

Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report 2009/Q4
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2005.

In February 2006, the Kentucky Commission initiated an administrative proceeding to consider the requirements of the EPAct 2005, Subtitle E Section 1252, Smart Metering, which concerns time-based metering and demand response, and Section 1254, Interconnections. EPAct 2005 requires each state regulatory authority to conduct a formal investigation and issue a decision on whether or not it is appropriate to implement certain Section 1252 standards within eighteen months after the enactment of EPAct 2005 and to commence consideration of Section 1254 standards within one year after the enactment of EPAct 2005. Following a public hearing with all Kentucky jurisdictional electric utilities, in December 2006, the Kentucky Commission issued an Order in this proceeding indicating that the EPAct 2005 Section 1252 and Section 1254 standards should not be adopted. However, all five Kentucky Commission jurisdictional utilities are required to file real-time pricing pilot programs for their large commercial and industrial customers. KU developed a real-time pricing pilot for large industrial and commercial customers and filed the details of the plan with the Kentucky Commission in April 2007. In February 2008, the Kentucky Commission issued an Order approving the real-time pricing pilot program proposed by KU for implementation within approximately eight months, for its large commercial and industrial customers. The tariff was filed in October 2008, with an effective date of December 1, 2008. KU files annual reports on the program within 90 days of each plan year-end for the 3-year pilot period.

Green Energy Riders. In February 2007, KU and LG&E filed a Joint Application and Testimony for Proposed Green Energy Riders. In May 2007, a Kentucky Commission Order was issued authorizing KU to establish Small and Large Green Energy Riders, allowing customers to contribute funds to be used for the purchase of renewable energy credits. During November 2009, KU and LG&E filed an application to both continue and modify the existing Green Energy Programs and requested a Kentucky Commission Order by March 2010.

Home Energy Assistance Program. In July 2007, KU filed an application with the Kentucky Commission for the establishment of a Home Energy Assistance program. During September 2007, the Kentucky Commission approved the five-year program as filed, effective in October 2007. The program terminates in September 2012, and is funded through a \$0.10 per month meter charge. Effective February 6, 2009, as a result of the settlement agreement in the 2008 base rate case, the program is funded through a \$0.15 per month meter charge.

Collection Cycle Revision. As part of its base rate case filed on July 29, 2008, LG&E proposed to change the due date for customer bill payments from 15 days to 10 days to align its collection cycle with KU. In addition, KU proposed to include a late payment charge if payment is not received within 15 days from the bill issuance date to align with LG&E. The settlement agreement approved in the rate case in February 2009, changed the due date for customer bill payments to 12 days after bill issuance for both KU and LG&E, and permitted KU's implementation of a late payment charge if payment is not received within 15 days from the bill issuance date.

Depreciation Study. In December 2007, KU filed a depreciation study with the Kentucky Commission as required by a previous Order. In August 2008, the Kentucky Commission issued an Order consolidating the depreciation study with the base rate case proceeding. The approved settlement agreement in the rate case established new depreciation rates effective February 2009. KU also filed the depreciation study with the Virginia Commission which approved the implementation of the new depreciation rates effective February 2009. Approval by the Virginia Commission does not preclude the rates from being raised as an issue by any party in KU's current base rate case in Virginia.

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Brownfield Development Rider Tariff. In March 2008, KU received Kentucky Commission approval for a Brownfield Development Rider, which offers a discounted rate to electric customers who meet certain usage and location requirements, including taking new service at a brownfield site, as certified by the appropriate Kentucky state agency. The rider permits special contracts with such customers which provide for a series of declining partial rate discounts over an initial five-year period of a longer service arrangement. The tariff is intended to promote local economic redevelopment and efficient usage of utility resources by aiding potential reuse of vacant brownfield sites.

Interconnection and Net Metering Guidelines. In May 2008, the Kentucky Commission on its own motion initiated a proceeding to establish interconnection and net metering guidelines in accordance with amendments to existing statutory requirements for net metering of electricity. The jurisdictional electric utilities and intervenors in this case presented proposed interconnection guidelines to the Kentucky Commission in October 2008. In a January 2009 Order, the Kentucky Commission issued the Interconnection and Net Metering Guidelines – Kentucky that were developed by all parties to the proceeding. KU does not expect any financial or other impact as a result of this Order. In April 2009, KU filed revised net metering tariffs and application forms pursuant to the Kentucky Commission’s Order. The Kentucky Commission issued an Order in April 2009, which suspended for five months all net metering tariffs filed by the jurisdictional electric utilities. This suspension was intended to allow sufficient time for review of the filed tariffs by the Kentucky Commission Staff and intervening parties. In June 2009, the Kentucky Commission Staff held an informal conference with the parties to discuss issues related to the net metering tariffs filed by KU. Following this conference, the intervenors and KU resolved all issues and KU filed revised net metering tariffs with the Kentucky Commission. In August 2009, the Kentucky Commission issued an Order approving the revised tariffs.

EISA 2007 Standards. In November 2008, the Kentucky Commission initiated an administrative proceeding to consider new standards as a result of the Energy Independence and Security Act of 2007 (“EISA 2007”), part of which amends the Public Utility Regulatory Policies Act of 1978 (“PURPA”). There are four new PURPA standards and one non-PURPA standard applicable to electric utilities. The proceeding also considers two new PURPA standards applicable to natural gas utilities. EISA 2007 requires state regulatory commissions and nonregulated utilities to begin consideration of the rate design and smart grid investments no later than December 19, 2008, and to complete the consideration by December 19, 2009. The Kentucky Commission established a procedural schedule that allowed for data discovery and testimony through July 2009. A public hearing has not been scheduled in this matter. In October 2009, the Kentucky Commission held an informal conference for the purpose of discussing issues related to the standard regarding the consideration of Smart Grid investments.

Note 3 - Financial Instruments

The cost and estimated fair values of KU’s non-trading financial instruments as of December 31 follow:

(in millions)	2009		2008	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term debt	\$ 351	\$ 351	\$ 351	\$ 349
Long-term debt from affiliate	\$ 1,331	\$ 1,401	\$ 1,181	\$ 1,117

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The long-term debt valuations reflect prices quoted by dealers. The fair value of the long-term debt from affiliate is determined using an internal valuation model that discounts the future cash flows of each loan at current market rates. The current market values are determined based on quotes from investment banks that are actively involved in capital markets for utilities and factor in KU's credit ratings and default risk. The fair values of cash and cash equivalents, accounts receivable, cash surrender value of key man life insurance, accounts payable and notes payable are substantially the same as their carrying values.

KU is subject to the risk of fluctuating interest rates in the normal course of business. The Company's policies allow the interest rate risk to be managed through the use of fixed rate debt, floating rate debt and interest rate swaps. At December 31, 2009, a 100 basis point change in the benchmark rate on KU's variable rate debt would impact pre-tax interest expense by \$4 million annually. Although the Company's policies allow for the use of interest rate swaps, as of December 31, 2008 and 2009, KU had no interest rate swaps outstanding.

The Company is subject to interest rate and commodity price risk related to on-going business operations. It currently manages these risks using derivative financial instruments including swaps and forward contracts.

KU has classified the applicable financial assets and liabilities that are accounted for at fair value into the three levels of the fair value hierarchy, as defined by the fair value measurements and disclosures guidance of the FASB ASC, as follows:

- Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.
- Level 3 - Unobservable inputs which are supported by little or no market activity.

Energy Trading and Risk Management Activities. KU conducts energy trading and risk management activities to maximize the value of power sales from physical assets it owns. Energy trading activities are principally forward financial transactions to manage price risk and are accounted for as non-hedging derivatives on a mark-to-market basis in accordance with the derivatives and hedging guidance of the FASB ASC.

Energy trading and risk management contracts are valued using prices based on active trades from Intercontinental Exchange Inc. In the absence of a traded price, midpoints of the best bids and offers are the primary determinants of valuation. When sufficient trading activity is unavailable, other inputs include prices quoted by brokers or observable inputs other than quoted prices, such as one-sided bids or offers as of the balance sheet date. Using these valuation methodologies, these contracts are considered level 2 based on measurement criteria in the fair value measurements and disclosures guidance of the FASB ASC. Quotes are verified quarterly using an independent pricing source of actual transactions. Quotes for combined off-peak and weekend timeframes are allocated between the two timeframes based on their historically proportionate ratios to the integrated cost. No other adjustments are made to the forward prices. No changes to valuation techniques for energy trading and risk management activities occurred during 2009 or 2008. Changes in market pricing, interest rate and volatility assumptions were made during both years.

The Company maintains credit policies intended to minimize credit risk in wholesale marketing and trading

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activities by assessing the creditworthiness of potential counterparties prior to entering into transactions with them and continuing to evaluate their creditworthiness once transactions have been initiated. To further mitigate credit risk, KU seeks to enter into netting agreements or require cash deposits, letters of credit and parental company guarantees as security from counterparties. The Company uses S&P, Moody's and definitive qualitative and quantitative data to assess the financial strength of counterparties on an on-going basis. If no external rating exists, KU assigns an internally generated rating for which it sets appropriate risk parameters. As risk management contracts are valued based on changes in market prices of the related commodities, credit exposures are revalued and monitored on a daily basis. At December 31, 2009, 100% of the trading and risk management commitments were with counterparties rated BBB-/Baa3 equivalent or better. The Company has reserved against counterparty credit risk based on the counterparty's credit rating and applying historical default rates within varying credit ratings over time provided by S&P or Moody's. At December 31, 2009 and 2008, credit reserves related to the energy trading and risk management contracts were less than \$1 million.

The net volume of electricity based financial derivatives outstanding at December 31, 2009 and 2008, was 315,600 Mwhts and 146,000 Mwhts, respectively. All the volume outstanding at December 31, 2009 will settle in 2010.

The following table sets forth by level within the fair value hierarchy, KU's financial assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2008. Cash collateral related to the energy trading and risk management contracts was less than \$1 million at December 31, 2009 and 2008. Cash collateral related to the energy trading and risk management contracts is categorized as other accounts receivable and is a level 1 measurement based on the funds being held in liquid accounts. Energy trading and risk management contracts are considered level 2 based on measurement criteria in the fair value measurements and disclosures guidance of the FASB ASC. Financial assets as of December 31, 2009 and financial liabilities as of December 31, 2009 and 2008, arising from energy trading and risk management contracts accounted for at fair value total less than \$1 million and use level 2 measurements. There are no level 3 measurements for the periods ending December 31, 2009 and 2008.

December 31, 2008

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Financial Assets:			
Energy trading and risk management contracts	\$ -	\$ 1	\$ 1
Total Financial Assets	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

The Company does not net collateral against derivative instruments.

Certain of the Company's derivative instruments contain provisions that require the Company to provide immediate and on-going collateralization on derivative instruments in net liability positions based upon the Company's credit ratings from each of the major credit rating agencies. At December 31, 2009, there are no energy trading and risk management contracts with credit risk related contingent features that are in a liability position, and no collateral posted in the normal course of business. At December 31, 2009, a one notch downgrade of the Company's credit rating would have no effect on the energy trading and risk management contracts or collateral required as a result of these contracts.

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The table below shows the fair value and balance sheet location of derivatives not designated as hedging instruments as of December 31, 2008:

December 31, 2008

Energy trading and risk management contracts (current)	Other current assets	<u>\$ 1</u>	Other current liabilities	<u>\$ -</u>
Total		<u>\$ 1</u>		<u>\$ -</u>

Financial assets and liabilities as of December 31, 2009 arising from energy trading and risk management contracts accounted for at fair value total less than \$1 million.

KU manages the price risk of its estimated future excess economic generation capacity using market-traded forward financial contracts. Hedge accounting treatment has not been elected for these transactions, and therefore gains and losses are shown in the statements of income.

The following tables present the effect of derivatives not designated as hedging instruments on income for the years ended December 31, 2009 and 2008:

(in millions) December 31, 2009	Location of Gain (Loss) Recognized in <u>Income on Derivatives</u>	Amount of Gain (Loss) Recognized in <u>Income on Derivatives</u>
Energy trading and risk management contracts (unrealized)	Electric revenues	\$ (1)
Total		<u>\$ (1)</u>

December 31, 2008

Energy trading and risk management contracts (unrealized)	Electric revenues	\$ 1
Total		<u>\$ 1</u>

Net realized gains and losses were less than \$1 million for the years ended December 31, 2009 and 2008.

Note 4 - Concentrations of Credit and Other Risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties failed to perform as contracted. Concentrations of credit risk (whether on- or off-balance sheet) relate to groups of customers or counterparties that have similar economic or industry characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

KU's customer receivables and revenues arise from deliveries of electricity to approximately 515,000 customers

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in over 600 communities and adjacent suburban and rural areas in 77 counties in central, southeastern and western Kentucky, to approximately 30,000 customers in 5 counties in southwestern Virginia and 5 customers in Tennessee. For the years ended December 31, 2009 and 2008, 100% of total revenue was derived from electric operations. During 2009, the Company's 10 largest customers accounted for less than 15% of electric volumes.

Effective August 4, 2009, the Company and its employees represented by the IBEW Local 2100 entered into a three-year collective bargaining agreement. The agreement provides for negotiated increases or changes to wages, benefits or other provisions and for annual wage re-openers. KU and employees represented by the USWA Local 9447-01 entered into a three-year collective bargaining agreement in August 2008. This agreement provides for negotiated increases or changes to wages, benefits or other provisions and for annual wage re-openers. The employees represented by these two bargaining units comprise approximately 15% of the Company's workforce at December 31, 2009.

Note 5 - Pension and Other Postretirement Benefit Plans

KU employees benefit from both funded and unfunded non-contributory defined benefit pension plans and other postretirement benefit plans that together cover employees hired by December 31, 2005. Employees hired after this date participate in the Retirement Income Account ("RIA"), a defined contribution plan. The Company makes an annual lump sum contribution to the RIA, based on years of service and a percentage of covered compensation. The health care plans are contributory with participants' contributions adjusted annually. The Company uses December 31 as the measurement date for its plans.

