+)		430,161	(1)
Gas Burned	(+)		13,123,300	
Fuel (assigned cost during Forced Outage)	(+)		8,173,770	
Fuel (substitute cost for Forced Outage)	(-)		8,741,036	
SUB-TOTAL		$	47,896,915	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	843,624	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		53,178	
Less Purchases above Highest Cost Units	(-)		-	
Internal Economy	(+)		1,263,564	
Internal Replacement	(+)		51,050	
SUB-TOTAL		$	2,105,060	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	424,546	
Internal Economy	(+)		910,836	
Internal Replacement	(+)		260,049	
Dollars Assigned to Inter-System Sales Losses	(+)		2,123	
SUB-TOTAL		$	1,597,554	
(D) Over or (Under) Recovery				
From Page 5, Line 13		$	(2,273,833)	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	50,678,254	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	$4,783
Oil burned =	$398

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : July 2016

(A)	Generation (Net)	(+)	1,983,542,000
	Purchases including interchange-in	(+)	64,198,000
	Internal Economy	(+)	51,049,000
	Internal Replacement	(+)	1,899,000
	SUB-TOTAL		2,100,688,000

(B)	Inter-system Sales including interchange-out	(+)	14,256,000
	Internal Economy	(+)	37,610,000
	Internal Replacement	(+)	9,019,000
	(*) System Losses	(+)	120,079,990
	SUB-TOTAL		180,964,990

TOTAL SALES (A-B)	1,919,723,010

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM LOSSES TO REFLECT LOSSES AT RETAIL LEVEL

Expense Month : July 2016

12 Months to Date KWH Sources:	22,326,254,000	KWH
12 MTD Overall System Losses:	1,276,218,222	KWH
July 2016 KWH Sources:	2,100,688,000	KWH

1,276,218,222 / 22,326,254,000 = 5.716222%

5.716222% X 2,100,688,000 = 120,079,990 KWH

WHOLESALE KWH SALES AND LOSSES

183,783,089	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
57,712,800	Wholesale sales at Primary Voltage	(WS-P)
60,885,000	Intersystem Sales at Transmission Voltage	(IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	183,783,089	2.153%	4,043,915	187,827,004
WS-P:	57,712,800	2.153% and 0.985%	1,856,657	59,569,457
IS-T:	60,885,000	0.5%	305,955	61,190,955

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : July 2016

1.	Last FAC Rate Billed			($0.00643)
2.	KWH Billed at Above Rate			1,640,311,959
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$	(10,547,206)
4.	KWH Used to Determine Last FAC Rate			1,522,080,761
5.	Non-Jurisdictional KWH (Included in Line 4)			190,594,362
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,331,486,399
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		$	-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	$	(8,561,458)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$	(1,985,748)
10.	Total Sales "Sm" (From Page 3 of 6)			1,919,723,010
11.	Kentucky Jurisdictional Sales			1,676,502,218
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		1.14507633
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$	(2,273,833)

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : July 2016

KENTUCKY UTILITIES COMPANY

			KWH	
Purchases				
Internal Economy				
	$	1,246,678.26	51,049,000	Fuel for LGE Sale to KU for Native Load
		16,885.63		Half of Split Savings to LGE from KU
	$	1,263,563.89	51,049,000	
Internal Replacement				
	$	51,049.59	1,899,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	51,049.59	1,899,000	
Total Purchases	$	1,314,613.48	52,948,000	
Sales				
Internal Economy				
	$	905,936.39	37,610,000	KU Fuel Cost - Sales to LGE Native Load
		4,900.06		Half of Split Savings
	$	910,836.45	37,610,000	
Internal Replacement				
	$	260,048.51	9,019,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	260,048.51	9,019,000	
Total Sales	$	1,170,884.96	46,629,000	

LOUISVILLE GAS AND ELECTRIC COMPANY

			KWH	
Purchases				
Internal Economy				
	$	905,936.39	37,610,000	KU Fuel Cost - Sales to LGE Native Load
		4,900.06		Half of Split Savings
	$	910,836.45	37,610,000	
Internal Replacement				
	$	260,048.51	9,019,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	260,048.51	9,019,000	
Total Purchases	$	1,170,884.96	46,629,000	
Sales				
Internal Economy				
	$	1,246,678.26	51,049,000	Fuel for LGE Sale to KU for Native Load
		16,885.63		Half of Split Savings to LGE from KU
	$	1,263,563.89	51,049,000	
Internal Replacement				
	$	51,049.59	1,899,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	51,049.59	1,899,000	
Total Sales	$	1,314,613.48	52,948,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY

Expense Month : July 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	107,896
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	80,922
4.	Current Month True-up	OSS Page 3	$	(7,072)
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	73,850
6.	Current Month S(m)	Form A Page 3		1,919,723,010
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	$	0.00004

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY

Expense Month : July 2016

Line No.				
1.	Total OSS Revenues		$	886,011
2.	Total OSS Expenses		$	778,115
3.	Total OSS Margins	L. 1 - L. 2	$	107,896

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY

Expense Month : July 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ (0.00002)
2.	KWH Billed at Above Rate		1,640,311,959
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	$ (32,806)
4.	KWH Used to Determine Last OSS Adjustment Factor		1,522,080,761
5.	Non-Jurisdictional KWH (Included in Line 4)		190,594,362
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,331,486,399
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		-
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	$ (26,630)
9.	(Over) or Under Amount	(Line 8 - Line 3)	$ (6,176)
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		1,919,723,010
11.	Kentucky Jurisdictional Sales		1,676,502,218
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.14507633
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	$ (7,072)

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COMMISSION

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
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Derek Rahn
Manager - Revenue
Requirement
T 502-627-4127
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derek.rahn@lge-ku.com

Dr. Talina Mathews
Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

July 22, 2016

Dear Dr. Mathews:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the August 2016 billing cycle which begins August 1, 2016.

After the April 2016 expense month filing was made, it was discovered that the Trimble County reported generation was not correct and the April expense month billing factor should have been ($0.00607) vs. the ($0.00603) that was filed. On page 5, line 7 is the corrected billing factor of ($0.00607). The over/under credit on page 4 was reduced by approximately $60,000 as a result of this correction.

