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Mr. Jeff DeRouen
Executive Director
Kentucky Public Service Commission
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Frankfort, KY 40602-0615

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PUBLIC SERVICE COMMISSION

April 18, 2011

Re: ***Joint Application of PPL Corporation, E.ON AG, E.ON US Investments Corp., E.ON U.S. LLC, Louisville Gas and Electric Company and Kentucky Utilities Company For Approval of An Acquisition of Ownership and Control of Utilities* – Case No. 2010-00204**

Dear Mr. DeRouen:

Pursuant to the Commission's Order of September 30, 2010, in the above-referenced proceeding, PPL Corporation, LG&E and KU Energy LLC, Louisville Gas and Electric Company, and Kentucky Utilities Company ("the Companies") hereby report to the Commission and interested Parties any credit rating reports on PPL. Attached are the applicable credit rating reports. The Companies are filing this notice pursuant to Appendix A, Section 3.6 of the Order.

Please confirm your receipt of this filing by placing the stamp of your Office with date received on the extra copy.

Should you have any questions regarding this information, please contact me at your convenience.

Sincerely,

Rick E. Lovekamp

Rick E. Lovekamp

cc: Dennis G. Howard II, AG
Michael L. Kurtz, KIUC

PPL Corp.

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PPL Corp.

Major Rating Factors

Corporate Credit Rating

BBB/Watch Neg/NR

Strengths:

- Regulated utilities generate steady operating cash flow;
- Low-cost coal and nuclear generation;
- Operating diversity in merchant generation power plants; and,
- Rolling hedging strategy for merchant generation results in stable cash flow.

Weaknesses:

- Materially riskier unregulated operations;
- Acquisitive, with aggressive use of hybrid securities for partial funding;
- Exposure to pending environmental standards, especially regarding carbon dioxide; and
- Cash flow erosion from lower power prices.

Rationale

The ratings on PPL Corp. and affiliates Kentucky Utilities Co. (KU), Louisville Gas & Electric Co. (LG&E), LG&E and KU Energy LLC (LKE), PPL Electric Utilities Corp. (PPLEU), PPL Energy Supply LLC (PPL Energy), Western Power Distribution (South West) PLC, and Western Power Distribution (South Wales) PLC are on CreditWatch with negative implications. Affiliate Western Power Distribution Holdings Ltd. is on CreditWatch with developing implications. The CreditWatch listings followed PPL's planned acquisition of E.ON UK's Central Networks West PLC (CNW) and Central Networks East PLC (CNE), two distribution networks in the U.K. The CreditWatch listing directly relates to the execution of the financing plan for the acquisition, which includes a commitment by the company for a substantial issuance of equity. Resolution of the CreditWatch will depend on the company's ability to complete its financing activities consistent with our expectations for the 'BBB' ratings.

Allentown, Pa.-based PPL has about $13.4 billion of debt, including $1.63 billion of junior subordinated notes.

PPL's purchase price of Central Networks utilities includes the assumption of $800 million of public debt and cash of $5.6 billion (excluding related transaction expenses and fees) that it will fund initially through a bridge loan and ultimately through a combination of cash, common equity issuance at PPL, unsecured debt at CNW and CNE, and unsecured debt at an intermediate holding company (generically UK Holdings) that will own CNW and CNE. In addition, PPL will issue equity units at PPL Capital Funding, which will likely receive high equity credit under our rating criteria. This acquisition will raise PPL's regulated cash flows to about 75% from the current 60%. Before PPL bought the Kentucky utilities, its regulated cash flows were less than 30%. The ratings change reflects our revisions, in accordance with our criteria, of PPL's business risk profile to excellent from strong and the company's financial risk profile to aggressive from significant.