Obligations and Funded Status. The following tables provide a reconciliation of the changes in the defined benefit plans' obligations and the fair value of assets for the two-year period ending December 31, 2009, and the funded status for the plans as of December 31:

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(in millions)	Pension Benefits		Other Postretirement Benefits	
	2009	2008	2009	2008
Change in benefit obligation				
Benefit obligation at beginning of year	\$ 306	\$ 284	\$ 75	\$ 76
Service cost	6	5	2	1
Interest cost	18	18	4	5
Benefits paid, net of retiree contributions	(18)	(18)	(5)	(3)
Actuarial (gain)/loss and other	4	17	4	(4)
Benefit obligation at end of year	<u>\$ 316</u>	<u>\$ 306</u>	<u>\$ 80</u>	<u>\$ 75</u>
Change in plan assets				
Fair value of plan assets at beginning of year	\$ 183	\$ 264	\$ 12	\$ 13
Actual return on plan assets	41	(61)	3	(3)
Employer contributions	13	-	7	5
Benefits paid, net of retiree contributions	(18)	(18)	(5)	(3)
Administrative expenses and other	-	(2)	-	-
Fair value of plan assets at end of year	<u>\$ 219</u>	<u>\$ 183</u>	<u>\$ 17</u>	<u>\$ 12</u>
Funded status at end of year	<u>\$ (97)</u>	<u>\$ (123)</u>	<u>\$ (63)</u>	<u>\$ (63)</u>

Amounts Recognized in Statement of Financial Position. The following tables provide the amounts recognized in the balance sheets and information for plans with benefit obligations in excess of plan assets as of December 31:

(in millions)	Pension Benefits		Other Postretirement Benefits	
	2009	2008	2009	2008
Regulatory assets	\$ 105	\$ 137	\$ -	\$ -
Regulatory liabilities	-	-	(9)	(10)
Accrued benefit liability (non-current)	(97)	(123)	(63)	(63)

Amounts recognized in regulatory assets and liabilities consist of:

(in millions)	Pension Benefits		Other Postretirement Benefits	
	2009	2008	2009	2008
Transition obligation	\$ -	\$ -	\$ 3	\$ 4
Prior service cost	5	5	2	2
Accumulated (gain)/loss	100	132	(14)	(16)
Total regulatory assets (liabilities)	<u>\$ 105</u>	<u>\$ 137</u>	<u>\$ (9)</u>	<u>\$ (10)</u>

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Additional year-end information for plans with accumulated benefit obligations in excess of plan assets:

(in millions)	Pension Benefits		Other Postretirement Benefits	
	2009	2008	2009	2008
Benefit obligation	\$ 316	\$ 306	\$ 80	\$ 75
Accumulated benefit obligation	268	261	-	-
Fair value of plan assets	219	183	17	12

For discussion of the pension and postretirement regulatory assets, see Note 2, Rates and Regulatory Matters.

The amounts recognized in regulatory assets and liabilities for the years ended December 31, are composed of the following:

(in millions)	Pension Benefits		Other Postretirement Benefits	
	2009	2008	2009	2008
Prior service cost arising during the period	\$ -	\$ -	\$ -	\$ 1
Net loss/(gain) arising during the period	(22)	101	2	-
Amortization of prior service (cost)/credit	(1)	(1)	-	(1)
Amortization of transitional (obligation)/asset	-	-	(1)	(1)
Amortization of gain/(loss)	(9)	-	-	-
Total amounts recognized in regulatory assets & liabilities	<u>\$ (32)</u>	<u>\$ 100</u>	<u>\$ 1</u>	<u>\$ (1)</u>

Components of Net Periodic Benefit Cost. The following tables provide the components of net periodic benefit cost for pension and other postretirement benefit plans. The tables include the costs associated with both KU employees and E.ON U.S. Services' employees, who provide services to the utility. The E.ON U.S. Services' costs that are allocated to KU are approximately 49% and 46% of E.ON U.S. Services' total cost for 2009 and 2008, respectively.

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(in millions)

	<u>Pension Benefits</u>					
	E.ON U.S. Services		Total		E.ON U.S. Services	
	KU	Allocation to KU	KU	KU	Allocation to KU	Total KU
	2009	2009	2009	2008	2008	2008
Service cost	\$ 6	\$ 5	\$ 11	\$ 6	\$ 4	\$ 10
Interest cost	18	7	25	18	6	24
Expected return on plan assets	(15)	(4)	(19)	(21)	(5)	(26)
Amortization of prior service costs	1	1	2	1	1	2
Amortization of actuarial loss	9	2	11	-	-	-
Benefit cost at end of year	<u>\$ 19</u>	<u>\$ 11</u>	<u>\$ 30</u>	<u>\$ 4</u>	<u>\$ 6</u>	<u>\$ 10</u>

Other Postretirement Benefits

	E.ON U.S. Services		Total		E.ON U.S. Services	
	KU	Allocation to KU	KU	KU	Allocation to KU	Total KU
	2009	2009	2009	2008	2008	2008
Service cost	\$ 1	\$ 1	\$ 2	\$ 1	\$ 1	\$ 2
Interest cost	5	-	5	5	-	5
Expected return on plan assets	(1)	-	(1)	(1)	-	(1)
Amortization of transitional obligation	1	-	1	1	-	1
Benefit cost at end of year	<u>\$ 6</u>	<u>\$ 1</u>	<u>\$ 7</u>	<u>\$ 6</u>	<u>\$ 1</u>	<u>\$ 7</u>

The estimated amounts that will be amortized from regulatory assets and liabilities into net periodic benefit cost in 2010 are shown in the following table:

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(in millions)	Pension Benefits	Other Postretirement Benefits
Regulatory assets/liabilities:		
Net actuarial loss	\$ 6	\$ -
Prior service cost	1	1
Transition obligation	<u>-</u>	<u>1</u>
Total regulatory assets/liabilities amortized during 2010	<u>\$ 7</u>	<u>\$ 2</u>

The assumptions used in the measurement of KU's pension benefit obligation are shown in the following table:

	<u>2009</u>	<u>2008</u>
Weighted-average assumptions as of December 31:		
Discount rate	6.13%	6.25%
Rate of compensation increase	5.25%	5.25%

The discount rates were determined by the December 28, 2009, Mercer Pension Discount Yield Curve. These discount rates were then lowered by 8 basis points for the average change in 4 bond indices, Citigroup High Grade Credit Index AAA/AA 10+ years, Barclays Capital US Long Credit AA, Merrill Lynch US Corporate AA-AAA rated 10+ years and Merrill Lynch US Corporate AA rated 15+ years, for the period from December 28, 2009 to December 31, 2009.

The assumptions used in the measurement of KU's net periodic benefit cost are shown in the following table:

	<u>2009</u>	<u>2008</u>
Discount rate	6.25%	6.66%
Expected long-term return on plan assets	8.25%	8.25%
Rate of compensation increase	5.25%	5.25%

To develop the expected long-term rate of return on assets assumption, KU considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the target asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio.

The following describes the effects on pension benefits by changing the major actuarial assumptions discussed above:

- A 1% change in the assumed discount rate could have an approximate \$34 million positive or negative impact to the 2009 accumulated benefit obligation and an approximate \$45 million

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- positive or negative impact to the 2009 projected benefit obligation.
- A 25 basis point change in the expected rate of return on assets would have resulted in less than a \$1 million positive or negative impact on 2009 pension expense.

Assumed Health Care Cost Trend Rates. For measurement purposes, an 8% annual increase in the per capita cost of covered health care benefits was assumed for 2009. The rate was assumed to decrease gradually to 4.5% by 2029 and remain at that level thereafter.

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A 1% change in assumed health care cost trend rates would have resulted in an increase or decrease of less than \$1 million on the 2009 total of service and interest costs components and an increase or decrease of \$4 million in year-end 2009 postretirement benefit obligations.

Expected Future Benefit Payments and Medicare Subsidy Receipts. The following list provides the amount of expected future benefit payments, which reflect expected future service and the estimated gross amount of Medicare subsidy receipts:

(in millions)	Pension Benefits	Other Postretirement Benefits	Medicare Subsidy Receipts
2010	\$ 17	\$ 6	\$ 1
2011	17	6	-
2012	17	6	1
2013	17	6	-
2014	17	7	1
2015-19	97	37	3

Plan Assets. The following table shows the plans' weighted-average asset allocation by asset category at December 31:

<u>Pension Plans</u>	<u>Target Range</u>	<u>2009</u>	<u>2008</u>
Equity securities	45% - 75%	59%	55%
Debt securities	30% - 50%	40	43
Other	0% - 10%	1	2
Totals		100%	100%

The investment policy of the pension plans was developed in conjunction with financial consultants, investment advisors and legal counsel. The goal of the investment policy is to preserve the capital of the fund and maximize investment earnings. The return objective is to exceed the benchmark return for the policy index comprised of the following: Russell 3000 Index, MSCI-EAFE Index, Barclays Capital Aggregate and Barclays Capital U.S. Long Government/Credit Bond Index in proportions equal to the targeted asset allocation.

Evaluation of performance focuses on a long-term investment time horizon of at least three to five years or a complete market cycle. The assets of the pension plans are broadly diversified within different asset classes

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(equities, fixed income securities and cash equivalents).

To minimize the risk of large losses in a single asset class, no more than 5% of the portfolio will be invested in the securities of any one issuer with the exclusion of the U.S. government and its agencies. The equity portion of the fund is diversified among the market's various subsections to diversify risk, maximize returns and avoid undue exposure to any single economic sector, industry group or individual security. The equity subsectors include, but are not limited to, growth, value, small capitalization and international.

In addition, the overall fixed income portfolio may have an average weighted duration, or interest rate sensitivity which is within +/- 20% of the duration of the overall fixed income benchmark. Foreign bonds in the aggregate shall not exceed 10% of the total fund. The portfolio may include a limited investment of up to 20% in below investment grade securities provided that the overall average portfolio quality remains "AA" or better. The below investment grade securities include, but are not limited to, medium-term notes, corporate debt, non-dollar and emerging market debt and asset backed securities. The cash investments should be in securities that are either short maturities (not to exceed 180 days) or readily marketable with modest risk.

Derivative securities are permitted only to improve the portfolio's risk/return profile, to modify the portfolio's duration or to reduce transaction costs and must be used in conjunction with underlying physical assets in the portfolio. Derivative securities that involve speculation, leverage, interest rate anticipation, or any undue risk whatsoever are not deemed appropriate investments.

The investment objective for the postretirement benefit plan is to provide current income consistent with stability of principal and liquidity while maintaining a stable net asset value of \$1.00 per share. The postretirement funds are invested in a prime cash money market fund that invests primarily in a portfolio of short-term, high-quality fixed income securities issued by banks, corporations and the U.S. government.

KU has classified plan assets that are accounted for at fair value into the three levels of the fair value hierarchy, as defined by the fair value measurements and disclosures guidance of the FASB ASC. See Note 3 of the Notes to Financial Statements.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

A description of the valuation methodologies used to measure plan assets at fair value is provided below:

Money Market Fund: These investments are public investment vehicles valued using \$1 for the net asset value. The money market funds are classified within level 2 of the valuation hierarchy.

Common/Collective Trusts: Valued based on the beginning of year value of the plan's interests in the trust plus actual contributions and allocated investment income (loss) less actual distributions and allocated administrative expenses. Quoted market prices are used to value investments in the trust, with the exception of the Group Annuity Contract ("GAC"). The fair value of certain other investments for which quoted market prices are not available are valued based on yields currently available on

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comparable securities of issuers with similar credit ratings. The common/collective trusts are classified within level 2 of the valuation hierarchy.

The preceding methods described may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There were no changes in the plan's valuation methodologies during 2009.

The following table sets forth, by level within the fair value hierarchy, the plan's assets at fair value as of December 31, 2009:

(millions)	<u>Level 2</u>
Money Market Fund	\$ 2
Common/Collective Trusts	<u>186</u>
Total investments at fair value	<u>\$ 188</u>

There are no assets categorized as level 1 or level 3.

The GAC is an immediate participation guarantee contract. In accordance with the plan accounting guidance of the FASB ASC, the cost incurred to purchase the GAC prior to March 20, 1992, is permitted to be carried at contract value, since it is a contract with an insurance company and therefore is excluded from the table above. The cost incurred to fund the GAC after March 20, 1992, is carried at contract value in accordance with the plan accounting guidance of the FASB ASC, since it is a contract that incorporates mortality and morbidity risk. Contract value represents cost plus interest income less distributions for benefits and administrative expenses.

Contributions. KU made a discretionary contribution to the pension plan of \$13 million in April 2009. The Company also made contributions to other postretirement benefit plans of \$7 million and \$5 million in 2009 and 2008, respectively. The amount of future contributions to the pension plan will depend upon the actual return on plan assets and other factors, but the Company funds its pension obligations in a manner consistent with the Pension Protection Act of 2006. In January 2010, KU made a discretionary contribution to the pension plan of \$13 million and anticipates making voluntary contributions to fund Voluntary Employee Beneficiary Association trusts to match the annual postretirement expense and funding the 401(h) plan up to the maximum amount allowed by law.

Pension Legislation. The Pension Protection Act of 2006 was enacted in August 2006. New rules regarding funding of defined benefit plans are generally effective for plan years beginning in 2008. Among other matters, this comprehensive legislation contains provisions applicable to defined benefit plans which generally (i) mandate full funding of current liabilities within seven years; (ii) increase tax-deduction levels regarding contributions; (iii) revise certain actuarial assumptions, such as mortality tables and discount rates; and (iv) raise

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federal insurance premiums and other fees for under-funded and distressed plans. The legislation also contains a number of provisions relating to defined-contribution plans and qualified and non-qualified executive pension plans and other matters. The Company's plan met the minimum funding requirements as defined by the Pension Protection Act of 2006 for years ended December 31, 2009 and 2008.