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

Sincerely,

[DOA]

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : June 2016

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+)	$ (0.00347)	/ KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$ 0.00001	/ KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$ (0.00348)	/ KWH

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

Effective Date for Billing: August 1, 2016

Submitted by _____ [DOA]

Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : June 2016

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$45{,}668{,}900}{1{,}794{,}455{,}212 \text{ KWH}} = (+)\ \$\ 0.02545\ /\ \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) $ 0.02892 / KWH

FAC Factor (1) = $ (0.00347) / KWH

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

Effective Date for Billing: August 1, 2016

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE

Expense Month : June 2016

(A) Company Generation				
Coal Burned	(+)		$32,123,072	(1)
Oil Burned	(+)		314,756	(1)
Gas Burned	(+)		12,477,427	
Fuel (assigned cost during Forced Outage)	(+)		8,187,949	
Fuel (substitute cost for Forced Outage)	(-)		9,306,851	
SUB-TOTAL		$	43,796,354	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	745,667	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		5,432	
Less Purchases above Highest Cost Units	(-)		-	
Internal Economy	(+)		1,391,343	
Internal Replacement	(+)		19,782	
SUB-TOTAL		$	2,151,360	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	247,700	
Internal Economy	(+)		1,180,416	
Internal Replacement	(+)		113,338	
Dollars Assigned to Inter-System Sales Losses	(+)		1,239	
SUB-TOTAL		$	1,542,693	
(D) Over or (Under) Recovery				
From Page 5, Line 13		$	(1,263,879)	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	45,668,900	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	$0
Oil burned =	$0

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : June 2016

(A)	Generation (Net)	(+)	1,857,880,000
	Purchases including interchange-in	(+)	47,526,000
	Internal Economy	(+)	56,802,000
	Internal Replacement	(+)	760,000
	SUB-TOTAL		1,962,968,000

(B)	Inter-system Sales including interchange-out	(+)	8,291,000
	Internal Economy	(+)	44,877,000
	Internal Replacement	(+)	3,945,000
	(*) System Losses	(+)	111,399,788
	SUB-TOTAL		168,512,788

TOTAL SALES (A-B)	1,794,455,212

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM LOSSES TO REFLECT LOSSES AT RETAIL LEVEL

Expense Month : June 2016

12 Months to Date KWH Sources:	22,427,114,000	KWH
12 MTD Overall System Losses:	1,272,754,132	KWH
June 2016 KWH Sources:	1,962,968,000	KWH

1,272,754,132 / 22,427,114,000 = 5.675069%

5.675069% X 1,962,968,000 = 111,399,788 KWH

WHOLESALE KWH SALES AND LOSSES

171,432,142	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
54,728,000	Wholesale sales at Primary Voltage	(WS-P)
57,113,000	Intersystem Sales at Transmission Voltage	(IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	171,432,142	2.153%	3,772,148	175,204,290
WS-P:	54,728,000	2.153% and 0.985%	1,760,634	56,488,634
IS-T:	57,113,000	0.5%	287,000	57,400,000

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : June 2016

1.	Last FAC Rate Billed		($0.00603)
2.	KWH Billed at Above Rate		1,489,688,384
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$ (8,982,821)
4.	KWH Used to Determine Last FAC Rate		1,487,446,050
5.	Non-Jurisdictional KWH (Included in Line 4)		189,370,397
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,298,075,653
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		($0.00607)
8.	Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	$ (7,879,319)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$ (1,103,502)
10.	Total Sales "Sm" (From Page 3 of 6)		1,794,455,212
11.	Kentucky Jurisdictional Sales		1,566,751,416
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.14533499
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$ (1,263,879)

Note 1: After the April expense month filing, it was discovered that the Trimble County Unit 2 generation data was not correct and the April expense month billing factor should have been ($0.00607) vs. the ($0.00603) shown on line 1. The over/under credit was reduced by approx. $60,000 as a result of this correction.

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : June 2016

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 1,384,483.09	56,802,000	Fuel for LGE Sale to KU for Native Load
	6,859.93		Half of Split Savings to LGE from KU
	$ 1,391,343.02	56,802,000	
Internal Replacement			
	$ 19,781.81	760,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 19,781.81	760,000	
Total Purchases	$ 1,411,124.83	57,562,000	
Sales			
Internal Economy			
	$ 1,172,058.15	44,877,000	KU Fuel Cost - Sales to LGE Native Load
	8,357.36		Half of Split Savings
	$ 1,180,415.51	44,877,000	
Internal Replacement			
	$ 113,338.28	3,945,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 113,338.28	3,945,000	
Total Sales	$ 1,293,753.79	48,822,000	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 1,172,058.15	44,877,000	KU Fuel Cost - Sales to LGE Native Load
	8,357.36		Half of Split Savings
	$ 1,180,415.51	44,877,000	
Internal Replacement			
	$ 113,338.28	3,945,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 113,338.28	3,945,000	
Total Purchases	$ 1,293,753.79	48,822,000	
Sales			
Internal Economy			
	$ 1,384,483.09	56,802,000	Fuel for LGE Sale to KU for Native Load
	6,859.93		Half of Split Savings to LGE from KU
	$ 1,391,343.02	56,802,000	
Internal Replacement			
	$ 19,781.81	760,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 19,781.81	760,000	
Total Sales	$ 1,411,124.83	57,562,000	

Louisville Gas and Electric Company
Kentucky Utilities Company
Calculation of Revised Non-jurisdictional Ratio for April 2016