The excellent business profile reflects the addition of fully regulated distribution utilities that have credit-supportive U.K. regulation and no commodity exposure, since power for retail customers is procured by nonaffiliated retail suppliers. The Central Networks utilities are contiguous to PPL's existing U.K. utilities. After the acquisition of CNE and CNW, we expect U.K. operations to be about 30% of PPL's consolidated cash flow. With this transaction, we are viewing all of PPL's utility assets as part of a consolidated entity, whereas previously we considered only the quality of the utility's dividends to its parent. The stability of CNE and CNW, along with existing utility assets in the U.K., Kentucky, and Pennsylvania, which we assess as excellent, will more than offset the satisfactory business risk profile of PPL Energy's merchant generation, resulting in a consolidated business profile of excellent. We expect the merchant generation business to contribute less than 25% of pro forma consolidated cash flows.

Our revision of the financial risk profile to aggressive reflects in part the company's financial policies toward acquisitions, including funding with aggressive levels of hybrid securities. Furthermore, due to the company's strategy of focusing on fully regulated operations and also expanding its U.K. presence, we are incorporating consolidated financial measures for PPL in our analysis. When reviewing the financial metrics, we are now including all cash flows and debt obligations from the U.K. utilities and PPLEU in PPL's financial measures. We expect consolidated financial measures, including ratios of debt to EBITDA, funds from operations (FFO) to total debt, and debt to capital, to range in the aggressive category of our financial risk profile. Debt to EBITDA should range between 4x and 5x, while we expect the percentage of FFO to debt to be in the mid-teens. These measures will support ratings at the 'BBB' level when the company successfully completes its permanent financing.

Short-term credit factors

Standard & Poor's currently views PPL's liquidity as strong under its corporate liquidity methodology, which categorizes liquidity in five standard descriptors. Our assessment of liquidity as strong supports PPL's 'BBB' issuer credit rating. Projected sources of liquidity--mainly operating cash flow and available bank lines--exceed projected uses--mainly necessary capital expenditures, debt maturities, and common dividends--by more than 1.5x. The ratio of sources over uses would be positive even after a 50% EBITDA decline. Additional factors that support the liquidity are PPL's ability to absorb high-impact, low-probability events with limited need for refinancing, its flexibility to lower capital spending, its sound bank relationships, its solid standing in credit markets, and its generally prudent risk management.

CreditWatch

The CreditWatch listing will remain until the company demonstrates progress on the permanent financing plan in line with our expectations. The acquisition requires large permanent financing that has attendant execution risks, and we will monitor PPL's ability to finalize this permanent financing. We could remove the CreditWatch listing and assign a stable outlook if financing is consistent with our expectation. We could lower the ratings if PPL can't fully execute its permanent financing plan in a credit-supportive manner consistent with our expectations for 'BBB' ratings.

Related Criteria And Research

- 2008 Corporate Criteria: Analytical Methodology
- Criteria Methodology: Business Risk/Financial Risk Matrix Expanded
- 2008 Corporate Criteria: Ratios And Adjustments
- Methodology And Assumptions: Standard & Poor's Standardizes Liquidity Descriptors For Global Corporate Issuers

Table 1

PPL Corp. -- Peer Comparison*

Industry Sector: Energy

	PPL Corp.	FirstEnergy Corp.	Public Service Enterprise Group Inc.	Ameren Corp.
Rating as of March 17, 2011	BBB/Watch Neg/--	BBB-/Stable/--	BBB/Stable/A-2	BBB-/Stable/A-3
	--Average of past three fiscal years--			
(Mil. $)				
Revenues	5,285 6	13,266 0	11,995 5	7,522 3
Net income from cont oper.	483 9	1,044 0	1,466 6	452 0
Funds from operations (FFO)	1,560 7	2,675 2	2,494 4	1,836 9
Capital expenditures	1,177 4	2,352 5	1,874 5	1,668 3
Cash and short-term investments	721 6	812 7	290 2	419 7
Debt	8,598 5	17,675 4	8,875 7	9,223 1
Preferred stock	333 3	0 0	53 3	88 7
Equity	4,776 7	8,451 0	8,533 8	7,619 0
Debt and equity	13,375 2	26,126 4	17,409 5	16,842 1
Adjusted ratios				
EBIT interest coverage (x)	2 7	2 4	6 2	3 0
FFO int cov. (X)	4 8	3 2	6 0	4 6
FFO/debt (%)	18 2	15 1	28 1	19 9
Discretionary cash flow/debt (%)	(1 2)	(2 5)	1 0	(2 8)
Net cash flow / capex (%)	86 6	85 2	97 1	85 0
Total debt/debt plus equity (%)	64 3	67 7	51 0	54 8
Return on common equity (%)	12 7	10 9	17 5	5 6
Common dividend payout ratio (un-adj) (%)	111 4	64 2	46 0	95 0