Thrift Savings Plans. KU has a thrift savings plan under section 401(k) of the Internal Revenue Code. Under the plan, eligible employees may defer and contribute to the plan a portion of current compensation in order to provide future retirement benefits. KU makes contributions to the plan by matching a portion of the employee contributions. The costs of this matching were \$3 million in both 2009 and 2008.

KU also makes contributions to retirement income accounts within the thrift savings plans for certain employees not covered by noncontributory defined benefit pension plans. These employees consist mainly of those hired after December 31, 2005. The Company makes these contributions based on years of service and the employees' wage and salary levels, and it makes them in addition to the matching contributions discussed above. The amounts contributed by the Company under this arrangement equaled less than \$1 million in 2009 and in 2008.

Note 6 - Income Taxes

A United States consolidated income tax return is filed by E.ON U.S.'s direct parent, E.ON US Investments Corp., for each tax period. Each subsidiary of the consolidated tax group, including KU, calculates its separate income tax for each period. The resulting separate-return tax cost or benefit is paid to or received from the parent company or its designee. The Company also files income tax returns in various state jurisdictions. While 2006 and later years are open under the federal statute of limitations, Revenue Agent Reports for 2006-2007 have been received from the IRS, effectively closing these years to additional audit adjustments. Adjustments to these tax years were previously recorded in the financial statements. Tax years 2007 and 2008 were examined under an IRS pilot program named "Compliance Assurance Process" ("CAP"). This program accelerates the IRS's review to begin during the year applicable to the return and ends 90 days after the return is filed. KU had no adjustments for the 2007 federal return. Areas remaining under examination for 2008 include bonus depreciation and the Company's application for a change in repair deductions. No net material adverse impact is expected from these remaining areas.

Additions and reductions of uncertain tax positions during 2009 and 2008 were less than \$1 million. Possible amounts of uncertain tax positions for KU that may decrease within the next 12 months total less than \$1 million and are based on the expiration of the audit periods as defined in the statutes. If recognized, the less than \$1 million of unrecognized tax benefits would reduce the effective income tax rate.

The amount KU recognized as interest expense and interest accrued related to unrecognized tax benefits was less than \$1 million as of December 31, 2009 and 2008. The interest expense and interest accrued is based on IRS and Kentucky Department of Revenue large corporate interest rates for underpayment of taxes. At the date of adoption, the Company accrued less than \$1 million in interest expense on uncertain tax positions. KU records the interest as interest expense and penalties as operating expenses in the income statement and accrued expenses in the balance sheets, on a pre-tax basis. No penalties were accrued by the Company through December 31, 2009.

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Components of income tax expense are shown in the table below:

(in millions)	<u>2009</u>	<u>2008</u>
Current - federal	\$ (5)	\$ 46
- state	1	10
Deferred - federal – net	43	(10)
- state – net	7	(3)
Investment tax credit – deferred	<u>21</u>	<u>25</u>
Total income tax expense	<u>\$ 67</u>	<u>\$ 68</u>

Deferred federal and state income tax expense increased in 2009, compared to 2008, due primarily to temporary differences related to storm costs and depreciation. The temporary differences also resulted in an offsetting decrease to current federal and state taxes in 2009.

In June 2006, KU and LG&E filed a joint application with the U.S. Department of Energy (“DOE”) requesting certification to be eligible for investment tax credits applicable to the construction of TC2. In November 2006, the DOE and the IRS announced that KU and LG&E were selected to receive the tax credit. A final IRS certification required to obtain the investment tax credit was received in August 2007. In September 2007, KU received an Order from the Kentucky Commission approving the accounting of the investment tax credit. KU’s portion of the TC2 tax credit will be approximately \$101 million over the construction period and will be amortized to income over the life of the related property beginning when the facility is placed in service. Based on eligible construction expenditures incurred, KU recorded investment tax credits of \$21 million and \$25 million in 2009 and 2008, respectively, decreasing current federal income taxes. The amount claimed through 2009 is all that KU is allowed to claim. KU has reached the maximum credit of \$101 million. In addition, a full depreciation basis adjustment is required for the amount of the credit. The income tax expense impact from amortizing these credits will begin when the facility is placed in service.

In March 2008, certain environmental and preservation groups filed suit in federal court in North Carolina against the DOE and IRS claiming the investment tax credit program was in violation of certain environmental laws and demanded relief, including suspension or termination of the program. During 2008 and 2009, the plaintiffs submitted amended complaints alleging additional claims for relief. In October 2009, the plaintiffs filed a motion for a preliminary injunction seeking temporary implementation of certain elements of the requested relief. The Company is not currently a party to this proceeding and is not able to predict the ultimate outcome of this matter.

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Components of net deferred tax liabilities included in the balance sheets are shown below:

(in millions)	<u>2009</u>	<u>2008</u>
Deferred tax liabilities:		
Depreciation and other plant-related items	\$ 303	\$ 284
Regulatory assets and other	69	40
Total deferred tax liabilities	<u>372</u>	<u>324</u>
Deferred tax assets:		
Income taxes due to customers	4	6
Pensions and related benefits	17	19
Liabilities and other	18	22
Total deferred tax assets	<u>39</u>	<u>47</u>
Net deferred income tax liability	<u>\$ 333</u>	<u>\$ 277</u>
Balance sheet classification		
Current assets	\$ (3)	\$ (2)
Non-current liabilities	336	279
Net deferred income tax liability	<u>\$ 333</u>	<u>\$ 277</u>

The Company expects to have adequate levels of taxable income to realize its recorded deferred tax assets.

A reconciliation of differences between the statutory U.S. federal income tax rate and KU's effective income tax rate follows:

	<u>2009</u>	<u>2008</u>
Statutory federal income tax rate	35.0%	35.0%
State income taxes, net of federal benefit	2.7	2.6
Reduction of income tax reserve	-	(0.2)
Qualified production activities deduction	(0.3)	(1.1)
Dividends received deduction related to EEI investment	(1.5)	(4.2)
Reversal of excess deferred taxes	(0.9)	(0.6)
Other differences	(1.5)	(1.4)
Effective income tax rate	<u>33.5%</u>	<u>30.1%</u>

The effective income tax rate increased from 2008 to 2009 primarily due to a \$15 million decrease in 2009 dividends received from Electric Energy Inc., reducing the dividends received deduction.

Note 7 - Long-Term Debt

As of December 31, 2009 and 2008, long-term debt and the current portion of long-term debt consist primarily of pollution control bonds and long-term loans from affiliated companies as summarized below.

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(in millions)	Stated <u>Interest Rates</u>	<u>Maturities</u>	<u>Principal Amounts</u>
Outstanding at December 31, 2009:	Variable – 7.035%	2011-2037	\$1,421
Outstanding at December 31, 2008:	Variable – 7.035%	2010-2037	\$1,304

Pollution control bonds are obligations issued in connection with tax-exempt pollution control revenue bonds issued by various governmental entities, principally counties in Kentucky. A loan agreement obligates the Company to make debt service payments to the county that equate to the debt service due from the county on the related pollution control revenue bonds. The loan agreement is an unsecured obligation of the Company. Proceeds from bond issuances for environmental equipment (primarily related to the installation of FGDs) were held in trust pending expenditure for qualifying assets. At December 31, 2009, KU had no bond proceeds in trust included in restricted cash on the balance sheet. At December 31, 2008, the Company had \$9 million of bond proceeds in trust included in restricted cash in the balance sheets.

Several of the pollution control bonds are insured by monoline bond insurers whose ratings have been reduced due to exposures relating to insurance of sub-prime mortgages. At December 31, 2009, the Company had an aggregate \$351 million of outstanding pollution control indebtedness, of which \$96 million is in the form of insured auction rate securities wherein interest rates are reset every 35 days via an auction process. Beginning in late 2007, the interest rates on these insured bonds began to increase due to investor concerns about the creditworthiness of the bond insurers. During 2008, interest rates increased, and the Company experienced “failed auctions” when there were insufficient bids for the bonds. When a failed auction occurs, the interest rate is set pursuant to a formula stipulated in the indenture. During 2009 and 2008, the average rate on the auction rate bonds was 0.44% and 4.50%, respectively. The instruments governing these auction rate bonds permit KU to convert the bonds to other interest rate modes, such as various short-term variable rates, long-term fixed rates or intermediate-term fixed rates that are reset infrequently. In June 2009, S&P downgraded the credit rating of Ambac from “A” to “BBB”. As a result, S&P downgraded the rating on certain bonds in June 2009. The S&P rating of these bonds is now based on the rating of the Company rather than the rating of Ambac since the Company’s rating is higher. The following table presents the bonds downgraded:

(\$ in millions)	<u>Principal</u>	<u>Bond Rating</u>			
		<u>Moody's</u>		<u>S&P</u>	
		<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<u>Tax Exempt Bond Issues</u>					
Carroll County 2002 Series C	\$ 96	A2	A2	BBB+	A
Carroll County 2007 Series A	\$ 18	A2	A2	BBB+	A
Trimble County 2007 Series A	\$ 9	A2	A2	BBB+	A

During 2008, KU converted several series of its pollution control bonds from the auction rate mode to a weekly interest rate mode, as permitted under the loan documents. In connection with these conversions, the Company

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purchased some of the bonds from the remarketing agent. The bonds that were repurchased from the remarketing agent in 2008 were either defeased or remarketed during 2008.

As of December 31, 2009, KU had no remaining repurchased bonds. During 2008, KU refinanced and remarketed \$63 million and refinanced \$17 million of pollution control bonds that had been previously repurchased by the Company.

All of KU's first mortgage bonds were released and terminated in February 2007. Under the provisions for certain of KU's variable-rate pollution control bonds, the bonds are subject to tender for purchase at the option of the holder and to mandatory tender for purchase upon the occurrence of certain events, causing the bonds to be classified as current portion of long-term debt in the balance sheets. The average annualized interest rate for these bonds during 2009 and 2008 was 0.61% and 1.75%, respectively.

There were no redemptions or maturities of long-term debt for 2009. Redemptions and maturities of long-term debt for 2008 are summarized below:

(\$ in millions)		Principal	Rate	Secured/	
<u>Year</u>	<u>Description</u>	<u>Amount</u>		<u>Unsecured</u>	<u>Maturity</u>
2008	Pollution control bonds	\$ 13	Variable	Secured	2035
2008	Pollution control bonds	\$ 13	Variable	Secured	2035
2008	Pollution control bonds	\$ 17	Variable	Secured	2036
2008	Pollution control bonds	\$ 17	Variable	Secured	2036

Issuances of long-term debt for 2009 and 2008 are summarized below:

(\$ in millions)		Principal	Rate	Secured/	
<u>Year</u>	<u>Description</u>	<u>Amount</u>		<u>Unsecured</u>	<u>Maturity</u>
2009	Due to Fidelity	\$50	4.445%	Unsecured	2019
2009	Due to Fidelity	\$50	4.81%	Unsecured	2019
2009	Due to Fidelity	\$50	5.28%	Unsecured	2017
2008	Due to Fidelity	\$75	7.035%	Unsecured	2018
2008	Pollution control bonds	\$78	Variable	Unsecured	2032
2008	Due to Fidelity	\$50	6.16%	Unsecured	2018
2008	Due to Fidelity	\$50	5.645%	Unsecured	2018
2008	Due to Fidelity	\$75	5.85%	Unsecured	2023

In October 2008, the Company issued Carroll County 2008 Series A tax exempt bonds in the amount of \$78 million. The new bonds mature on February 1, 2032, and bear interest at a variable rate. The new bonds refinance four existing bonds (Carroll County 2005 Series A and B - \$13 million each and the Carroll County 2006 Series A and C - \$17 million each), and include \$18 million of new funding. The proceeds were held in escrow pending incurrence of qualifying expenditures, but have now been used.

In December 2008, KU converted the interest rate mode of the Carroll County 2006 Series B to a weekly mode from an auction mode. The bonds along with the Carroll County 2004 Series A, the Mercer County 2000 Series

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A, and the Carroll County 2008 Series A, were issued with the enhancement of a letter of credit. The bonds have been reclassified as current portion of long-term debt because investors can put the bonds back to the Company on a weekly basis.

As of December 31, 2009, \$1,331 million of unsecured notes payable was outstanding to the Company's affiliate, Fidelia, with interest rates ranging from 4.24% to 7.04% and maturities ranging from 2010 to 2037.

Long-term debt maturities for KU are shown in the following table:

(in millions)	
2010	\$ 33
2011	-
2012	50
2013	175
2014	100
Thereafter	1,324
Total	<u>\$ 1,682</u>

Note 8 - Notes Payable and Other Short-Term Obligations

KU participates in an intercompany money pool agreement wherein E.ON U.S. and/or LG&E make funds available to KU at market-based rates (based on highly rated commercial paper issues) up to \$400 million. Details of the balances are as follows:

(\$ in millions)	Total Money Pool Available	Amount Outstanding	Balance Available	Average Interest Rate
December 31, 2009	\$ 400	\$ 45	\$ 355	0.20 %
December 31, 2008	\$ 400	\$ 16	\$ 384	1.49 %

E.ON U.S. maintains revolving credit facilities totaling \$313 million at December 31, 2009 and 2008, to ensure funding availability for the money pool. At December 31, 2009 and 2008, one facility, totaling \$150 million, is with E.ON North America, Inc., while the remaining line, totaling \$163 million, is with Fidelia; both are affiliated companies. The balances are as follows:

(\$ in millions)	Total Available	Amount Outstanding	Balance Available	Average Interest Rate
December 31, 2009	\$ 313	\$ 276	\$ 37	1.25 %
December 31, 2008	\$ 313	\$ 299	\$ 14	2.05 %

As of December 31, 2009, the Company maintained a bilateral line of credit, with an unaffiliated financial institution, totaling \$35 million which matures in June 2012. At December 31, 2009, there was no balance outstanding under this facility.