AS REPORTED	Total	KU	Partners	Losses Adjustment	Total Non-Juris. Generation	Non-Juris. Ratio	Non-juris Expense	LGE	Partners	Losses Adjustment	Total Non-Juris.	Non-Juris. Ratio	Non-juris Expense
TC1 Generation	311,524,000							311,524,000	84,615,000	423,075	85,038,075	0.27297	
TC1 Coal Expense	7,128,337							7,128,337	1,942,543				1,945,822.22
TC1 Oil Expense	3,810							3,810	1,038				1,040.09
TC2 Generation	(3,939,000)	(3,043,000)	182,000	910	182,910	-0.06011		(714,000)	43,000	215	43,215	-0.06053	
TC2 Coal Expense	51,645	41,832					(2,514.54)	9,813	2,290				(593.98)
TC2 Oil Expense	193,832	157,004					(9,437.48)	36,828	8,596				(2,229.20)
Total TC Generation	307,585,000	(3,043,000)	182,000	910	182,910	-0.06011		310,810,000	84,658,000	423,290	85,081,290	0.27374	
Total TC Coal Expense	7,179,982	-41,832					(2,514.54)	7,138,150	1,944,834	-	-		1,945,228.24
Total TC Oil Expense	197,642	157,004					(9,437.48)	40,638	9,634	-	-		(1,189.11)
							(11,952.02)						1,944,039.13

AS CORRECTED	Total		Partners	Losses Adjustment	Total Non-Juris. Generation	Non-Juris. Ratio	Non-juris Expense		Partners	Losses Adjustment	Total Non-Juris.	Non-Juris. Ratio	Non-juris Expense
TC1 Generation	311,524,000	-	-	-	-	0		311,524,000	84,615,000	423,075	85,038,075	0.27297	
TC1 Coal Expense	7,128,337							7,128,337	1,942,543				1,945,822.22
TC1 Oil Expense	3,810							3,810	1,038				1,040.09
TC2 Generation	964,000	781,000	182,000	910	182,910	0.2342		183,000	43,000	215	43,215	0.23615	
TC2 Coal Expense	51,645	41,832					9,797.12	9,813	2,290				2,317.34
TC2 Oil Expense	193,832	157,004					36,770.22	36,828	8,596				8,696.93
Total TC Generation	312,488,000	781,000	182,000	910	182,910	0.2342		311,707,000	84,658,000	423,290	85,081,290	0.27295	
Total TC Coal Expense	7,179,982	41,832					9,797.12	7,138,150	1,944,834	-	-		1,948,139.55
Total TC Oil Expense	197,642	157,004					36,770.22	40,638	9,634	-	-		9,737.02
Total TC Fuel Expense							46,567.34						1,957,876.57
Change in Non-jursidictional Expense							58,519.36						13,837.44

Increase in non-juris fuel expense is decrease in FAC expense.

KU April expense month, as filed

Fuel expense	$ 34,050,300	
kWh	1,487,446,050	
Factor		$ 0.02289
Base		$ 0.02892
		$(0.00603)

KU April expense month, revised factor

Fuel expense	$ 33,991,781	
kWh	1,487,446,050	
Factor		$ 0.02285
Base		$ 0.02892
Revised factor		$(0.00607)

LGE April expense month, as filed

Fuel expense	$ 20,354,604	
kWh	838,490,501	
Factor		$ 0.02428
Base		$ 0.02725
		$ (0.00297)

LGE April expense month, revised factor

Fuel expense	$ 20,340,767	
kWh	838,490,501	
Factor		$ 0.02426
Base		$ 0.02725
Revised factor		$ (0.00299)

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY

Expense Month : June 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	23,045
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	17,284
4.	Current Month True-up	OSS Page 3	$	(4,389)
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	12,895
6.	Current Month S(m)	Form A Page 3		1,794,455,212
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	$	0.00001

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY

Expense Month : June 2016

Line No.				
1.	Total OSS Revenues		$	447,582
2.	Total OSS Expenses		$	424,537
3.	Total OSS Margins	L. 1 - L. 2	$	23,045

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY

Expense Month : June 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ (0.00002)
2.	KWH Billed at Above Rate		1,489,688,384
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	$ (29,794)
4.	KWH Used to Determine Last OSS Adjustment Factor		1,487,446,050
5.	Non-Jurisdictional KWH (Included in Line 4)		189,370,397
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,298,075,653
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		-
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	$ (25,962)
9.	(Over) or Under Amount	(Line 8 - Line 3)	$ (3,832)
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		1,794,455,212
11.	Kentucky Jurisdictional Sales		1,566,751,416
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.14533499
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	$ (4,389)

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PUBLIC SERVICE COMMISSION

a PPL company

JUN 20 2016

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

Derek Rahn
Manager - Revenue Requirement
T 502-627-4127
F 502-217-4002
derek.rahn@lge-ku.com

Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

June 20, 2016

Dear Executive Director:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the July 2016 billing cycle which begins June 30, 2016.

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

Sincerely,

[DOA]

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : May 2016

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+)	$ (0.00643)	/ KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$ 0.00002	/ KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$ (0.00645)	/ KWH

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

Effective Date for Billing: June 30, 2016

Submitted by _____ [DOA]

Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : May 2016

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$34{,}237{,}742}{1{,}522{,}080{,}761 \text{ KWH}} = (+)\ \$\ 0.02249\ /\ \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) $ 0.02892 / KWH

FAC Factor (1) = $ (0.00643) / KWH

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

Effective Date for Billing: June 30, 2016

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE

Expense Month : May 2016

(A) Company Generation				
Coal Burned	(+)		$27,779,779	(1)
Oil Burned	(+)		481,002	(1)
Gas Burned	(+)		7,402,745	
Fuel (assigned cost during Forced Outage)	(+)		3,867,809	
Fuel (substitute cost for Forced Outage)	(-)		3,975,602	
SUB-TOTAL		$	35,555,732	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	644,739	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		31,212	
Less Purchases above Highest Cost Units	(-)		-	
Internal Economy	(+)		496,092	
Internal Replacement	(+)		73,745	
SUB-TOTAL		$	1,183,364	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	168,735	
Internal Economy	(+)		1,472,248	
Internal Replacement	(+)		15,535	
Dollars Assigned to Inter-System Sales Losses	(+)		844	
SUB-TOTAL		$	1,657,362	
(D) Over or (Under) Recovery				
From Page 5, Line 13		$	843,992	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	34,237,742	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	$1,241
Oil burned =	$532

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : May 2016

(A)	Generation (Net)	(+)	1,615,417,000
	Purchases including interchange-in	(+)	48,936,000
	Internal Economy	(+)	20,350,000
	Internal Replacement	(+)	3,081,000
	SUB-TOTAL		1,687,784,000