*Fully adjusted (including postretirement obligations)

Table 2

PPL Corp. -- Financial Summary*

Industry Sector: Energy

	--Fiscal year ended Dec. 31--				
	2010	**2009**	**2008**	**2007**	**2006**
Rating history	BBB+/Stable/--	BBB/Negative/--	BBB/Stable/--	BBB/Stable/--	BBB/Stable/--
(Mil. $)					
Revenues	8,521 0	3,548 2	3,787 6	2,187 7	2,847 6
Operating income (bef. D&A)	2,565 0	603 6	1,260 4	1,121 9	1,016 3
Operating income (after D&A)	1,944 9	306 2	1,018 2	934 4	795 3
Net income from continuing operations	955 0	30 2	466 3	556 7	436 5
Funds from operations (FFO)	2,686 6	1,274 7	720 8	980 4	913 7
Capital expenditures	1,567 0	704 8	1,260 2	1,034 2	781 9
Free operating cash flow	763 6	1,045 7	(503 3)	(178 1)	242 2
Discretionary cash flow	180 8	511 9	(1,011 0)	(653 8)	(166 8)
Cash and short-term investments	1,088 0	311 3	765 4	317 5	800 6
Debt	15,112 8	5,110 2	5,572 6	3,822 0	3,469 8

Table 2

PPL Corp. -- Financial Summary* (cont.)					
Preferred stock	500.0	250 0	250.0	250 0	0.0
Equity	8,728 0	2,875.4	2,726 6	2,673 9	2,903.0
Debt and equity	23,840.8	7,985 6	8,299.2	6,495 8	6,372.8
Adjusted ratios					
EBIT interest coverage (x)	3 0	1 2	3 5	3.8	3 6
EBIT interest coverage (x)¶	3 0	1 2	1.6	3 8	3 6
EBITDA interest coverage (x)	3 8	2 2	4.4	4.5	4 4
FFO int. cov. (x)	4 8	5 9	3.6	5.0	4.8
FFO/debt (%)	17.8	24 9	12 9	25.7	26 3
Free operating cash flow/debt (%)	5.1	20 5	(9 0)	(4.7)	7 0
Discretionary cash flow/debt (%)	1.2	10 0	(18.1)	(17.1)	(4 8)
Net cash flow / capex (%)	134 3	105 1	16 9	48 8	64.5
Debt/debt and equity (%)	63.4	64 0	67 1	58 8	54 4
Return on common equity (%)	17 0	(0 5)	16 8	19.1	15 8
Common dividend payout ratio (un-adj.) (%)	63 4	1,723.7	105.3	82.5	93.7

*Fully adjusted (including postretirement obligations). ¶Postretirement obligations using actual returns.

Table 3

Reconciliation Of PPL Corp. Reported Amounts With Standard & Poor's Adjusted Amounts (Mil. $)*