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The covenants under this revolving line of credit include the following:

- The debt/total capitalization ratio must be less than 70%
- E.ON must own at least 66.667% of voting stock of KU directly or indirectly
- The corporate credit rating of the Company must be at or above BBB- and Baa3 as determined by S&P and Moody's
- A limitation on disposing of assets aggregating more than 15% of total assets as of December 31, 2006

KU was in compliance with these covenants at December 31, 2009.

In October 2008, KU closed on a \$78 million bilateral line of credit which had a 364 day maturity. This facility was terminated in December 2008 and replaced by four new letter of credit facilities to allow issuance of letters of credit totaling \$198 million to support tax-exempt bonds totaling \$195 million of the \$228 million of bonds that can be put back to the Company. Should the holders elect to put the bonds back and they cannot be remarketed, the letter of credit would fund the investor's payment. The expiration date for the letters of credit has been extended to December 2010. The reimbursement agreements are identical and contain the following covenants:

- E.ON must own 75% of voting stock of KU directly or indirectly
- A limitation on disposing of assets aggregating more than 20% of total assets as of most recent quarter-end.

At December 31, 2009, KU had no remaining capacity for letters of credit under these facilities and was in compliance with these covenants.

Note 9 - Commitments and Contingencies

Operating Leases. KU leases office space, office equipment, plant equipment, real estate, railcars, telecommunications and vehicles and accounts for these leases as operating leases. In addition, KU reimburses LG&E for a portion of the lease expense paid by LG&E for KU's usage of office space leased by LG&E. Total lease expense was \$10 million and \$9 million for 2009 and 2008, respectively. The future minimum annual lease payments for operating leases for years subsequent to December 31, 2009, are shown in the following table:

(in millions)	
2010	\$ 7
2011	6
2012	5
2013	4
2014	4
Thereafter	3
Total	<u>\$ 29</u>

Owensboro Contract Litigation. In May 2004, the City of Owensboro, Kentucky and OMU commenced a suit

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which was removed to the U.S. District Court for the Western District of Kentucky, against KU concerning a long-term power supply contract (the "OMU Agreement") with KU. The dispute involved interpretational differences regarding issues under the OMU Agreement, including various payments or charges between KU and OMU and rights concerning excess power, termination and emissions allowances. In July 2005, the court issued a summary judgment ruling upholding OMU's contractual right to terminate the OMU agreement in May 2010.

In September and October 2008, the court granted rulings on a number of summary judgment petitions in the Company's favor. The summary judgment rulings resulted in the dismissal of all of OMU's remaining claims against the Company. The trial on KU's counterclaim occurred during October and November 2008. During February 2009, the court issued orders on the matters covered at trial, including (i) awarding the Company an aggregate \$9 million relating to the cost of NOx allowances charged by OMU to KU and the price of back-up power purchased by OMU from KU, plus pre- and post-judgment interest, and (ii) denying the Company's claim for damages based upon sub-par operations and availability of the OMU units. In April 2009, the court issued a ruling on various post-trial motions denying certain challenges to calculation elements of the \$9 million award or of interest amounts associated therewith. In May 2009, KU and OMU executed a settlement agreement resolving the matter on a basis consistent with the court's prior rulings and the Company has received the agreed settlement amounts.

Sale and Leaseback Transaction. The Company is a participant in a sale and leaseback transaction involving its 62% interest in two jointly owned CTs at KU's E.W. Brown generating station (Units 6 and 7). Commencing in December 1999, KU and LG&E entered into a tax-efficient, 18-year lease of the CTs. KU and LG&E have provided funds to fully defease the lease, and have executed an irrevocable notice to exercise an early purchase option contained in the lease after 15.5 years. The financial statement treatment of this transaction is no different than if KU had retained its ownership. The leasing transaction was entered into following receipt of required state and federal regulatory approvals.

In case of default under the lease, the Company is obligated to pay to the lessor its share of certain fees or amounts. Primary events of default include loss or destruction of the CTs, failure to insure or maintain the CTs and unwinding of the transaction due to governmental actions. No events of default currently exist with respect to the lease. Upon any termination of the lease, whether by default or expiration of its term, title to the CTs reverts jointly to KU and LG&E.

At December 31, 2009, the maximum aggregate amount of default fees or amounts was \$8 million, of which KU would be responsible for 62% (approximately \$5 million). The Company has made arrangements with E.ON U.S., via guarantee and regulatory commitment, for E.ON U.S. to pay its full portion of any default fees or amounts.

Letter of Credit. KU has provided letters of credit totaling \$198 million supporting bonds of \$195 million and a letter of credit totaling less than \$1 million to support certain obligations related to workers' compensation.

Power Purchases. The Company has power purchase arrangements with OMU and OVEC. Under the OMU agreement, which will be terminated by OMU in May 2010, KU purchases all of the output of an approximately 400-Mw coal-fired generating station not required by OMU. The amount of power purchases available to the

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Company during 2010, which is expected to be approximately 5% of KU's total Kwh native load energy requirements, is dependent upon a number of factors including the OMU units' availability, maintenance schedules, fuel costs and OMU requirements. Payments are based on the total costs of the station allocated per terms of the OMU agreement. Included in the total costs is KU's proportionate share of debt service requirements on \$207 million of OMU bonds outstanding at December 31, 2009. The debt service is allocated to KU based on its annual allocated share of capacity, which averaged approximately 44% in 2009. KU does not guarantee the OMU bonds, or any requirements therein, in the event of default by OMU.

KU has a contract for power purchases with OVEC, terminating in 2026, for various Mw capacities. KU has an investment of 2.5% ownership in OVEC's common stock, which is accounted for on the cost method of accounting. The Company's share of OVEC's output is 2.5%, approximately 55 Mw of generation capacity. Future obligations for power purchases are shown in the following table:

(in millions)	
2010	\$ 16
2011	10
2012	10
2013	11
2014	12
Thereafter	177
Total	<u>\$ 236</u>

Coal and Gas Purchase Obligations. KU has contracts to purchase coal and natural gas transportation. Future obligations are shown in the following table:

(in millions)	
2010	\$ 391
2011	307
2012	145
2013	88
2014	92
Thereafter	-(a)
Total	<u>\$ 1,023</u>

(a) Obligations after 2014 are indexed to future market prices and are not included above since prices will be set in the future using the contracted methodology.

Construction Program. KU had \$62 million of commitments in connection with its construction program at December 31, 2009.

In June 2006, KU and LG&E entered into a construction contract regarding the TC2 project. The contract is generally in the form of a lump-sum, turnkey agreement for the design, engineering, procurement, construction, commissioning, testing and delivery of the project, according to designated specifications, terms and conditions.

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The contract price and its components are subject to a number of potential adjustments which may serve to increase or decrease the ultimate construction price paid or payable to the contractor. The contract also contains standard representations, covenants, indemnities, termination and other provisions for arrangements of this type, including termination for convenience or for cause rights. In March 2009, the parties completed an agreement resolving certain construction cost increases due to higher labor and per diem costs above an established baseline, and certain safety and compliance costs resulting from a change in law. The Company's share of additional costs from inception of the contract through the expected project completion in 2010 is estimated to be approximately \$30 million. During the past and to date in 2010, KU and LG&E have received a number of contractual notices from the TC2 construction contractor asserting force majeure/excusable event claims for adjustments to either or both of contract price or construction schedule with respect to certain events which, if granted, may affect such contractual terms in addition to a possible extension of the commercial operations date, liquidated damages or other relevant provisions. The parties are continuing to discuss such matters in good faith and to resolve them in a commercially reasonable manner. The Company cannot currently estimate the ultimate outcome of these matters, including the extent, if any, that it results in increased costs charged for construction of TC2 and/or relief relating to the construction completion or operations dates.

TC2 Air Permit. The Sierra Club and other environmental groups filed a petition challenging the air permit issued for the TC2 baseload generating unit which was issued by the Kentucky Division for Air Quality ("KDAQ") in November 2005. In September 2007, the Secretary of the Kentucky Environmental and Public Protection Cabinet issued a final Order upholding the permit. The environmental groups petitioned the EPA to object to the state permit and subsequent permit revisions. In determinations made in September 2008 and June 2009, the EPA rejected most of the environmental groups' claims, but identified three permit deficiencies which the KDAQ addressed by revising the permit. In August 2009, the EPA issued an order denying the remaining claims with the exception of two additional deficiencies which the KDAQ was directed to address. The EPA determined that the proposed permit subsequently issued by the KDAQ satisfied the conditions of the EPA Order, although the agency recommended certain enhancements to the administrative record. In January 2010, the KDAQ issued a final permit revision incorporating the proposed changes to address the two EPA objections. In March 2010, the environmental groups submitted a petition to the EPA to object to the permit revision, which petition is now pending before the EPA. The Company believes that the final permit as revised should not have a material adverse effect on its financial condition or results of operations. However, until the right to challenge the final permit expires, the Company cannot predict the final outcome of this matter.

Thermostat Replacement. During January 2010, KU and LG&E announced a voluntary plan to replace certain thermostats which had been provided to customers as part of the Companies' demand reduction programs, due to concerns that the thermostats may present a safety hazard. Under the plan, the Companies anticipate replacing up to approximately 14,000 thermostats. Estimated costs associated with the replacement program may be \$2 million. However, the Companies cannot fully predict the ultimate outcome of the replacement program or other effects or developments which may be associated with the thermostat replacement matter at this time.

Reserve Sharing Developments. The membership of KU and LG&E in the Midwest Contingency Reserve Sharing Group terminated on December 31, 2009. In December 2009, the Companies entered into arrangements with Tennessee Valley Authority and East Kentucky Power Cooperative to form a new reserve sharing group, the TEE Contingency Reserve Sharing Group. Contingency reserves, including spinning reserves and supplemental reserves, relate to power or capacity requirements that the Companies must have available for

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certain reliability purposes. In general, the operational and financial impact of reserve sharing arrangements varies based upon factors such as the terms of the agreement, the relative generating and operations conduct of the parties and relevant market prices. While the Companies do not anticipate the revised reserve sharing developments will have a material adverse effect on their prospective operations or financial condition, such outcome cannot be guaranteed.

Mine Safety Compliance Costs. In March 2006, the Mine Safety and Health Administration enacted Emergency Temporary Standards regulations and has issued additional regulations as the result of the passage of the Mine Improvement and New Emergency Response Act of 2006, which was signed into law in June 2006. At the state level, Kentucky and other states that supply coal to KU, have passed new mine safety legislation. These pieces of legislation require all underground coal mines to implement new safety measures and install new safety equipment. Under the terms of the majority of the long-term coal contracts the Company has in place, provisions are made to allow for price adjustments for compliance costs resulting from new or amended laws or regulations. KU's coal suppliers regularly submit price adjustments related to these compliance costs. The Company employs an external consultant to review all relevant mine safety compliance cost claims for validity and reasonableness. Depending upon the terms of the contracts and commercial practice, the Company may delay payment of the adjustments or pay certain adjustments subject to refund. At appropriate times in the review, payment or refund processes, KU may make adjustments to the values or amounts or values of inventory, accounts receivable or accounts payable relating to coal matters. In general, the Company expects to recover these coal-related cost adjustments through the FAC.

Environmental Matters. The Company's operations are subject to a number of environmental laws and regulations in each of the jurisdictions in which it operates, governing, among other things, air emissions, wastewater discharges, the use, handling and disposal of hazardous substances and wastes, soil and groundwater contamination and employee health and safety.

Clean Air Act Requirements. The Clean Air Act establishes a comprehensive set of programs aimed at protecting and improving air quality in the United States by, among other things, controlling stationary sources of air emissions such as power plants. While the general regulatory framework for these programs is established at the federal level, most of the programs are implemented and administered by the states under the oversight of the EPA. The key Clean Air Act programs relevant to KU's business operations are described below.

Ambient Air Quality. The Clean Air Act requires the EPA to periodically review the available scientific data for six criteria pollutants and establish concentration levels in the ambient air sufficient to protect the public health and welfare with an extra margin for safety. These concentration levels are known as National Ambient Air Quality Standards ("NAAQS"). Each state must identify "nonattainment areas" within its boundaries that fail to comply with the NAAQS and develop a SIP to bring such nonattainment areas into compliance. If a state fails to develop an adequate plan, the EPA must develop and implement a plan. As the EPA increases the stringency of the NAAQS through its periodic reviews, the attainment status of various areas may change, thereby triggering additional emission reduction obligations under revised SIPs aimed to achieve attainment.

In 1997, the EPA established new NAAQS for ozone and fine particulates that required additional reductions in SO₂ and NO_x emissions from power plants. In 1998, the EPA issued its final "NO_x SIP Call" rule requiring

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reductions in NOx emissions of approximately 85% from 1990 levels in order to mitigate ozone transport from the midwestern U.S. to the northeastern U.S. To implement the new federal requirements, Kentucky amended its SIP in 2002 to require electric generating units to reduce their NOx emissions to 0.15 pounds weight per MMBtu on a company-wide basis. In 2005, the EPA issued the CAIR which required additional SO₂ emission reductions of 70% and NOx emission reductions of 65% from 2003 levels. The CAIR provided for a two-phase cap and trade program, with initial reductions of NOx and SO₂ emissions due by 2009 and 2010, respectively, and final reductions due by 2015. In 2006, Kentucky proposed to amend its SIP to adopt state requirements similar to those under the federal CAIR. Depending on the level of action determined necessary to bring local nonattainment areas into compliance with the new ozone and fine particulate standards, KU's power plants are potentially subject to additional reductions in SO₂ and NOx emissions. In January 2010, EPA issued a proposed rule to reconsider the NAAQS for Ozone, previously revised in 2008. The proposal would institute more stringent standards. At present, the Company is unable to determine what, if any, additional requirements may be imposed to achieve compliance with the new ozone standard.