(B)	Inter-system Sales including interchange-out	(+)	6,490,000
	Internal Economy	(+)	62,923,000
	Internal Replacement	(+)	554,000
	(*) System Losses	(+)	95,736,239
	SUB-TOTAL		165,703,239

TOTAL SALES (A-B)	1,522,080,761

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM LOSSES TO REFLECT LOSSES AT RETAIL LEVEL

Expense Month : May 2016

12 Months to Date KWH Sources:	22,492,514,000	KWH
12 MTD Overall System Losses:	1,275,843,680	KWH
May 2016 KWH Sources:	1,687,784,000	KWH

1,275,843,680 / 22,492,514,000 = 5.672304%

5.672304% X 1,687,784,000 = 95,736,239 KWH

WHOLESALE KWH SALES AND LOSSES

145,941,380	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
43,448,000	Wholesale sales at Primary Voltage	(WS-P)
69,967,000	Intersystem Sales at Transmission Voltage	(IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	145,941,380	2.153%	3,211,256	149,152,636
WS-P:	43,448,000	2.153% and 0.985%	1,397,749	44,845,749
IS-T:	69,967,000	0.5%	351,593	70,318,593

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : May 2016

1.	Last FAC Rate Billed		($0.00680)
2.	KWH Billed at Above Rate		1,258,057,710
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$ (8,554,792)
4.	KWH Used to Determine Last FAC Rate		1,574,190,768
5.	Non-Jurisdictional KWH (Included in Line 4)		207,558,376
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,366,632,392
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	$ (9,293,100)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$ 738,308
10.	Total Sales "Sm" (From Page 3 of 6)		1,522,080,761
11.	Kentucky Jurisdictional Sales		1,331,486,399
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.14314405
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$ 843,992

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : May 2016

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 494,965.18	20,350,000	Fuel for LGE Sale to KU for Native Load
	1,126.42		Half of Split Savings to LGE from KU
	$ 496,091.60	20,350,000	
Internal Replacement			
	$ 73,745.13	3,081,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 73,745.13	3,081,000	
Total Purchases	$ 569,836.73	23,431,000	
Sales			
Internal Economy			
	$ 1,469,351.72	62,923,000	KU Fuel Cost - Sales to LGE Native Load
	2,896.39		Half of Split Savings
	$ 1,472,248.11	62,923,000	
Internal Replacement			
	$ 15,535.29	554,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 15,535.29	554,000	
Total Sales	$ 1,487,783.40	63,477,000	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 1,469,351.72	62,923,000	KU Fuel Cost - Sales to LGE Native Load
	2,896.39		Half of Split Savings
	$ 1,472,248.11	62,923,000	
Internal Replacement			
	$ 15,535.29	554,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 15,535.29	554,000	
Total Purchases	$ 1,487,783.40	63,477,000	
Sales			
Internal Economy			
	$ 494,965.18	20,350,000	Fuel for LGE Sale to KU for Native Load
	1,126.42		Half of Split Savings to LGE from KU
	$ 496,091.60	20,350,000	
Internal Replacement			
	$ 73,745.13	3,081,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 73,745.13	3,081,000	
Total Sales	$ 569,836.73	23,431,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY

Expense Month : May 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	33,980
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	25,485
4.	Current Month True-up	OSS Page 3	$	0
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	25,485
6.	Current Month S(m)	Form A Page 3		1,522,080,761
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	$	0.00002

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY

Expense Month : May 2016

Line No.				
1.	Total OSS Revenues		$	250,721
2.	Total OSS Expenses		$	216,741
3.	Total OSS Margins	L. 1 - L. 2	$	33,980

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY

Expense Month : May 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ -
2.	KWH Billed at Above Rate		1,258,057,710
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	$ -
4.	KWH Used to Determine Last OSS Adjustment Factor		1,574,190,768
5.	Non-Jurisdictional KWH (Included in Line 4)		207,558,376
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,366,632,392
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		$0.00000
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	$ -
9.	(Over) or Under Amount	(Line 8 - Line 3)	$ -
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		1,522,080,761
11.	Kentucky Jurisdictional Sales		1,331,486,399
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.14314405
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	$ -

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MAY 20 2016

PUBLIC SERVICE COMMISSION

a PPL company

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

Derek Rahn
Manager - Revenue Requirement
T 502-627-4127
F 502-217-4002
derek.rahn@lge-ku.com

Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

MAY 23 2016

May 20, 2016

Dear Executive Director:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the June 2016 billing cycle which begins May 31, 2016.

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

Sincerely,

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : April 2016

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+)	$	(0.00603)	/ KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$	0.00002	/ KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$	(0.00605)	/ KWH

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

Effective Date for Billing: May 31, 2016

Submitted by _____

Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : April 2016

Fuel "Fm" (Fuel Cost Schedule)		$34,050,300		
----------	=	----------	= (+) $ 0.02289	/ KWH
Sales "Sm" (Sales Schedule)		1,487,446,050 KWH		

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) $ 0.02892 / KWH

FAC Factor (1) = $ (0.00603) / KWH

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

Effective Date for Billing: May 31, 2016

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE

Expense Month : April 2016

(A) Company Generation				
Coal Burned	(+)		$24,505,917	(1)
Oil Burned	(+)		388,934	(1)
Gas Burned	(+)		7,740,766	
Fuel (assigned cost during Forced Outage)	(+)		516,714	*
Fuel (substitute cost for Forced Outage)	(-)		324,839	*
SUB-TOTAL		$	32,635,617	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	424,942	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		1,335	*
Less Purchases above Highest Cost Units	(-)		-	
Internal Economy	(+)		3,157,618	
Internal Replacement	(+)		56,383	
SUB-TOTAL		$	3,638,943	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	139,397	
Internal Economy	(+)		745,404	
Internal Replacement	(+)		94,043	
Dollars Assigned to Inter-System Sales Losses	(+)		697	
SUB-TOTAL		$	979,541	
(D) Over or (Under) Recovery				
From Page 5, Line 13		$	1,244,719	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	34,050,300	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	($12,278)
Oil burned =	($46,082)