	--Fiscal year ended Dec. 31, 2010--						
PPL Corp. reported amounts							
	Debt	**Shareholders' equity**	**Operating income (before D&A)**	**Operating income (before D&A)**	**Operating income (after D&A)**	**Interest expense**	**Cash flow from operations**
Reported	13,357 0	8,478 0	2,422 0	2,422 0	1,866.0	593 0	2,033.0
Standard & Poor's adjustments							
Operating leases	662 0	--	115.0	50 9	50 9	50 9	64 1
Intermediate hybrids reported as debt	(250.0)	250.0	--	--	--	(16 8)	16 8
Postretirement benefit obligations	1,177.8	--	28 0	28 0	28 0	--	243 8
Accrued interest not included in reported debt	166.0	--	--	--	--	--	--
Capitalized interest	--	--	--	--	--	30.0	(30.0)
Share-based compensation expense	--	--	--	26 0	--	--	--
Reclassification of working-capital cash flow changes	--	--	--	--	--	--	--
US decommissioning fund contributions	--	--	--	--	--	--	(14 0)
Other	--	--	--	--	--	--	17 0
Total adjustments	1,755 8	250 0	143.0	104 9	78 9	64 2	297 6

Table 3

Reconciliation Of PPL Corp. Reported Amounts With Standard & Poor's Adjusted Amounts (Mil. $)* (cont.)

Standard & Poor's adjusted amounts

	Debt	Equity	Operating income (before D&A)	EBITDA	EBIT	Interest expense	Cash flow from operations
Adjusted	15,112.8	8,728.0	2,565.0	2,526.9	1,944.9	657.2	2,330.6

*PPL Corp. reported amounts shown are taken from the company's financial statements but might include adjustments made by data providers or reclassifications made by Standard & Poor's analysts. Please note that two reported amounts (operating income before D&A and cash flow from operations) are used to derive more than one Standard & Poor's-adjusted amount (operating income before D&A and EBITDA, and cash flow from operations and funds from operations, respectively). Consequently, the first section in some tables may feature duplicate descriptions and amounts.

Ratings Detail (As Of March 22, 2011)*

PPL Corp.	
Corporate Credit Rating	BBB/Watch Neg/NR
Junior Subordinated (2 Issues)	BB+/Watch Neg
Senior Unsecured (3 Issues)	BBB-/Watch Neg
Corporate Credit Ratings History	
02-Mar-2011	BBB/Watch Neg/NR
27-Oct-2010	BBB+/Stable/NR
28-Apr-2010	BBB/Watch Pos/NR
27-Jan-2009	BBB/Negative/NR
Business Risk Profile	Excellent
Financial Risk Profile	Aggressive
Related Entities	
Kentucky Utilities Co.	
Issuer Credit Rating	BBB/Watch Neg/A-3
Senior Secured (5 Issues)	A-/A-3
Senior Secured (2 Issues)	A-/NR
Senior Secured (3 Issues)	A-/Watch Neg
LG&E and KU Energy LLC	
Issuer Credit Rating	BBB/Watch Neg/--
Senior Unsecured (2 Issues)	BBB-/Watch Neg
Louisville Gas & Electric Co.	
Issuer Credit Rating	BBB/Watch Neg/A-3
Senior Secured (11 Issues)	A-/A-3
Senior Secured (1 Issue)	A-/NR
Senior Secured (2 Issues)	A-/Watch Neg
PPL Electric Utilities Corp.	
Issuer Credit Rating	BBB/Watch Neg/A-3
Commercial Paper	
Local Currency	A-3/Watch Neg
Preference Stock (1 Issue)	BB+/Watch Neg
Senior Secured (8 Issues)	BBB+/Watch Neg
PPL Energy Supply LLC	
Issuer Credit Rating	BBB/Watch Neg/NR

Ratings Detail (As Of March 22, 2011)* (cont.)	
Senior Unsecured (12 Issues)	BBB/Watch Neg
PPL Montana LLC	
Senior Secured (1 Issue)	BBB-/Positive
Western Power Distribution Holdings Ltd.	
Issuer Credit Rating	BBB-/Watch Dev/A-3
Senior Unsecured (2 Issues)	BBB-/Watch Neg
Western Power Distribution (South Wales) PLC	
Issuer Credit Rating	BBB/Watch Neg/A-3
Senior Unsecured (3 Issues)	BBB/Watch Neg
Western Power Distribution (South West) PLC	
Issuer Credit Rating	BBB/Watch Neg/A-3
Senior Unsecured (4 Issues)	BBB/Watch Neg

*Unless otherwise noted, all ratings in this report are global scale ratings. Standard & Poor's credit ratings on the global scale are comparable across countries. Standard & Poor's credit ratings on a national scale are relative to obligors or obligations within that specific country.