In July 2008, a federal appeals court issued a ruling finding deficiencies in the CAIR and vacating it. In December 2008, the Court amended its previous Order, directing the EPA to promulgate a new regulation, but leaving the CAIR in place in the interim. Depending upon the course of such matters, the CAIR could be superseded by new or revised NOx or SO₂ regulations with different or more stringent requirements and SIPs which incorporate CAIR requirements could be subject to revision. KU is also reviewing aspects of its compliance plan relating to the CAIR, including scheduled or contracted pollution control construction programs. Finally, as discussed below, the remand of the CAIR results in some uncertainty with respect to certain other EPA or state programs and proceedings and the Companies' compliance plans relating thereto, due to the interconnection of the CAIR with such associated programs. At present, KU is not able to predict the outcomes of the legal and regulatory proceedings related to the CAIR and whether such outcomes could have a material effect on the Company's financial or operational conditions.

Hazardous Air Pollutants. As provided in the Clean Air Act, as amended, the EPA investigated hazardous air pollutant emissions from electric utilities and submitted a report to Congress identifying mercury emissions from coal-fired power plants as warranting further study. In 2005, the EPA issued the Clean Air Mercury Rule ("CAMR") establishing mercury standards for new power plants and requiring all states to issue new SIPs including mercury requirements for existing power plants. The EPA issued a model rule which provides for a two-phase cap and trade program with initial reductions due by 2010 and final reductions due by 2018. The CAMR provided for reductions of 70% from 2003 levels. The EPA closely integrated the CAMR and CAIR programs to ensure that the 2010 mercury reduction targets would be achieved as a "co-benefit" of the controls installed for purposes of compliance with the CAIR.

In February 2008, a federal appellate court issued a decision vacating the CAMR. The EPA has announced that it intends to promulgate a new rule to replace the CAMR. Depending on the final outcome of the rulemaking, the CAMR could be replaced by new mercury reduction rules with different or more stringent requirements. Kentucky has also repealed its corresponding state mercury regulations. At present, KU is not able to predict the outcomes of the legal and regulatory proceedings related to the CAMR and whether such outcomes could have a material effect on the Company's financial or operational conditions.

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Acid Rain Program. The Clean Air Act, as amended, imposed a two-phased cap and trade program to reduce SO₂ emissions from power plants that were thought to contribute to "acid rain" conditions in the northeastern U.S. The Clean Air Act, as amended, also contains requirements for power plants to reduce NO_x emissions through the use of available combustion controls.

Regional Haze. The Clean Air Act also includes visibility goals for certain federally designated areas, including national parks, and requires states to submit SIPs that will demonstrate reasonable progress toward preventing future impairment and remedying any existing impairment of visibility in those areas. In 2005, the EPA issued its Clean Air Visibility Rule ("CAVR") detailing how the Clean Air Act's Best Available Retrofit Technology ("BART") requirements will be applied to facilities, including power plants, built between 1962 and 1974 that emit certain levels of visibility impairing pollutants. Under the final rule, as the CAIR provided for more visibility improvement than BART, states are allowed to substitute CAIR requirements in their regional haze SIPs in lieu of controls that would otherwise be required by BART. The final rule has been challenged in the courts. Additionally, because the regional haze SIPs incorporate certain CAIR requirements, the remand of CAIR could potentially impact regional haze SIPs. See "Ambient Air Quality" above for a discussion of CAIR-related uncertainties.

Installation of Pollution Controls. Many of the programs under the Clean Air Act utilize cap and trade mechanisms that require a company to hold sufficient emissions allowances to cover its authorized emissions on a company-wide basis and do not require installation of pollution controls on every generating unit. Under cap and trade programs, companies are free to focus their pollution control efforts on plants where such controls are particularly efficient and utilize the resulting emission allowances for smaller plants where such controls are not cost effective. KU met its Phase I SO₂ requirements primarily through installation of FGD equipment on Ghent Unit 1. KU's strategy for its Phase II SO₂ requirements, which commenced in 2000, includes the installation of additional FGD equipment, as well as using accumulated emission allowances and fuel switching to defer certain additional capital expenditures. In order to achieve the NO_x emission reductions and associated obligations, KU installed additional NO_x controls, including SCR technology, during the 2000 through 2009 time period at a cost of \$221 million. In 2001, the Kentucky Commission granted approval to recover the costs incurred by KU for these projects through the environmental surcharge mechanism. Such monthly recovery is subject to periodic review by the Kentucky Commission.

In order to achieve mandated emissions reductions, KU expects to incur additional capital expenditures totaling approximately \$320 million during the 2010 through 2012 time period for pollution controls including FGD and SCR equipment, and additional operating and maintenance costs in operating such controls. In 2005, the Kentucky Commission granted approval to recover the costs incurred by the Company for these projects through the ECR mechanism. Such monthly recovery is subject to periodic review by the Kentucky Commission. KU believes its costs in reducing SO₂, NO_x and mercury emissions to be comparable to those of similarly situated utilities with like generation assets. KU's compliance plans are subject to many factors including developments in the emission allowance and fuels markets, future legislative and regulatory enactments, legal proceedings and advances in clean air technology. KU will continue to monitor these developments to ensure that its environmental obligations are met in the most efficient and cost-effective manner. See "Ambient Air Quality" above for a discussion of CAIR-related uncertainties.

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GHG Developments. In 2005, the Kyoto Protocol for reducing GHG emissions took effect, obligating 37 industrialized countries to undertake substantial reductions in GHG emissions. The U.S. has not ratified the Kyoto Protocol and there are currently no mandatory GHG emission reduction requirements at the federal level. As discussed below, legislation mandating GHG reductions has been introduced in the Congress, but no federal legislation has been enacted to date. In the absence of a program at the federal level, various states have adopted their own GHG emission reduction programs. Such programs have been adopted in various states including 11 northeastern U.S. states and the District of Columbia under the Regional GHG Initiative program and California. Substantial efforts to pass federal GHG legislation are on-going. The current administration has announced its support for the adoption of mandatory GHG reduction requirements at the federal level. The United States and other countries met in Copenhagen, Denmark in December 2009, in an effort to negotiate a GHG reduction treaty to succeed the Kyoto Protocol, which is set to expire in 2013. At Copenhagen, the U.S. made a nonbinding commitment to, among other things, seek to reduce GHG emissions to 17% below 2005 levels by 2020 and provide financial support to developing countries. The United States and other nations are scheduled to meet in Cancun, Mexico in late 2010 to continue negotiations toward a binding agreement.

GHG Legislation. KU is monitoring on-going efforts to enact GHG reduction requirements and requirements governing carbon sequestration at the state and federal level and is assessing potential impacts of such programs and strategies to mitigate those impacts. In June 2009, the U.S. House of Representatives passed the American Clean Energy and Security Act of 2009, (H.R. 2454), which is a comprehensive energy bill containing the first-ever nation-wide GHG cap and trade program. If enacted into law, the bill would provide for reductions in GHG emissions of 3% below 2005 levels by 2012, 17% by 2020, and 83% by 2050. In order to cushion potential rate impacts for utility customers, approximately 43% of emissions allowances would initially be allocated at no cost to the electric utility sector, with this allocation gradually declining to 7% in 2029 and zero thereafter. The bill would also establish a renewable electricity standard requiring utilities to meet 20% of their electricity demand through renewable energy and energy efficiency by 2020. The bill contains additional provisions regarding carbon capture and sequestration, clean transportation, smart grid advancement, nuclear and advanced technologies and energy efficiency.

In September 2009, the Clean Energy Jobs and American Power Act (S. 1733), which is largely patterned on the House legislation, was introduced in the U.S. Senate. The Senate bill raises the emissions reduction target for 2020 to 20% below 2005 levels and does not include a renewable electricity standard. While the initial bill lacked detailed provisions for the allocation of emissions allowances, a subsequent revision has incorporated allowance allocation provisions similar to the House bill. The Company is closely monitoring the progress of the legislation, although the prospect for passage of comprehensive GHG legislation in 2010 is uncertain.

GHG Regulations. In April 2007, the U.S. Supreme Court ruled that the EPA has the authority to regulate GHG under the Clean Air Act. In April 2009, the EPA issued a proposed endangerment finding concluding that GHGs endanger public health and welfare, which is an initial rulemaking step under the Clean Air Act. A final endangerment finding was issued in December 2009. In September 2009, the EPA issued a final GHG reporting rule requiring reporting by facilities with annual GHG emissions equivalent to at least 25,000 tons of carbon dioxide. A number of the Company's facilities will be required to submit annual reports commencing with calendar year 2010. Also in September 2009, the EPA proposed to require new or modified sources with GHG emissions equivalent to at least 10,000 to 25,000 tons of carbon dioxide to obtain permits under the Prevention of Significant Deterioration Program. Such new or modified facilities would be required to install Best

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Available Control Technology. While the Company is unaware of any currently available GHG control technology that might be required for installation on new or modified power plants, it is currently assessing the potential impact of the proposed rule. A final rule is expected in 2010.

The Company is unable to predict whether mandatory GHG reduction requirements will ultimately be enacted through legislation or regulations. As a company with significant coal-fired generating assets, KU could be substantially impacted by programs requiring mandatory reductions in GHG emissions, although the precise impact on its operations, including the reduction targets and deadlines that would be applicable, cannot be determined prior to the enactment of such programs. While the Company believes that many costs of complying with mandatory GHG reduction requirements or purchasing emission allowances to meet applicable requirements would likely be recoverable, in whole or in part under the ECR, where such costs are related to the Company's coal-fired generating assets, or other potential cost-recovery mechanisms, this cannot be assured.

GHG Litigation. A number of lawsuits have been filed asserting common law claims including nuisance, trespass and negligence against various companies with GHG emitting facilities. In October 2009, a three judge panel of the United States Court of Appeals for the 5th Circuit in the case of *Comer v. Murphy Oil* reversed a lower court, holding that private plaintiffs have standing to assert certain common law claims against more than 30 utility, oil, coal and chemical companies. However, in March 2010, the court vacated the opinion of the three-judge panel and granted a motion for rehearing. The *Comer* complaint alleges that GHG emissions from the defendants' facilities contributed to global warming which increased the intensity of Hurricane Katrina. E.ON, the parent of KU and LG&E was included as a defendant in the complaint, but has not been subject to the proceedings due to the failure of the plaintiffs to pursue service under the applicable international procedures. KU and LG&E are currently unable to predict further developments in the *Comer* case. KU and LG&E continue to monitor relevant GHG litigation to identify judicial developments that may be potentially relevant to their operations.

Brown New Source Review Litigation. In April 2006, the EPA issued an NOV alleging that KU had violated certain provisions of the Clean Air Act's new source review rules relating to work performed in 1997, on a boiler and turbine at KU's E.W. Brown generating station. In December 2006, the EPA issued a second NOV alleging the Company had exceeded heat input values in violation of the air permit for the unit. In March 2007, the Department of Justice filed a complaint in federal court in Kentucky alleging the same violations specified in the prior NOVs. The complaint sought civil penalties, including potential per-day fines, remedial measures and injunctive relief. In December 2008, the Company reached a tentative settlement with the government resolving all outstanding claims. The proposed consent decree, which was approved by the court in March 2009, provides for payment of a \$1 million civil penalty; funding of \$3 million in environmental mitigation projects; surrender of 53,000 excess SO₂ allowances; surrender of excess NO_x allowances estimated at 650 allowances annually for eight years; installation of an FGD by December 31, 2010; installation of an SCR by December 31, 2012; and compliance with specified emission limits and operational restrictions.

Section 114 Requests. In August 2007, the EPA issued administrative information requests under Section 114 of the Clean Air Act requesting new source review-related data regarding certain projects undertaken at LG&E's Mill Creek 4 and TC1 generating units and KU's Ghent 2 generating unit. KU and LG&E have complied with the information requests and are not able to predict further proceedings in this matter at this time.

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Ghent Opacity NOV. In September 2007, the EPA issued an NOV alleging that KU had violated certain provisions of the Clean Air Act's operating rules relating to opacity during June and July of 2007 at Units 1 and 3 of KU's Ghent generating station. The parties have met on this matter and KU has received no further communications from the EPA. The Company is not able to estimate the outcome or potential effects of these matters, including whether substantial fines, penalties or remedial measures may result.

Ghent New Source Review NOV. In March 2009, the EPA issued an NOV alleging that KU violated certain provisions of the Clean Air Act's rules governing new source review and prevention of significant deterioration by installing FGD and SCR controls at its Ghent generating station without assessing potential increased sulfuric acid mist emissions. KU contends that the work in question, as pollution control projects, was exempt from the requirements cited by the EPA. In December 2009, the EPA issued a Section 114 information request seeking additional information on this matter. In March 2010, the Company received an EPA settlement proposal providing for imposition of additional permit limits and emission controls. The Company anticipates continued settlement negotiations with EPA. Depending on the provisions of a final settlement or the results of litigation, if any, resolution of this matter could involve significant increased operating and capital expenditures by the Company. The Company is currently unable to determine the final outcome of this matter or the impact of an unfavorable determination upon the Company's financial position or results of operations.

Ash Ponds, Coal-Combustion Byproducts and Water Discharges. The EPA has undertaken various initiatives in response to the December 2008 impoundment failure at the Tennessee Valley Authority's Kingston power plant, which resulted in a major release of coal combustion byproducts into the environment. The EPA issued information requests to utilities throughout the country, including KU, to obtain information on their ash ponds and other impoundments. In addition, the EPA inspected a large number of impoundments located at power plants to determine their structural integrity. The inspections included several of the Company's impoundments, which the EPA found to be in satisfactory condition. The Company is awaiting final inspection reports for additional impoundments. The EPA and other agencies are currently considering the need to revise applicable standards governing the structural integrity of ash ponds and other impoundments. In addition, the EPA has announced that it is re-evaluating current regulatory requirements applicable to coal combustion byproducts and anticipates proposing new rules by early 2010. The EPA is considering a wide range of regulatory options including subjecting ash ponds and landfills handling coal combustion byproducts to regulation under the hazardous waste program. Finally, the EPA has announced plans to develop revised effluent limitations guidelines and standards governing discharges from power plants. The Company is monitoring these ongoing regulatory developments, but will be unable to determine the impact until such time as new rules are finalized.