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

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : April 2016

(A)	Generation (Net)	(+)	1,449,931,000
	Purchases including interchange-in	(+)	30,402,000
	Internal Economy	(+)	135,012,000
	Internal Replacement	(+)	2,371,000
	SUB-TOTAL		1,617,716,000
(B)	Inter-system Sales including interchange-out	(+)	5,372,000
	Internal Economy	(+)	30,309,000
	Internal Replacement	(+)	3,352,000
	(*) System Losses	(+)	91,236,950
	SUB-TOTAL		130,269,950
	TOTAL SALES (A-B)		1,487,446,050

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM LOSSES TO REFLECT LOSSES AT RETAIL LEVEL

Expense Month : April 2016

12 Months to Date KWH Sources:	22,610,842,000	KWH
12 MTD Overall System Losses:	1,275,220,375	KWH
April 2016 KWH Sources:	1,617,716,000	KWH

1,275,220,375 / 22,610,842,000 = 5.639862%

5.639862% X 1,617,716,000 = 91,236,950 KWH

WHOLESALE KWH SALES AND LOSSES

146,152,991	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
40,749,200	Wholesale sales at Primary Voltage	(WS-P)
39,033,000	Intersystem Sales at Transmission Voltage	(IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	146,152,991	2.153%	3,215,912	149,368,903
WS-P:	40,749,200	2.153% and 0.985%	1,310,927	42,060,127
IS-T:	39,033,000	0.5%	196,146	39,229,146

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : April 2016

1.	Last FAC Rate Billed			($0.00418)
2.	KWH Billed at Above Rate			1,300,364,371
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$	(5,435,523)
4.	KWH Used to Determine Last FAC Rate			1,801,793,473
5.	Non-Jurisdictional KWH (Included in Line 4)			241,560,538
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,560,232,935
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)			$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	$	(6,521,774)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$	1,086,251
10.	Total Sales "Sm" (From Page 3 of 6)			1,487,446,050
11.	Kentucky Jurisdictional Sales			1,298,075,653
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		1.14588549
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$	1,244,719

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : April 2016

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 3,150,797.17	135,012,000	Fuel for LGE Sale to KU for Native Load
	6,820.98		Half of Split Savings to LGE from KU
	$ 3,157,618.15	135,012,000	
Internal Replacement			
	$ 56,383.33	2,371,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 56,383.33	2,371,000	
Total Purchases	$ 3,214,001.48	137,383,000	
Sales			
Internal Economy			
	$ 742,963.98	30,309,000	KU Fuel Cost - Sales to LGE Native Load
	2,439.97		Half of Split Savings
	$ 745,403.95	30,309,000	
Internal Replacement			
	$ 94,043.20	3,352,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 94,043.20	3,352,000	
Total Sales	$ 839,447.15	33,661,000	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 742,963.98	30,309,000	KU Fuel Cost - Sales to LGE Native Load
	2,439.97		Half of Split Savings
	$ 745,403.95	30,309,000	
Internal Replacement			
	$ 94,043.20	3,352,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 94,043.20	3,352,000	
Total Purchases	$ 839,447.15	33,661,000	
Sales			
Internal Economy			
	$ 3,150,797.17	135,012,000	Fuel for LGE Sale to KU for Native Load
	6,820.98		Half of Split Savings to LGE from KU
	$ 3,157,618.15	135,012,000	
Internal Replacement			
	$ 56,383.33	2,371,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 56,383.33	2,371,000	
Total Sales	$ 3,214,001.48	137,383,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY

Expense Month : April 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	48,355
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	36,266
4.	Current Month True-up	OSS Page 3	$	(2,977)
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	33,289
6.	Current Month S(m)	Form A Page 3		1,487,446,050
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	$	0.00002

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY

Expense Month : April 2016

Line No.				
1.	Total OSS Revenues		$	309,117
2.	Total OSS Expenses		$	260,762
3.	Total OSS Margins	L. 1 - L. 2	$	48,355

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY

Expense Month : April 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ 0.00001
2.	KWH Billed at Above Rate		1,300,364,371
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	$ 13,004
4.	KWH Used to Determine Last OSS Adjustment Factor		1,801,793,473
5.	Non-Jurisdictional KWH (Included in Line 4)		241,560,538
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,560,232,935
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		$0.00000
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	$ 15,602
9.	(Over) or Under Amount	(Line 8 - Line 3)	$ (2,598)
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		1,487,446,050
11.	Kentucky Jurisdictional Sales		1,298,075,653
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.14588549
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	$ (2,977)

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Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

Derek Rahn
Manager - Revenue Requirement
T 502-627-4127
F 502-217-4002
derek.rahn@lge-ku.com

Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

April 19, 2016

Dear Executive Director:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the May 2016 billing cycle which begins April 29, 2016.

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

Sincerely,

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : March 2016

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+)	$	(0.00680)	/ KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$	-	/ KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$	(0.00680)	/ KWH

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

Effective Date for Billing: April 29, 2016

Submitted by _____

Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : March 2016

Fuel "Fm" (Fuel Cost Schedule) / Sales "Sm" (Sales Schedule)	=	$34,819,641 / 1,574,190,768 KWH	= (+) $ 0.02212 / KWH
Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013.			= (-) $ 0.02892 / KWH
FAC Factor (1)			= $ (0.00680) / KWH

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

Effective Date for Billing: April 29, 2016

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE

Expense Month : March 2016

(A) Company Generation				
Coal Burned	(+)		$23,311,069	(1)
Oil Burned	(+)		398,460	(1)
Gas Burned	(+)		9,773,809	
Fuel (assigned cost during Forced Outage)	(+)		1,786,431	*
Fuel (substitute cost for Forced Outage)	(-)		1,711,069	*
SUB-TOTAL		$	33,483,338	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	497,446	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		7,125	*
Less Purchases above Highest Cost Units	(-)		-	
Internal Economy	(+)		2,944,511	
Internal Replacement	(+)		17,357	
SUB-TOTAL		$	3,459,314	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	27,524	
Internal Economy	(+)		1,333,514	
Internal Replacement	(+)		3,257	
Dollars Assigned to Inter-System Sales Losses	(+)		138	
SUB-TOTAL		$	1,364,433	
(D) Over or (Under) Recovery				
From Page 5, Line 13		$	758,578	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	34,819,641	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	$6,329
Oil burned =	$136