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April 15, 2011

Research Update:

PPL Corp. And U.K. Affiliates Are Taken Off CreditWatch, Ratings Are Affirmed

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Research Update:

PPL Corp. And U.K. Affiliates Are Taken Off CreditWatch, Ratings Are Affirmed

Overview

- We resolved the CreditWatch with negative implications and affirmed the 'BBB' ratings on diversified energy company PPL Corp. and its affiliates PPL Electric Utilities (PPLEU), PPL Energy Supply (PPL Energy), LG&E and KU Energy LLC (LKE), Louisville Gas & Electric Co. (LG&E), and Kentucky Utilities Co. (KU). The outlook on the ratings is stable.
- At the same time, we resolved the CreditWatch listing and affirmed the 'BBB' ratings on PPL's U.K. affiliates: PPL WW Holdings Ltd. (intermediate holding company formerly known as Western Power Distribution Holdings Ltd.) and PPL WW's distribution network operators (DNOs) Western Power Distribution (South Wales) and Western Power Distribution (South West); and the new intermediate holding company PPL WEM Holdings PLC and its DNOs Western Power Distribution (West Midlands) and Western Power Distribution (East Midlands). The outlook on all the ratings is stable.
- We raised the short-term ratings on KU, LG&E, PPLEU, Western Power Distribution (East Midlands), Western Power Distribution (West Midlands), PPL WEM, PPL WW, Western Power Distribution (South Wales), and Western Power Distribution (South West) to 'A-2' from 'A-3', and we removed the CreditWatch listing.
- The ratings actions and CreditWatch actions come as the result of PPL's recently completed common stock and equity offerings.

Rating Action

On April 15, 2011, Standard & Poor's Ratings Services affirmed its 'BBB' corporate credit ratings on PPL Corp. and its affiliates PPL Electric Utilities (PPLEU), PPL Energy Supply (PPL Energy), LG&E and KU Energy LLC (LKE), Louisville Gas & Electric Co. (LG&E), and Kentucky Utilities Co. (KU). At the same time, we removed the ratings from CreditWatch with negative implications, where we put them on March 2, 2011, following the acquisition announcement. (See "PPL Corp. Is Lowered To 'BBB' And Placed On CreditWatch Negative After Acquisition Announcement," published March 2, 2011.) We also resolved the CreditWatch listings and affirmed the 'BBB' ratings on PPL's U.K. affiliates: PPL WW Holdings Ltd. (intermediate holding company formerly known as Western Power Distribution Holdings Ltd.) and PPL WW's distribution network operators (DNOs) Western Power Distribution (South Wales) and Western Power Distribution (South West); and the new intermediate holding company PPL WEM Holdings PLC and its DNOs Western Power Distribution (West Midlands) and Western Power Distribution (East Midlands). The outlook on all the ratings is stable. We raised the short-term ratings on KU, LG&E, PPLEU, Western Power Distribution (WPD) (East Midlands), WPD (West Midlands), PPL WEM, PPL WW, WPD

(South Wales), and WPD (South West) to 'A-2' from 'A-3'.

Allentown, Pa.-based PPL has about $12.7 billion of long-term debt, including $1.63 billion of junior subordinated notes. Including all junior subordinated notes, we estimate pro forma debt to be roughly $16.6 billion.

The ratings affirmations and removal of the CreditWatch listings follow PPL's recently completed offerings of 92 million shares (after exercise of the overallotment option) of PPL common stock (roughly $2.3 billion of gross proceeds), and 19.55 million (after exercise of the overallotment option) of equity units (roughly $978 million of gross proceeds), to which we assign high equity content.