General Environmental Proceedings. From time to time, KU appears before the EPA, various state or local regulatory agencies and state and federal courts regarding matters involving compliance with applicable environmental laws and regulations. Such matters include a completed settlement with state regulators regarding particulate limits in the air permit for KU's Tyrone generating station, remediation activities for, or other risks relating to elevated Polychlorinated Biphenyl ("PCB") levels at existing properties, and liability under the Comprehensive Environmental Response, Compensation and Liability Act for cleanup at various off-site waste sites. Based on analysis to date, the resolution of these matters is not expected to have a material impact on the Company's operations.

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Note 10 - Jointly Owned Electric Utility Plant

KU and LG&E are nearing completion of TC2, a jointly owned unit at the Trimble County site. KU and LG&E own undivided 60.75% and 14.25% interests, respectively, in TC2. Of the remaining 25% of TC2, IMEA owns a 12.12% undivided interest and IMPA owns a 12.88% undivided interest. Each company is responsible for its proportionate share of capital cost during construction, and fuel, operation and maintenance cost when TC2 begins operation, which is scheduled to occur in 2010. In December 2009 and June 2008, LG&E sold assets to KU related to the construction of TC2 with a net book value of \$48 million and \$10 million, respectively.

The following data represent shares of the jointly owned property (capacity based on nameplate rating):

	TC2				Total
	LG&E	KU	IMPA	IMEA	
Ownership interest	14.25%	60.75%	12.88%	12.12%	100%
Mw capacity	119	509	108	102	838

(in millions)

	KU's 60.75% ownership:	LG&E's 14.25% ownership:	
Plant held for future use	\$ 121	Plant held for future use	\$ 5
	\$		
Construction work in progress	679	Construction work in progress	169
Accumulated depreciation	63	Accumulated depreciation	2
Net book value	\$ 737	Net book value	\$ 172
	\$		

KU and LG&E jointly own the following CTs and related equipment (capacity based on net summer capability):

(\$ in millions)	KU				LG&E				Total			
	Mw Capacity	(\$ Cost)	(\$ Depreciation)	(\$ Net Book Value)	Mw Capacity	(\$ Cost)	(\$ Depreciation)	(\$ Net Book Value)	Mw Capacity	(\$ Cost)	(\$ Depreciation)	(\$ Net Book Value)
Ownership Percentage												
KU 47% LG&E 53%(a)	129	54	(13)	41	146	59	(15)	44	275	113	(28)	85
KU 62% LG&E 38%(b)	190	79	(15)	64	118	46	(7)	39	308	125	(22)	103
KU 71% LG&E 29%(c)	228	82	(21)	61	92	33	(8)	25	320	115	(29)	86
KU 63% LG&E 37%(d)	404	140	(25)	115	236	82	(16)	66	640	222	(41)	181
KU 71% LG&E 29%(e)	n/a	9	(2)	7	n/a	3	(1)	2	n/a	12	(3)	9

(a) Comprised of Paddy's Run 13 and E.W. Brown 5. In addition to the above jointly owned utility plant, there is an inlet air cooling system attributable to unit 5 and units 8-11 at the E.W. Brown facility. This inlet air cooling system is not jointly owned, however, it is used to increase production on the units to which it

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relates, resulting in an additional 88 Mw of capacity for KU.

- (b) Comprised of units 6 and 7 at the E.W. Brown facility.
- (c) Comprised of units 5 and 6 at the Trimble County facility.
- (d) Comprised of CT Substation 7-10 and units 7, 8, 9 and 10 at the Trimble County facility.
- (e) Comprised of CT Substation 5 and 6 and CT Pipeline at the Trimble County facility.

Both KU's and LG&E's participating share of direct expenses of the jointly owned plants is included in the corresponding operating expenses on each company's respective income statement (e.g., fuel, maintenance of plant, other operating expense).

Note 11 - Related Party Transactions

KU, subsidiaries of E.ON U.S. and subsidiaries of E.ON engage in related party transactions. These transactions are generally performed at cost and are in accordance with the FERC regulations under PUHCA 2005 and the applicable Kentucky Commission and Virginia Commission regulations. The significant related party transactions are disclosed below.

Electric Purchases

KU and LG&E purchase energy from each other in order to effectively manage the load of their retail and wholesale customers. These sales and purchases are included in the statements of income as operating revenues and purchased power operating expense. KU intercompany electric revenues and purchased power expense for the years ended December 31, were as follows:

(in millions)	<u>2009</u>	<u>2008</u>
Electric operating revenues from LG&E	\$ 21	\$ 80
Power purchased from LG&E	101	109

Interest Charges

See Note 8, Notes Payable and Other Short-Term Obligations, for details of intercompany borrowing arrangements. Intercompany agreements do not require interest payments for receivables related to services provided when settled within 30 days.

KU's intercompany interest income and expense for the years ended December 31, were as follows:

(in millions)	<u>2009</u>	<u>2008</u>
Interest on money pool loans	\$ -	\$ 2
Interest on Fidelia loans	69	56

Other Intercompany Billings

E.ON U.S. Services provides KU with a variety of centralized administrative, management and support services. These charges include payroll taxes paid by E.ON U.S. Services on behalf of KU, labor and burdens of E.ON

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U.S. Services employees performing services for KU, coal purchases and other vouchers paid by E.ON U.S. Services on behalf of KU. The cost of these services is directly charged to KU, or for general costs which cannot be directly attributed, charged based on predetermined allocation factors, including the following ratios: number of customers, total assets, revenues, number of employees and other statistical information. These costs are charged on an actual cost basis.

In addition, KU and LG&E provide services to each other and to E.ON U.S. Services. Billings between KU and LG&E relate to labor and overheads associated with union employees performing work for the other utility, charges related to jointly-owned generating units and other miscellaneous charges. Billings from KU to E.ON U.S. Services include cash received by E.ON U.S. Services on behalf of KU, primarily tax settlements, and other payments made by KU on behalf of other non-regulated businesses which are reimbursed through E.ON U.S. Services.

Intercompany billings to and from KU for the years ended December 31, were as follows:

(in millions)	<u>2009</u>	<u>2008</u>
E.ON U.S. Services billings to KU	\$ 169	\$ 227
LG&E billings to KU	44	5
KU billings to E.ON U.S. Services	14	3
KU billings to LG&E	78	75

In December 2009 and June 2008, LG&E sold assets to KU related to the construction of TC2, including \$3 million of unamortized investment tax credits, with net book values of \$48 million and \$10 million, respectively.

In March and June 2009, the Company received capital contributions of \$50 million and \$25 million, respectively, from its common shareholder, E.ON U.S.

In 2008, KU received capital contributions from its common shareholder, E.ON U.S., totaling \$145 million.

Note 12 - Notes to Statement of Cash Flows

Supplemental disclosures of cash flow information

(in millions)	<u>2009</u>	<u>2008</u>
Cash paid during the period for:		
Income Taxes	\$ (9) *	\$ 46
Interest on borrowed money	3	13
Interest to affiliated companies on borrowed money	67	53

* Reflects receipt of prior period federal income tax payments of \$8,382,550.

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Note 13 – Subsequent Events

Subsequent events have been evaluated through March 26, 2010, the date of issuance of these statements and these statements contain all necessary adjustments and disclosures resulting from that evaluation.

On March 4, 2010, the Virginia Commission approved the stipulation related to the rate increase filing with rates to become effective in April 2010.

On January 29, 2010, KU filed an application with the Kentucky Commission requesting an increase in base electric rates of approximately 12%, or \$135 million annually, including an 11.5% return on equity. KU has requested the increase, based on the twelve month test year ended October 31, 2009, to become effective on and after March 1, 2010. The requested rates have been suspended until August 1, 2010, at which time they may be put into effect, subject to refund, if the Kentucky Commission has not issued an order in the proceeding.

On January 13, 2010, the Company made a \$13 million contribution to its pension plan.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.				
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)	
1	Utility Plant			
2	In Service			
3	Plant in Service (Classified)	4,228,088,829	4,228,088,829	
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified	543,095,412	543,095,412	
7	Experimental Plant Unclassified			
8	Total (3 thru 7)	4,771,184,241	4,771,184,241	
9	Leased to Others			
10	Held for Future Use	120,828,152	120,828,152	
11	Construction Work in Progress	1,257,408,524	1,257,408,524	
12	Acquisition Adjustments			
13	Total Utility Plant (8 thru 12)	6,149,420,917	6,149,420,917	
14	Accum Prov for Depr, Amort, & Depl	2,168,491,126	2,168,491,126	
15	Net Utility Plant (13 less 14)	3,980,929,791	3,980,929,791	
16	Detail of Accum Prov for Depr, Amort & Depl			
17	In Service:			
18	Depreciation	2,092,635,706	2,092,635,706	
19	Amort & Depl of Producing Nat Gas Land/Land Right			
20	Amort of Underground Storage Land/Land Rights			
21	Amort of Other Utility Plant	12,621,573	12,621,573	
22	Total In Service (18 thru 21)	2,105,257,279	2,105,257,279	
23	Leased to Others			
24	Depreciation			
25	Amortization and Depletion			
26	Total Leased to Others (24 & 25)			
27	Held for Future Use			
28	Depreciation	63,233,847	63,233,847	
29	Amortization			
30	Total Held for Future Use (28 & 29)	63,233,847	63,233,847	
31	Abandonment of Leases (Natural Gas)			
32	Amort of Plant Acquisition Adj			
33	Total Accum Prov (equals 14) (22,26,30,31,32)	2,168,491,126	2,168,491,126	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
					3
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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)				
<p>1. Report below the original cost of electric plant in service according to the prescribed accounts.</p> <p>2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.</p> <p>3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</p> <p>4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.</p> <p>5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.</p> <p>6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)</p>				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
1	1. INTANGIBLE PLANT			
2	(301) Organization	44,456		
3	(302) Franchises and Consents	83,453		
4	(303) Miscellaneous Intangible Plant	27,760,617		39,307,495
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	27,888,526		39,307,495
6	2. PRODUCTION PLANT			
7	A. Steam Production Plant			
8	(310) Land and Land Rights	10,874,264		6,841
9	(311) Structures and Improvements	174,648,035		47,238,451
10	(312) Boiler Plant Equipment	1,485,527,642		231,469,485
11	(313) Engines and Engine-Driven Generators			
12	(314) Turbogenerator Units	221,005,808		21,310,661
13	(315) Accessory Electric Equipment	98,333,605		22,005,487
14	(316) Misc. Power Plant Equipment	23,738,892		429,687
15	(317) Asset Retirement Costs for Steam Production	9,249,179		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	2,023,377,425		322,460,612
17	B. Nuclear Production Plant			
18	(320) Land and Land Rights			
19	(321) Structures and Improvements			
20	(322) Reactor Plant Equipment			
21	(323) Turbogenerator Units			
22	(324) Accessory Electric Equipment			
23	(325) Misc. Power Plant Equipment			
24	(326) Asset Retirement Costs for Nuclear Production			
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)			
26	C. Hydraulic Production Plant			
27	(330) Land and Land Rights	879,312		
28	(331) Structures and Improvements	464,928		75,260
29	(332) Reservoirs, Dams, and Waterways	9,823,181		
30	(333) Water Wheels, Turbines, and Generators	436,634		
31	(334) Accessory Electric Equipment	85,383		466,820
32	(335) Misc. Power PLant Equipment	101,512		
33	(336) Roads, Railroads, and Bridges	46,976		129,383
34	(337) Asset Retirement Costs for Hydraulic Production	4,970		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)	11,842,896		671,463
36	D. Other Production Plant			
37	(340) Land and Land Rights	294,924		
38	(341) Structures and Improvements	35,982,154		
39	(342) Fuel Holders, Products, and Accessories	21,085,015		2,019,168
40	(343) Prime Movers	350,302,018		8,904,331
41	(344) Generators	59,332,687		1,455
42	(345) Accessory Electric Equipment	30,965,830		
43	(346) Misc. Power Plant Equipment	5,227,549		116,152
44	(347) Asset Retirement Costs for Other Production	70,990		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	503,261,167		11,041,106
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	2,538,481,488		334,173,181

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.					
7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.					
8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.					
9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
			44,456		2
			83,453		3
15,497,544			51,570,568		4
15,497,544			51,698,477		5
					6
					7
		-6,841	10,874,264		8
145,695		-46,094,592	175,646,199		9
4,750,275		-43,275,091	1,668,971,761		10
					11
4,484,265		-10,495,573	227,336,631		12
69,407		3,142,192	123,411,877		13
39,354		-68,368	24,060,857		14
4,417		3,600	9,248,362		15
9,493,413		-96,794,673	2,239,549,951		16
					17
					18
					19
					20
					21
					22
					23
					24
					25
					26
			879,312		27
		66,025	606,213		28
			9,823,181		29
			436,634		30
			552,203		31
		278,124	379,636		32
			176,359		33
			4,970		34
		344,149	12,858,508		35
					36
			294,924		37
			35,982,154		38
30,262			23,073,921		39
3,401,722			355,804,627		40
			59,334,142		41
		12,329,547	43,295,377		42
			5,343,701		43
			70,990		44
3,431,984		12,329,547	523,199,836		45
12,925,397		-84,120,977	2,775,608,295		46