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

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : March 2016

(A)	Generation (Net)	(+)	1,556,333,000
	Purchases including interchange-in	(+)	53,279,000
	Internal Economy	(+)	125,384,000
	Internal Replacement	(+)	701,000
	SUB-TOTAL		1,735,697,000

(B)	Inter-system Sales including interchange-out	(+)	1,250,000
	Internal Economy	(+)	61,729,000
	Internal Replacement	(+)	128,000
	(*) System Losses	(+)	98,399,232
	SUB-TOTAL		161,506,232

TOTAL SALES (A-B)	1,574,190,768

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM LOSSES TO REFLECT LOSSES AT RETAIL LEVEL

Expense Month : March 2016

12 Months to Date KWH Sources:	22,555,237,000	KWH
12 MTD Overall System Losses:	1,278,689,754	KWH
March 2016 KWH Sources:	1,735,697,000	KWH

1,278,689,754 / 22,555,237,000 = 5.669148%

5.669148% X 1,735,697,000 = 98,399,232 KWH

WHOLESALE KWH SALES AND LOSSES

162,506,714	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
42,540,000	Wholesale sales at Primary Voltage	(WS-P)
63,107,000	Intersystem Sales at Transmission Voltage	(IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	162,506,714	2.153%	3,575,756	166,082,470
WS-P:	42,540,000	2.153% and 0.985%	1,368,538	43,908,538
IS-T:	63,107,000	0.5%	317,121	63,424,121

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : March 2016

1.	Last FAC Rate Billed		($0.00187)
2.	KWH Billed at Above Rate		1,435,374,871
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$ (2,684,151)
4.	KWH Used to Determine Last FAC Rate		2,067,875,559
5.	Non-Jurisdictional KWH (Included in Line 4)		280,330,200
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,787,545,359
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	$ (3,342,710)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$ 658,559
10.	Total Sales "Sm" (From Page 3 of 6)		1,574,190,768
11.	Kentucky Jurisdictional Sales		1,366,632,392
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.15187579
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$ 758,578

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : March 2016

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 2,944,153.80	125,384,000	Fuel for LGE Sale to KU for Native Load
	356.84		Half of Split Savings to LGE from KU
	$ 2,944,510.64	125,384,000	
Internal Replacement			
	$ 17,357.46	701,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 17,357.46	701,000	
Total Purchases	$ 2,961,868.10	126,085,000	
Sales			
Internal Economy			
	$ 1,332,375.31	61,729,000	KU Fuel Cost - Sales to LGE Native Load
	1,139.16		Half of Split Savings
	$ 1,333,514.47	61,729,000	
Internal Replacement			
	$ 3,256.85	128,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 3,256.85	128,000	
Total Sales	$ 1,336,771.32	61,857,000	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 1,332,375.31	61,729,000	KU Fuel Cost - Sales to LGE Native Load
	1,139.16		Half of Split Savings
	$ 1,333,514.47	61,729,000	
Internal Replacement			
	$ 3,256.85	128,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 3,256.85	128,000	
Total Purchases	$ 1,336,771.32	61,857,000	
Sales			
Internal Economy			
	$ 2,944,153.80	125,384,000	Fuel for LGE Sale to KU for Native Load
	356.84		Half of Split Savings to LGE from KU
	$ 2,944,510.64	125,384,000	
Internal Replacement			
	$ 17,357.46	701,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 17,357.46	701,000	
Total Sales	$ 2,961,868.10	126,085,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY

Expense Month : March 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	11,617
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	8,713
4.	Current Month True-up	OSS Page 3	$	(4,056)
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	4,657
6.	Current Month S(m)	Form A Page 3		1,574,190,768
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	$	0.00000

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY

Expense Month : March 2016

Line No.				
1.	Total OSS Revenues		$	45,958
2.	Total OSS Expenses		$	34,340
3.	Total OSS Margins	L. 1 - L. 2	$	11,617

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY

Expense Month : March 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ 0.00001
2.	KWH Billed at Above Rate		1,435,374,871
3.	OSS Adjustment Credit	(Line 1 x Line 2)	$ 14,354
4.	KWH Used to Determine Last OSS Adjustment Factor		2,067,875,559
5.	Non-Jurisdictional KWH (Included in Line 4)		280,330,200
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,787,545,359
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		$0.00000
8.	OSS Adjustment Credit to be Distributed	(Line 1 x Line 6)	$ 17,875
9.	(Over) or Under Credited Amount	(Line 8 - Line 3)	$ (3,521)
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		1,574,190,768
11.	Kentucky Jurisdictional Sales		1,366,632,392
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.15187579
13.	Total Company (Over) or Under Credited Amount	(Line 9 x Line 12)	$ (4,056)

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Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

Derek Rahn
Manager - Revenue
Requirement
T 502-627-4127
F 502-627-4002
derek.rahn@lge-ku.com

Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

March 21, 2016

Dear Executive Director:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the April 2016 billing cycle which begins March 31, 2016.

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

Sincerely,

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : February 2016

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+)	$	(0.00418)	/ KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$	(0.00001)	/ KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$	(0.00417)	/ KWH

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

Effective Date for Billing: March 31, 2016

Submitted by _____

Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : February 2016

Fuel "Fm" (Fuel Cost Schedule) / Sales "Sm" (Sales Schedule)	=	$44,583,770 / 1,801,793,473 KWH	= (+) $ 0.02474 / KWH

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) $ 0.02892 / KWH

FAC Factor (1) = $ (0.00418) / KWH

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

Effective Date for Billing: March 31, 2016

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE

Expense Month : February 2016

(A) Company Generation				
Coal Burned	(+)		$29,052,677	(1)
Oil Burned	(+)		784,191	(1)
Gas Burned	(+)		8,728,396	
Fuel (assigned cost during Forced Outage)	(+)		1,383,179	
Fuel (substitute cost for Forced Outage)	(-)		1,446,126	
SUB-TOTAL		$	38,502,317	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	649,101	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		1,948	
Less Purchases above Highest Cost Units	(-)		-	
Internal Economy	(+)		3,730,599	
Internal Replacement	(+)		1,278	
SUB-TOTAL		$	4,379,030	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	2,550	
Internal Economy	(+)		12,256	
Internal Replacement	(+)		38,405	
Dollars Assigned to Inter-System Sales Losses	(+)		13	
SUB-TOTAL		$	53,224	
(D) Over or (Under) Recovery				
From Page 5, Line 13		$	(1,755,647)	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	44,583,770	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	$9,491
Oil burned =	$105