PPL completed the equity financing as part of the permanent financing plan for the completed acquisition of E.ON U.K.'s Central Networks West PLC and Central Networks East PLC. The CreditWatch listing was directly related to the execution of the financing plan for the acquisition, which included the company's commitment of a substantial issuance of equity. PPL will use proceeds from both issuances to repay a portion of a £3.6 billion 364-day bridge facility that funded the acquisition April 1. The company will repay the remaining balance on the bridge loan with proceeds from future permanent debt issuances as indicated by PPL.

Rationale

For the cash portion of its acquisition of E.ON U.K.'s Central Networks, PPL issued the common stock and equity units and expects to issue unsecured debt at intermediate holding company PPL WEM Holdings PLC and its two new operating subsidiaries, WPD (West Midlands) and WPD (East Midlands). PPL's regulated cash flows should rise to approximately 75% from 60% before it completes the acquisition. Before PPL bought the Kentucky utilities, its regulated cash flows comprised less than 30%. Due to the potential cash flow contribution to the consolidated PPL family from the enlarged U.K. operations, we believe that the U.K. group is now a core part of PPL's strategy. Therefore, we matched the ratings on all these entities with our rating on PPL. We rate PPL WW's senior unsecured debt one notch lower than its long-term rating to reflect structural subordination. We would take the same approach to rating any debt PPL WEM issues. For more information on the rating methodology for the U.K. group, please see "U.K. OpCos WPD West And East Midlands Downgraded To 'BBB/A-3' On New Owner; New HoldCo Rated 'BBB/A-3'; On Watch Neg," published April 12, 2011.

Our assessment of the business profile as excellent reflects the addition of fully regulated distribution utilities that have credit-supportive U.K. regulation and no commodity exposure, since power for retail customers is procured by nonaffiliated retail suppliers. The new DNOs are contiguous to the U.K. utilities PPL's already owns. We expect U.K. operations to be about 30% of PPL's consolidated cash flow. The stability of U.K. cash flows, which are wires-only distribution utilities, along with existing utility assets in Kentucky and Pennsylvania, all of which we assess as excellent, will more than offset the business risk profile of PPL Energy's merchant generation, which we assess as satisfactory, resulting in an excellent business profile overall. We expect the merchant generation business to comprise less than 25% of pro forma consolidated cash flows.

We consider the financial risk profile to be aggressive, which reflects in part the company's financial policies toward acquisitions, including funding with aggressive levels of hybrid securities. The consolidated financial measures include all cash flows and debt obligations from the U.K. utilities and PPLEU in PPL's financial measures. We expect consolidated financial measures, including ratios of debt to EBITDA, funds from operations (FFO) to total debt, and debt to capital, to range into the aggressive category of our financial risk profile. Debt to EBITDA should range between 4x and 5x, while we expect the percentage of FFO to debt to be in the mid-teens. These measures will support ratings at the 'BBB' level on successful completion of all the permanent financing.

Liquidity

Standard & Poor's currently believes PPL's liquidity is adequate under its corporate liquidity methodology, which categorizes liquidity in five standard descriptors. (See "Standard & Poor's Standardizes Liquidity Descriptors for Global Corporate Issuers," published July 2, 2010.) Our assessment of PPL's liquidity supports our 'BBB' issuer credit rating on the company. Its projected sources of liquidity--mainly operating cash flow and available bank lines--exceed its projected uses--mainly necessary capital expenditures, debt maturities, and common dividends--by about 1.2x over the next 12 to 18 months. We expect net sources to remain positive, even if EBITDA declines more than 15%. Compliance with financial covenants could survive a 15% drop in EBITDA, in our view. Further supporting our liquidity assessment is PPL's ability to absorb high-impact, low-probability events with limited need for refinancing, its flexibility to lower capital spending, its sound bank relationships, its solid standing in credit markets, and its generally prudent risk management.