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
47	3. TRANSMISSION PLANT			
48	(350) Land and Land Rights	25,082,321	353,837	
49	(352) Structures and Improvements	13,630,540	459,488	
50	(353) Station Equipment	198,588,630	10,003,402	
51	(354) Towers and Fixtures	63,231,636	1,570,011	
52	(355) Poles and Fixtures	97,462,528	13,015,340	
53	(356) Overhead Conductors and Devices	129,541,216	5,423,672	
54	(357) Underground Conduit	448,760		
55	(358) Underground Conductors and Devices	1,111,729	56,830	
56	(359) Roads and Trails			
57	(359.1) Asset Retirement Costs for Transmission Plant	11,027		
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	529,108,387	30,882,580	
59	4. DISTRIBUTION PLANT			
60	(360) Land and Land Rights	4,032,296	456,352	
61	(361) Structures and Improvements	5,215,582	633,310	
62	(362) Station Equipment	111,024,260	14,370,327	
63	(363) Storage Battery Equipment			
64	(364) Poles, Towers, and Fixtures	251,719,535	16,067,536	
65	(365) Overhead Conductors and Devices	228,261,323	34,800,176	
66	(366) Underground Conduit	1,743,546	23,930	
67	(367) Underground Conductors and Devices	96,955,348	30,713,521	
68	(368) Line Transformers	258,040,309	16,132,490	
69	(369) Services	114,495,745	-29,177,224	
70	(370) Meters	65,409,858	2,719,858	
71	(371) Installations on Customer Premises	18,284,593		
72	(372) Leased Property on Customer Premises			
73	(373) Street Lighting and Signal Systems	76,140,557	5,263,284	
74	(374) Asset Retirement Costs for Distribution Plant	18,610		
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	1,231,341,562	92,003,560	
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT			
77	(380) Land and Land Rights			
78	(381) Structures and Improvements			
79	(382) Computer Hardware			
80	(383) Computer Software			
81	(384) Communication Equipment			
82	(385) Miscellaneous Regional Transmission and Market Operation Plant			
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper			
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)			
85	6. GENERAL PLANT			
86	(389) Land and Land Rights	2,575,972		
87	(390) Structures and Improvements	35,075,186	2,579,135	
88	(391) Office Furniture and Equipment	22,220,076	3,555,112	
89	(392) Transportation Equipment	18,968,791	139,278	
90	(393) Stores Equipment	735,053	49,517	
91	(394) Tools, Shop and Garage Equipment	5,576,664	1,009,868	
92	(395) Laboratory Equipment	3,160,383		
93	(396) Power Operated Equipment	270,943	211,689	
94	(397) Communication Equipment	20,103,595	667,181	
95	(398) Miscellaneous Equipment	373,591		
96	SUBTOTAL (Enter Total of lines 86 thru 95)	109,060,254	8,211,780	
97	(399) Other Tangible Property			
98	(399.1) Asset Retirement Costs for General Plant			
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	109,060,254	8,211,780	
100	TOTAL (Accounts 101 and 106)	4,435,880,217	504,578,596	
101	(102) Electric Plant Purchased (See Instr. 8)			
102	(Less) (102) Electric Plant Sold (See Instr. 8)			
103	(103) Experimental Plant Unclassified			
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	4,435,880,217	504,578,596	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			25,436,158		47
					48
13,053		3,555	14,080,530		49
2,457,817		-28,384,627	177,749,588		50
45,221		-11,735	64,744,691		51
845,834		273,056	109,905,090		52
217,390		769,412	135,516,910		53
			448,760		54
			1,168,559		55
					56
		-3,600	7,427		57
3,579,315		-27,353,939	529,057,713		58
					59
		-2,176	4,486,472		60
25,171		-392,128	5,431,593		61
738,688		-650,919	124,004,980		62
					63
3,809,600		214,542	264,192,013		64
8,638,379		119,324	254,542,444		65
25			1,767,451		66
862,862		1,460	126,807,467		67
2,340,047		-21,938	271,810,814		68
41,595			85,276,926		69
1,162,310			66,967,406		70
279		-23,196	18,261,118		71
					72
2,961,736			78,442,105		73
			18,610		74
20,580,692		-755,031	1,302,009,399		75
					76
					77
					78
					79
					80
					81
					82
					83
					84
					85
		-8,125	2,567,847		86
311,228		1,400,621	38,743,714		87
5,274,117		1	20,501,072		88
312,452			18,795,617		89
6,898			777,672		90
			6,586,532		91
			3,160,383		92
			482,632		93
86,039		136,560	20,821,297		94
			373,591		95
5,990,734		1,529,057	112,810,357		96
					97
					98
5,990,734		1,529,057	112,810,357		99
58,573,682		-110,700,890	4,771,184,241		100
					101
					102
					103
58,573,682		-110,700,890	4,771,184,241		104

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 204 Line No.: 50 Column: f

Resubmission due to omitting a transfer between Transmission Plant: Station Equipment (353), Distribution Plant: Station Equipment (362) and General Plant: Structures and Improvements (390). The previously reported balance was \$(28,235,925).

Schedule Page: 204 Line No.: 50 Column: g

Resubmission due to omitting a transfer between Transmission Plant: Station Equipment (353), Distribution Plant: Station Equipment (362) and General Plant: Structures and Improvements (390). The previously reported balance was \$177,898,290.

Schedule Page: 204 Line No.: 58 Column: f

Resubmission due to omitting a transfer between Transmission Plant: Station Equipment (353), Distribution Plant: Station Equipment (362) and General Plant: Structures and Improvements (390). The previously reported balance was \$(27,205,237).

Schedule Page: 204 Line No.: 58 Column: g

Resubmission due to omitting a transfer between Transmission Plant: Station Equipment (353), Distribution Plant: Station Equipment (362) and General Plant: Structures and Improvements (390). The previously reported balance was \$529,206,415.

Schedule Page: 204 Line No.: 62 Column: f

Resubmission due to omitting a transfer between Transmission Plant: Station Equipment (353) and Distribution Plant: Station Equipment (362). The previously reported balance was \$(784,506).

Schedule Page: 204 Line No.: 62 Column: g

Resubmission due to omitting a transfer between Transmission Plant: Station Equipment (353) and Distribution Plant: Station Equipment (362). The previously reported balance was \$123,871,393.

Schedule Page: 204 Line No.: 75 Column: f

Resubmission due to omitting a transfer between Transmission Plant: Station Equipment (353) and Distribution Plant: Station Equipment (362). The previously reported balance was \$(888,618).

Schedule Page: 204 Line No.: 75 Column: g

Resubmission due to omitting a transfer between Transmission Plant: Station Equipment (353) and Distribution Plant: Station Equipment (362). The previously reported balance was \$1,301,875,812.

Schedule Page: 204 Line No.: 87 Column: f

Resubmission due to omitting a transfer between Transmission Plant: Station Equipment (353) and General Plant: Structures and Improvements (390). The previously reported balance was \$1,385,506.

Schedule Page: 204 Line No.: 87 Column: g

Resubmission due to omitting a transfer between Transmission Plant: Station Equipment (353) and General Plant: Structures and Improvements (390). The previously reported balance was \$38,728,599.

Schedule Page: 204 Line No.: 99 Column: f

Resubmission due to omitting a transfer between Transmission Plant: Station Equipment (353) and General Plant: Structures and Improvements (390). The previously reported balance was \$1,513,942.

Schedule Page: 204 Line No.: 99 Column: g

Resubmission due to omitting a transfer between Transmission Plant: Station Equipment (353) and General Plant: Structures and Improvements (390). The previously reported balance was \$112,795,242.

Schedule Page: 204 Line No.: 100 Column: f

Purchase of Trimble County Joint Use assets from LG&E recorded in Plant Held for Future Use. \$ 102,997,240

Correction for gross cost of Trimble County Cooling Tower to Plant Held for Future Use. 7,693,349

Sale of Land 10,301

Total Transfers \$ 110,700,890

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)					
1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.					
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.					
Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)	
1	Land and Rights:				
2	Trimble County Unit 2 land footprint	12/31/2009	2010	6,841	
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	Other Property:				
22	Trimble County Cooling Tower (hyperbolic) - Utility				
23	use temporarily discontinued March 2008	06/30/2008	2010	17,830,912	
24	Trimble County assets to be jointly used between				
25	Trimble County Unit 1 and Unit 2	12/31/2009	2010	102,990,399	
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47	Total			120,828,152	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107)				
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)				
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	STEAM PRODUCTION MAJOR			
2	TC2 PROJECT			479,327,900
3	BR FGD			361,117,775
4	TC2 AIR QUALITY CONTROL SYSTEM - KU			187,222,550
5	BR ASH POND EXPANSION			28,057,915
6	GH2 FGD			10,268,248
7	GHENT ASH POND/LANDFILL			8,599,133
8	TC2 CAPITAL SPARES - KU			7,782,088
9	GH3 FGD			5,715,918
10	GH SO2 COMMON			5,714,413
11	GHENT SO3 SORBENT INJECTION			5,353,987
12	TC ASH/GYPSUM PONDS - KU			5,156,965
13	GH4 FGD			3,128,684
14	BR3 SCR			2,030,553
15	GH1 CONDENSER RETUBE			2,021,275
16	GH3 SCR CATALYST ADDITION			1,142,172
17	STEAM PRODUCTION MINOR			3,160,180
18				
19	HYDRAULIC POWER MAJOR			
20	DIX 3 OVERHAUL			3,889,108
21	HYDRAULIC POWER MINOR			337,491
22				
23	OTHER PRODUCTION MINOR			-2,344,971
24				
25	TRANSMISSION MAJOR			
26	TRIMBLE 2 TRANSMISSION - KU			54,502,615
27	STORM DAMAGE TRANSMISSION LINE KU			11,656,833
28	TC2 TEMPORARY TRANSMISSION WORKAROUND			2,830,639
29	PRIORITY REPLACE TRANSMISSION - LINES KU			2,446,651
30	SPCC MODIFICATIONS - KU TRANSMISSION SUBS			2,149,674
31	GRAHAMVILLE-COLEMAN ROAD 161KV			1,574,143
32	PVL-T194 CHANGEOUT TO 150 MVA			1,452,897
33	HIGBY MILL 138/69KV 112 MVA			1,215,827
34	TRANSMISSION MINOR			15,945,114
35				
36	DISTRIBUTION MAJOR			
37	KY MAJOR STORM EVENT			2,818,249
38	CENTRAL SUBSTATION TRANSFORMER REWINDS			1,753,261
39	PUBLIC WORKS RELOCATION O/H - LEXINGTON			1,220,118
40	BRYANT ROAD SUB TEMPORARY			1,189,011
41	SCM CENTRAL REPAIRS/REWINDS			1,014,945
42	OKONITE SUBSTATION			1,003,600
43	TOTAL			1,257,408,524

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)				
<p>1. Report below descriptions and balances at end of year of projects in process of construction (107)</p> <p>2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)</p> <p>3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.</p>				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	DISTRIBUTION MINOR	18,569,056		
2				
3	GENERAL PLANT MAJOR			
4	MOBILE RADIO SYSTEM BUILDOUT KU	4,536,702		
5	N KY BACKBONE RENOVATION - KU	1,058,698		
6	GENERAL PLANT MINOR	12,789,107		
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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33				
34				
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36				
37				
38				
39				
40				
41				
42				
43	TOTAL	1,257,408,524		

Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company		12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 216 Line No.: 23 Column: b

This credit amount is due to a December 2009, Alstom Long-Term Service Agreement adjustment associated with Brown Combustion Turbines.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)					
<p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.</p> <p>3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p>					
Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	2,030,439,913	2,030,308,196	131,717	
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	127,253,993	127,253,993		
4	(403.1) Depreciation Expense for Asset Retirement Costs	299,745	299,745		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	54,103	54,103		
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):	558,548	-240,701	799,249	
9	Fuel Stock	574,826	574,826		
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	128,741,215	127,941,966	799,249	
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	43,071,726	43,071,726		
13	Cost of Removal	22,539,504	22,539,504		
14	Salvage (Credit)	670,779	670,779		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	64,940,451	64,940,451		
16	Other Debit or Cr. Items (Describe, details in footnote):	61,633,293	-669,588	62,302,881	
17					
18	Book Cost or Asset Retirement Costs Retired	-4,417	-4,417		
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	2,155,869,553	2,092,635,706	63,233,847	
Section B. Balances at End of Year According to Functional Classification					
20	Steam Production	1,093,775,255	1,030,541,408	63,233,847	
21	Nuclear Production				
22	Hydraulic Production-Conventional	8,427,630	8,427,630		
23	Hydraulic Production-Pumped Storage				
24	Other Production	146,854,229	146,854,229		
25	Transmission	317,044,437	317,044,437		
26	Distribution	536,902,083	536,902,083		
27	Regional Transmission and Market Operation				
28	General	52,865,919	52,865,919		
29	TOTAL (Enter Total of lines 20 thru 28)	2,155,869,553	2,092,635,706	63,233,847	

Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report 2009/Q4
FOOTNOTE DATA			

Schedule Page: 219 Line No.: 8 Column: c

Accrual for Cost of Removal and ARO Parent assets (FERC 254 and 403).

Schedule Page: 219 Line No.: 8 Column: d

Trimble County Cooling Tower (hyperbolic) depreciation adjustment and accrual.

Schedule Page: 219 Line No.: 16 Column: c

Customer payments related to construction projects.

Schedule Page: 219 Line No.: 16 Column: d

Reserve transfer from LG&E for Trimble County Joint Use Assets.

\$54,609,530

Correction for gross cost of Trimble County Cooling Tower.