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : February 2016

(A)	Generation (Net)	(+)	1,691,269,000
	Purchases including interchange-in	(+)	65,659,000
	Internal Economy	(+)	156,252,000
	Internal Replacement	(+)	55,000
	SUB-TOTAL		1,913,235,000

(B)	Inter-system Sales including interchange-out	(+)	409,000
	Internal Economy	(+)	537,000
	Internal Replacement	(+)	1,422,000
	(*) System Losses	(+)	109,073,527
	SUB-TOTAL		111,441,527

TOTAL SALES (A-B)	1,801,793,473

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM LOSSES TO REFLECT LOSSES AT RETAIL LEVEL

Expense Month : February 2016

12 Months to Date KWH Sources:	22,731,299,000	KWH
12 MTD Overall System Losses:	1,295,911,469	KWH
February 2016 KWH Sources:	1,913,235,000	KWH

1,295,911,469 / 22,731,299,000 = 5.701000%

5.701000% X 1,913,235,000 = 109,073,527 KWH

WHOLESALE KWH SALES AND LOSSES

195,401,280	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
43,905,200	Wholesale sales at Primary Voltage	(WS-P)
2,368,000	Intersystem Sales at Transmission Voltage	(IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	195,401,280	2.153%	4,299,559	199,700,839
WS-P:	43,905,200	2.153% and 0.985%	1,412,458	45,317,658
IS-T:	2,368,000	0.5%	11,899	2,379,899

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : February 2016

1.	Last FAC Rate Billed			($0.00616)
2.	KWH Billed at Above Rate			1,643,022,266
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$	(10,121,017)
4.	KWH Used to Determine Last FAC Rate			1,609,372,140
5.	Non-Jurisdictional KWH (Included in Line 4)			213,147,432
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,396,224,708
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)			$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	$	(8,600,744)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$	(1,520,273)
10.	Total Sales "Sm" (From Page 3 of 6)			1,801,793,473
11.	Kentucky Jurisdictional Sales			1,560,232,935
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		1.15482338
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$	(1,755,647)

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : February 2016

KENTUCKY UTILITIES COMPANY

			KWH	
Purchases				
Internal Economy				
	$	3,728,086.86	156,252,000	Fuel for LGE Sale to KU for Native Load
		2,512.01		Half of Split Savings to LGE from KU
	$	3,730,598.87	156,252,000	
Internal Replacement				
	$	1,278.19	55,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	1,278.19	55,000	
Total Purchases	$	3,731,877.06	156,307,000	
Sales				
Internal Economy				
	$	12,227.45	537,000	KU Fuel Cost - Sales to LGE Native Load
		28.57		Half of Split Savings
	$	12,256.02	537,000	
Internal Replacement				
	$	38,405.02	1,422,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	38,405.02	1,422,000	
Total Sales	$	50,661.04	1,959,000	

LOUISVILLE GAS AND ELECTRIC COMPANY

			KWH	
Purchases				
Internal Economy				
	$	12,227.45	537,000	KU Fuel Cost - Sales to LGE Native Load
		28.57		Half of Split Savings
	$	12,256.02	537,000	
Internal Replacement				
	$	38,405.02	1,422,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	38,405.02	1,422,000	
Total Purchases	$	50,661.04	1,959,000	
Sales				
Internal Economy				
	$	3,728,086.86	156,252,000	Fuel for LGE Sale to KU for Native Load
		2,512.01		Half of Split Savings to LGE from KU
	$	3,730,598.87	156,252,000	
Internal Replacement				
	$	1,278.19	55,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	1,278.19	55,000	
Total Sales	$	3,731,877.06	156,307,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY

Expense Month : February 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	1,986
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	1,490
4.	Current Month True-up	OSS Page 3	$	(17,101)
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	(15,611)
6.	Current Month S(m)	Form A Page 3		1,801,793,473
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	$	(0.00001)

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY

Expense Month : February 2016

Line No.				
1.	Total OSS Revenues		$	45,043
2.	Total OSS Expenses		$	43,056
3.	Total OSS Margins	L. 1 - L. 2	$	1,986

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY

Expense Month : February 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ (0.00006)
2.	KWH Billed at Above Rate		1,643,022,266
3.	OSS Adjustment Credit	(Line 1 x Line 2)	$ (98,581)
4.	KWH Used to Determine Last OSS Adjustment Factor		1,609,372,140
5.	Non-Jurisdictional KWH (Included in Line 4)		213,147,432
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,396,224,708
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		$0.00000
8.	OSS Adjustment Credit to be Distributed	(Line 1 x Line 6)	$ (83,773)
9.	(Over) or Under Credited Amount	(Line 8 - Line 3)	$ (14,808)
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		1,801,793,473
11.	Kentucky Jurisdictional Sales		1,560,232,935
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.15482338
13.	Total Company (Over) or Under Credited Amount	(Line 9 x Line 12)	$ (17,101)

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PUBLIC SERVICE COMMISSION

a PPL company

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

Derek Rahn
Manager - Revenue Requirement
T 502-627-4127
F 502-627-3213
derek.rahn@lge-ku.com

Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

February 19, 2016

Dear Executive Director:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the March 2016 billing cycle which begins March 1, 2016.

