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NEWS RELEASE

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PSC Sets Public Meetings in KU and LG&E Rate Cases *Comments taken in Harlan, Louisville, Madisonville and Lexington*

FRANKFORT, Ky. (April 16, 2010) – The Kentucky Public Service Commission (PSC) will hold public meetings in Harlan, Louisville, Madisonville and Lexington to receive comments on the request for a rate increase by the Kentucky Utilities Co. (KU) and the Louisville Gas & Electric Co. (LG&E).

“These meetings will allow the PSC to hear directly from the public as it prepares to consider whether the proposed new rates are fair, just and reasonable,” PSC Chairman David Armstrong said.

The meetings are scheduled for:

Harlan

Tuesday, April 27, 2010, 5:00 p.m. EDT

Auditorium, Southeast Kentucky Community and Technical College
164 Ball Park Road

Louisville

Monday, May 3, 2010, 5:00 p.m. EDT

Durrett Auditorium, Louisville Male High School
4409 Preston Highway

Madisonville

Tuesday, May 4, 2010, 5:00 p.m. CDT

Burns Auditorium, Madisonville Community College
750 North Laffoon Street

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Lexington

Thursday, May 6, 2010, 5:00 p.m. EDT

Cooper Campus Auditorium, Bluegrass Community and Technical College
470 Cooper Drive

The Louisville meeting is being held primarily to take public comments regarding the LG&E case, but comments also will be taken from KU customers. The other three meetings are intended primarily for KU customers.

Both LG&E and KU are subsidiaries of E.ON US LLC. Kentucky Utilities has about 506,000 electric customers in 77 counties across Kentucky. Louisville Gas & Electric has about 401,000 electric customers in nine counties in the Louisville area and 312,000 natural gas customers in 17 counties.

The PSC is holding the public meetings in response to requests from the company's customers and elected officials.

Kentucky Utilities has proposed to increase its electric rates across all classes of customers in order to generate an additional \$135 million in revenue per year – an increase of about 11.5 percent. The company estimates that the average monthly bill for residential customers would rise to \$98.11, an increase of about 13.5 percent from the current average of about \$86.41.

LG&E has proposed to increase its electric rates across all classes of customers in order to generate an additional \$94.6 million in revenue per year – an increase of about 12 percent. The company estimates that the average monthly bill for residential customers would rise to \$82.09, an increase of about 12.2 percent from the current average of about \$73.17.

The natural gas rate increase for LG&E residential customers would rise by \$4.65. The company is proposing to increase the monthly fee per meter from \$9.50 to \$26.53, and to discontinue the current delivery charge of \$2.13 per 1,000 cubic feet of gas. Neither fee structure includes the cost of the gas itself.

LG&E estimates that the rate change would increase its annual revenue from natural gas operations by \$22.6 million, or about 7.7 percent.

The KU and LG&E applications and related documents are available on the PSC Web site, psc.ky.gov. The case numbers are 2009-00548 (KU) and 2009-00549 (LG&E).

Persons wishing to comment on the proposed rate increase may do so at the meeting. Depending on the number of people wishing to speak, the length of oral comments may be limited.

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Written comments will be accepted at the meeting. Written comments also may be mailed to the PSC at P.O. Box 615, Frankfort, KY 40602, faxed to 502-564-9625 or e-mailed from the PSC Web site.

The evidentiary hearing in the cases will be combined into a single proceeding, to be held at the PSC offices at 211 Sower Boulevard in Frankfort. KU and LG&E will appear before the PSC on Tuesday, June 8, beginning at 10 a.m. EDT. The hearing, which may last several days, will be open to the public, but there will be only limited opportunity for public comments. Written comments will be accepted through the conclusion of the hearing.

The evidentiary hearing may be viewed live on the PSC Web site.

The PSC is an independent agency attached for administrative purposes to the Energy and Environment Cabinet. It regulates more than 1,500 gas, water, sewer, electric and telecommunication utilities operating in Kentucky and has approximately 100 employees.