Outlook

The stable outlook on our ratings on PPL and its all rated subsidiaries reflects our expectation that management will maintain an excellent business profile by focusing on its regulated utilities and will not increase unregulated operations beyond current levels. The outlook also reflects our expectations that cash flow protection and debt leverage measures will be in line for the rating. Specifically, our baseline forecast includes FFO to total debt of around 15%, debt to EBITDA between 4x and 5x, and debt leverage to total capital under 60%, consistent with our expectations for the 'BBB' rating. Given the company's mostly regulated focus, we expect that PPL will avoid any meaningful rise in business risk by reaching constructive regulatory outcomes and limit its unregulated operations to existing levels. We could lower the ratings if PPL cannot sustain consolidated financial measures of FFO to total debt of at least 12%, debt to EBITDA below 5x, and debt leverage under 62%. This could occur if market power prices continue to remain weak due to ongoing depressed demand. Although unlikely over the intermediate term, we could raise ratings if the business profile further strengthens and if financial measures exceed our base line forecast on a consistent basis, including FFO to total debt in excess of 20%, debt to EBITDA below 4x, and debt to total capital around 50%.

Related Criteria And Research

- U.K. OpCos WPD West And East Midlands Downgraded To 'BBB/A-3' On New Owner; New HoldCo Rated 'BBB/A-3'; On Watch Neg, April 12, 2011
- U.K.-Based WPD Operating Cos Downgraded To 'BBB/A-3' And Placed On Watch Neg After Same Action On U.S. Parent PPL, March 3, 2011
- Standard & Poor's Standardizes Liquidity Descriptors for Global Corporate Issuers, July 2, 2010
- Criteria Methodology: Business Risk/Financial Risk Matrix Expanded, May 27, 2009
- Corporate Ratings Criteria 2008: Analytical Methodology, April 15, 2008
- Corporate Ratings Criteria 2008: Ratios And Adjustments, April 15, 2008

Ratings List

Ratings Affirmed; CreditWatch Action; Upgraded

	To	From
PPL Corp.		
PPL Energy Supply LLC		
LG&E and KU Energy LLC		
Corporate Credit Rating	BBB/Stable/--	BBB/Watch Neg/--
Kentucky Utilities Co.		
Western Power Distribution (South West) PLC		
Western Power Distribution (South Wales) PLC		
WPD West Midlands PLC		
WPD East Midlands PLC		
PPL WW Holdings Ltd.		
PPL WEM Holdings PLC		
PPL Electric Utilities Corp.		
Louisville Gas & Electric Co.		
Corporate Credit Rating	BBB/Stable/A-2	BBB/Watch Neg/A-3
Kentucky Utilities Co.		
Senior Secured	A-	A-/Watch Neg
Recovery Rating	1+	
LG&E and KU Energy LLC		
Senior Unsecured	BBB-	BBB-/Watch Neg
Louisville Gas & Electric Co.		
Senior Secured	A-	A-/Watch Neg
Recovery Rating	1+	

PPL Capital Funding Inc.		
Senior Unsecured	BBB-	BBB-/Watch Neg
Junior Subordinated	BB+	BB+/Watch Neg
PPL Electric Utilities Corp.		
Senior Secured	BBB+	BBB+/Watch Neg
Recovery Rating	1	
Preference Stock	BB+	BB+/Watch Neg
PPL Energy Supply LLC		
Senior Unsecured	BBB	BBB/Watch Neg
PPL WEM Holdings PLC		
Senior Unsecured	BBB-	BBB-/Watch Neg
PPL WW Holdings Ltd.		
Senior Unsecured	BBB-	BBB-/Watch Neg
WPD East Midlands PLC		
Senior Unsecured	BBB	BBB/Watch Neg
WPD West Midlands PLC		
Senior Unsecured	BBB	BBB/Watch Neg
Western Power Distribution (South Wales) PLC		
Senior Unsecured	BBB	BBB/Watch Neg
Western Power Distribution (South West) PLC		
Senior Unsecured	BBB	BBB/Watch Neg

Complete ratings information is available to subscribers of RatingsDirect on the Global Credit Portal at www.globalcreditportal.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column.