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

Sincerely,

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : January 2016

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+)	$	(0.00187)	/ KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$	(0.00001)	/ KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$	(0.00186)	/ KWH

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

Effective Date for Billing: March 1, 2016

Submitted by _____

Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : January 2016

Fuel "Fm" (Fuel Cost Schedule)		$55,931,484		
----------	=	----------	= (+) $ 0.02705	/ KWH
Sales "Sm" (Sales Schedule)		2,067,875,559 KWH		

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) $ 0.02892 / KWH

FAC Factor (1) = $ (0.00187) / KWH

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

Effective Date for Billing: March 1, 2016

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE

Expense Month : January 2016

(A) Company Generation				
Coal Burned	(+)		$33,603,794	(1)
Oil Burned	(+)		415,898	(1)
Gas Burned	(+)		13,865,751	
Fuel (assigned cost during Forced Outage)	(+)		663,194	
Fuel (substitute cost for Forced Outage)	(-)		758,939	
SUB-TOTAL		$	47,789,698	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	699,070	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		734	
Less Purchases above Highest Cost Units	(-)		-	
Internal Economy	(+)		4,439,332	
Internal Replacement	(+)		52	
SUB-TOTAL		$	5,137,720	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	17,066	
Internal Economy	(+)		8,740	
Internal Replacement	(+)		184,385	
Dollars Assigned to Inter-System Sales Losses	(+)		85	
SUB-TOTAL		$	210,276	
(D) Over or (Under) Recovery				
From Page 5, Line 13		$	(3,214,342)	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	55,931,484	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	$11,680
Oil burned =	$37

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : January 2016

(A)	Generation (Net)	(+)	1,943,889,000
	Purchases including interchange-in	(+)	73,006,000
	Internal Economy	(+)	187,202,000
	Internal Replacement	(+)	2,000
	SUB-TOTAL		2,204,099,000

(B)	Inter-system Sales including interchange-out	(+)	827,000
	Internal Economy	(+)	388,000
	Internal Replacement	(+)	7,253,000
	(*) System Losses	(+)	127,755,441
	SUB-TOTAL		136,223,441

TOTAL SALES (A-B)	2,067,875,559

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM LOSSES TO REFLECT LOSSES AT RETAIL LEVEL

Expense Month : January 2016

12 Months to Date KWH Sources:	23,100,925,000	KWH
12 MTD Overall System Losses:	1,338,991,165	KWH
January 2016 KWH Sources:	2,204,099,000	KWH

1,338,991,165 / 23,100,925,000 = 5.796266%

5.796266% X 2,204,099,000 = 127,755,441 KWH

WHOLESALE KWH SALES AND LOSSES

229,320,054	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
49,003,600	Wholesale sales at Primary Voltage	(WS-P)
8,468,000	Intersystem Sales at Transmission Voltage	(IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	229,320,054	2.153%	5,045,899	234,365,953
WS-P:	49,003,600	2.153% and 0.985%	1,576,476	50,580,076
IS-T:	8,468,000	0.5%	42,553	8,510,553

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : January 2016

1.	Last FAC Rate Billed		($0.00582)
2.	KWH Billed at Above Rate		1,796,707,153
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$ (10,456,836)
4.	KWH Used to Determine Last FAC Rate		1,516,414,383
5.	Non-Jurisdictional KWH (Included in Line 4)		197,128,425
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,319,285,958
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	$ (7,678,244)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$ (2,778,592)
10.	Total Sales "Sm" (From Page 3 of 6)		2,067,875,559
11.	Kentucky Jurisdictional Sales		1,787,545,359
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.1568241
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$ (3,214,342)

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : January 2016

KENTUCKY UTILITIES COMPANY

			KWH	
Purchases				
Internal Economy				
	$	4,429,321.60	187,202,000	Fuel for LGE Sale to KU for Native Load
		10,010.09		Half of Split Savings to LGE from KU
	$	4,439,331.69	187,202,000	
Internal Replacement				
	$	52.22	2,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	52.22	2,000	
Total Purchases	$	4,439,383.91	187,204,000	
Sales				
Internal Economy				
	$	8,736.11	388,000	KU Fuel Cost - Sales to LGE Native Load
		4.21		Half of Split Savings
	$	8,740.32	388,000	
Internal Replacement				
	$	184,385.34	7,253,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	184,385.34	7,253,000	
Total Sales	$	193,125.66	7,641,000	

LOUISVILLE GAS AND ELECTRIC COMPANY

			KWH	
Purchases				
Internal Economy				
	$	8,736.11	388,000	KU Fuel Cost - Sales to LGE Native Load
		4.21		Half of Split Savings
	$	8,740.32	388,000	
Internal Replacement				
	$	184,385.34	7,253,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	184,385.34	7,253,000	
Total Purchases	$	193,125.66	7,641,000	
Sales				
Internal Economy				
	$	4,429,321.60	187,202,000	Fuel for LGE Sale to KU for Native Load
		10,010.09		Half of Split Savings to LGE from KU
	$	4,439,331.69	187,202,000	
Internal Replacement				
	$	52.22	2,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	52.22	2,000	
Total Sales	$	4,439,383.91	187,204,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY

Expense Month : January 2016

Line No.			
1.	Current Month OSS Margins	OSS Page 2	$ 5,310
2.	Customer Sharing		75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$ 3,983
4.	Current Month True-up	OSS Page 3	$ (22,092)
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$ (18,109)
6.	Current Month S(m)	Form A Page 3	2,067,875,559
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	$ (0.00001)

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY

Expense Month : January 2016

Line No.				
1.	Total OSS Revenues		$	223,333
2.	Total OSS Expenses		$	218,023
3.	Total OSS Margins	L. 1 - L. 2	$	5,310

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY

Expense Month : January 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ (0.00004)
2.	KWH Billed at Above Rate		1,796,707,153
3.	OSS Adjustment Credit	(Line 1 x Line 2)	$ (71,868)
4.	KWH Used to Determine Last OSS Adjustment Factor		1,516,414,383
5.	Non-Jurisdictional KWH (Included in Line 4)		197,128,425
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,319,285,958
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		$0.00000
8.	OSS Adjustment Credit to be Distributed	(Line 1 x Line 6)	$ (52,771)
9.	(Over) or Under Credited Amount	(Line 8 - Line 3)	$ (19,097)
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		2,067,875,559
11.	Kentucky Jurisdictional Sales		1,787,545,359
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.1568241
13.	Total Company (Over) or Under Credited Amount	(Line 9 x Line 12)	$ (22,092)