7,693,351

Total

\$62,302,881

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
MATERIALS AND SUPPLIES					
<p>1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.</p> <p>2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
1	Fuel Stock (Account 151)	72,708,035	97,742,425	Electric	
2	Fuel Stock Expenses Undistributed (Account 152)				
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)				
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)	19,657,311	21,420,798	Electric	
8	Transmission Plant (Estimated)	3,099,200	2,067,836	Electric	
9	Distribution Plant (Estimated)	6,805,178	6,983,644	Electric	
10	Regional Transmission and Market Operation Plant (Estimated)				
11	Assigned to - Other (provide details in footnote)				
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	29,561,689	30,472,278		
13	Merchandise (Account 155)				
14	Other Materials and Supplies (Account 156)				
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)				
16	Stores Expense Undistributed (Account 163)	6,202,308	7,480,011	Electric	
17					
18					
19					
20	TOTAL Materials and Supplies (Per Balance Sheet)	108,472,032	135,694,714		

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
Allowances (Accounts 158.1 and 158.2)					
<p>1. Report below the particulars (details) called for concerning allowances.</p> <p>2. Report all acquisitions of allowances at cost.</p> <p>3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.</p> <p>4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(f), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).</p> <p>5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.</p>					
Line No.	SO2 Allowances Inventory (Account 158.1) (a)	Current Year		2010	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	85,296.00	299	77,535.00	
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9	Share of OMU's unused				
10	Allowances	5,084.00	1,977,471		
11	Adjustment to final 2008	8.00	1		
12	True-up to EPA balance	3.00			
13					
14					
15	Total	5,095.00	1,977,472		
16					
17	Relinquished During Year:				
18	Charges to Account 509	57,911.00	1,037,511		
19	Other:				
20	Charges to 549/158	8.00	1		
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year	32,472.00	940,259	77,535.00	
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
Allowances Withheld (Acct 158.2)					
36	Balance-Beginning of Year	1,109.00		1,106.50	
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales	1,109.00			
40	Balance-End of Year			1,106.50	
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)	1,109.00	77,350		
45	Gains				
46	Losses				

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009		Year/Period of Report End of 2009/Q4		
Allowances (Accounts 158.1 and 158.2) (Continued)								
<p>6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.</p> <p>7. Report on Lines 8-14 the names of vendors/transferees of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).</p> <p>8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.</p> <p>9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.</p> <p>10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.</p>								
2011		2012		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
77,535.00		77,535.00		2,015,910.00		2,333,811.00	299	1
								2
								3
				77,535.00		77,535.00		4
								5
								6
								7
								8
						5,084.00	1,977,471	10
						8.00		11
						3.00		12
								13
								14
						5,095.00	1,977,472	15
								16
								17
						57,911.00	1,037,511	18
								19
						8.00		20
								21
								22
								23
								24
								25
								26
								27
								28
77,535.00		77,535.00		2,093,445.00		2,358,522.00	940,259	29
								30
								31
								32
								33
								34
								35
1,106.50		1,106.50		54,218.50		58,647.00		36
								37
				1,106.50		2,215.50		38
1,106.50		1,106.50		53,112.00		56,431.50		40
								41
								42
				1,106.50	7,358	2,215.50	84,708	44
								45
								46

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
Allowances (Accounts 158.1 and 158.2)					
1. Report below the particulars (details) called for concerning allowances.					
2. Report all acquisitions of allowances at cost.					
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.					
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).					
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.					
Line No.	NOx Allowances Inventory (Account 158.1) (a)	Current Year		2010	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	24,510.00	74,120	21,841.00	
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509	4,912.00	38,931		
19	Other:				
20	Charges to 549/158	12,146.00	95		
21	Cost of Sales/Transfers:				
22	Transfer to LG&E	1,000.00			
23	Adjustment to final 2008	5.00	39		
24	Transfer to OMU	30.00	238		
25					
26					
27					
28	Total	1,035.00	277		
29	Balance-End of Year	6,417.00	34,817	21,841.00	
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
36	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009		Year/Period of Report End of 2009/Q4		
Allowances (Accounts 158.1 and 158.2) (Continued)								
<p>6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.</p> <p>7. Report on Lines 8-14 the names of vendors/transferees of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).</p> <p>8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.</p> <p>9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.</p> <p>10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.</p>								
2011		2012		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
21,841.00		21,841.00		43,682.00		133,715.00	74,120	1
								2
								3
								4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
								17
						4,912.00	38,931	18
								19
						12,146.00	95	20
								21
						1,000.00		22
						5.00	39	23
						30.00	238	24
								25
								26
								27
						1,035.00	277	28
21,841.00		21,841.00		43,682.00		115,622.00	34,817	29
								30
								31
								32
								33
								34
								35
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Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 229 Line No.: 22 Column: a

Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of <u>2009/Q4</u>	
OTHER REGULATORY ASSETS (Account 182.3)						
1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.						
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.						
3. For Regulatory Assets being amortized, show period of amortization.						
Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written Off During the Quarter/Year Account Charged (d)	Written Off During the Period Amount (e)	
1	SFAS 158 - Pension and Postretirement	126,832,090	9,756,103	228.3	31,923,849	104,664,344
2	Winter Storm 2009		57,236,758			57,236,758
3	Asset Retirement Obligation	27,871,317	2,405,940	230	306,997	29,970,260
4	Environmental Cost Recovery		32,355,079	440-445	3,977,991	28,377,088
5	SFAS 109 - Income Taxes	10,207,180	2,271,334			12,478,514
6	MISO Exit Fee (Mar-09 to Feb-14)	18,593,188	3,551,504	143/575	11,424,474	10,720,218
7	FERC Jurisdictional Pension Expenses	2,812,426	1,010,717			3,823,143
8	Wind Storm 2008	2,188,420	7,096			2,195,516
9	EKPC FERC Transmission Costs - KY Portion					
10	(Mar-09 to Feb-14)		2,008,182	456/566	613,611	1,394,571
11	Rate Case Expenses (Mar-09 to Feb-12)		1,844,631	928	846,754	997,877
12	KY Consortium for Carbon Storage	130,014	791,946			921,960
13	KY Fuel Adjustment Clause		18,645,000	440-445	17,970,000	675,000
14	Carbon Management Research Group		216,500			216,500
15	Ice Storm (Jul-04 to Jun-09)	395,784		593	395,784	
16						
17						
18						
19						
20						
21						
22						
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39						
40						
41						
42						
43						
44	TOTAL	189,030,419	132,100,790		67,459,460	253,671,749

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 232 Line No.: 4 Column: c

This amount includes the transfer of the 12/31/2008 balance from account 186027 of \$20,153,131 during first quarter of 2009.

Schedule Page: 232 Line No.: 13 Column: c

This amount includes the transfer of the 12/31/2008 balance from account 186026 of \$7,870,000 during the first quarter of 2009.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
MISCELLANEOUS DEFERRED DEBITS (Account 186)						
<p>1. Report below the particulars (details) called for concerning miscellaneous deferred debits. 2. For any deferred debit being amortized, show period of amortization in column (a) 3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.</p>						
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Key Man Life Insurance	38,724,837	1,127,276	426	2,111,093	37,741,020
2						
3	Financing Expense	394,400	311,891	181/189	610,869	95,422
4						
5	Rate Case Expenses	1,304,056	180,729	232/182	1,392,414	92,371
6						
7	OMU Emission Allowances	1,693,900	128,358	158/555	1,760,658	61,600
8						
9	Carrollton Sale/Leaseback (Aug-06 to Jul-23)	64,338		931	4,412	59,926
10						
11						
12	Land Options	16,145	1,383			17,528
13						
14	Customer Credit Accounts					
15	Receivable	185,194	-127,507	440-445	54,429	3,258
16						
17				182/		
18	Environmental Cost Recovery	20,153,131	3,412,999	440-445	23,566,130	
19						
20	KY Fuel Adjustment Clause	7,870,000	2,834,000	182	10,704,000	
21						
22	VA Fuel Cost Component	1,503,765		182	1,503,765	
23						
24	Customer Orders	91,019	108,322	451/426	199,341	
25						
26	Cellular Antenna Billable Chgs	26,045	-26,045			
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	72,026,830				38,071,125

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 233 Line No.: 18 Column: e

Balance reflects a \$20,153,131 reclass during the first quarter of 2009 to account 182 of the 12/31/08 balance related to the Environmental Cost Recovery.

Schedule Page: 233 Line No.: 20 Column: e

Balance reflects a \$7,870,000 reclass during the first quarter of 2009 to account 182 of the 12/31/08 balance related to the Fuel Adjustment Clause.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ACCUMULATED DEFERRED INCOME TAXES (Account 190)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes. 2. At Other (Specify), include deferrals relating to other income and deductions.				
Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)	
1	Electric			
2	Pensions	-4,975,498	-8,512,768	
3	Other Post Retirement & Employment Benefits	25,919,571	25,712,007	
4	SFAS 109 Regulatory Tax Adjustments	9,629,253	8,711,717	
5	Vacation Pay	1,884,363	1,775,644	
6	Asset Retirement Obligation	14,185,872	14,185,872	
7	Other - See Notes for Detail	3,279,328	1,653,656	
8	TOTAL Electric (Enter Total of lines 2 thru 7)	49,922,889	43,526,128	
9	Gas			
10				
11				
12				
13				
14				
15	Other			
16	TOTAL Gas (Enter Total of lines 10 thru 15)			
17	Other (Specify)	764,011	435,602	
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	50,686,900	43,961,730	
Notes				
		Bal. at Beg. of Year	Bal. at End of Year	
ECR & Va Fuel Clause		\$ (584,965)	\$ (3,030,739)	
Workers' Compensation		1,008,420	990,166	
State Tax Adjustment		(382,681)	124,058	
Bad Debt Reserve		1,119,739	1,097,248	
Demand Side Management		1,965,542	1,226,576	
Contingent Liability		0	399,506	
OMU Excess Amortization		674,373	262,694	
Other		(521,100)	584,147	
		-----	-----	
Total Electric Line 7		\$3,279,328	\$1,653,656	
		=====	=====	
		Bal. at Beg. of Year	Bal. at End of Year	
Environmental Assessment		\$466,800	\$389,000	
Other		297,211	46,602	
		-----	-----	
Total Line 17		\$764,011	\$435,602	
		=====	=====	
Balance of Beginning of Year		\$50,686,900		
Less Debits to:				
Acct 410.1		11,646,443		
Acct 410.2		866,547		
Other Balance Sheet Accounts		1,031,093		
Plus Credits to:				
Acct 411.1		6,280,775		
Acct 411.2		538,138		

Balance at End of Year		\$43,961,730		
		=====		
Note: Some beginning balance amounts were reclassified from prior years' ending balance for presentation purposes, total beginning balance deferrals did not change.				

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
CAPITAL STOCKS (Account 201 and 204)					
<p>1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> <p>2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.</p>					
Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)	
1	Common Stock				
2	Common Stock, Without Par Value	80,000,000			
3	Total Common	80,000,000			
4					
5	Preferred and Preference Stock				
6	Preferred Stock, Without Par Value	5,300,000			
7	Preference Stock, Without Par Value	2,000,000			
8	Total Preferred and Preference	7,300,000			
9					
10					
11	Note:				
12	There is no Call Price for Common Stock,				
13	Without Par Value				
14					
15	The Common Stock of Kentucky Utilities Company				
16	is owned by its parent company,				
17	E.ON U.S. LLC				
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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
CAPITAL STOCKS (Account 201 and 204) (Continued)						
<p>3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.</p> <p>4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.</p> <p>5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.</p> <p>Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.</p>						
OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
						1
						2
37,817,878	308,139,978					3
37,817,878	308,139,978					4
						5
						6
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Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company		12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 250 Line No.: 8 Column: a

No shares of preferred or preference stock remain issued or outstanding.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)				
<p>Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.</p> <p>(a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation. (b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related. (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related. (d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.</p>				
Line No.	Item (a)	Amount (b)		
1				
2	Account 211:			
3	Contributed Capital - Misc. Balance January 1, 2009	240,711,597		
4	Contributed Capital March 30, 2009	50,000,000		
5	Contributed Capital June 29, 2009	25,000,000		
6	Contributed Capital September - October 2009	146,486		
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40	TOTAL	315,858,083		

Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company		12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 253 Line No.: 6 Column: b

Capital contribution based on allocation of corporate losses to the Company per E.ON US Investments Corp. and Subsidiaries' Amended and Restated Tax Agreement.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
CAPITAL STOCK EXPENSE (Account 214)				
<p>1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.</p> <p>2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.</p>				
Line No.	Class and Series of Stock (a)	Balance at End of Year (b)		
1	Expenses on Common Stock	321,289		
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22	TOTAL	321,289		

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
LONG-TERM DEBT (Account 221, 222, 223 and 224)				
<p>1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.</p> <p>2. In column (a), for new issues, give Commission authorization numbers and dates.</p> <p>3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.</p> <p>6. In column (b) show the principal amount of bonds or other long-term debt originally issued.</p> <p>7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.</p> <p>8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.</p> <p>9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.</p>				
Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)	
1	ACCOUNT 221 (1):			
2	Pollution Control Bonds: (2)			
3	Mercer County 2000 Series A, due 05/01/2023, Variable	12,900,000	607,408	
4	Carroll County 2002 Series A, due 02/01/2032, Variable	20,930,000	120,138	
5	Carroll County 2002 Series B, due 02/01/2032, Variable	2,400,000	83,078	
6	Muhlenberg County 2002 Series A, due 02/01/2032, Variable	2,400,000	93,078	
7	Mercer County 2002 Series A, due 02/01/2032, Variable	7,400,000	92,678	
8	Carroll County 2002 Series C, due 10/01/2032, Variable	96,000,000	2,150,491	
9	Carroll County 2004 Series A, due 10/01/2034, Variable	50,000,000	1,483,449	
10	Carroll County 2006 Series B, due 10/01/2034, Variable	54,000,000	1,313,275	
11	Carroll County 2007 Series A, due 02/01/2026, 5.750%	17,875,000	638,428	
12	Trimble County 2007 Series A, due 03/01/2037, 6.000%	8,927,000	471,138	
13	Carroll County 2008 Series A, due 02/01/2032, Variable	77,947,405	796,036	
14	TOTAL ACCOUNT 221	350,779,405	7,849,197	
15				
16	ACCOUNT 223 (3):			
17	Notes Payable to Fidelia, due 11/24/2010, 4.240% - unsecured (4)	33,000,000		
18	Notes Payable to Fidelia, due 01/16/2012, 4.390% - unsecured	50,000,000		
19	Notes Payable to Fidelia, due 04/30/2013, 4.550% - unsecured	100,000,000		
20	Notes Payable to Fidelia, due 08/15/2013, 5.310% - unsecured	75,000,000		
21	Notes Payable to Fidelia, due 12/19/2014, 5.450% - unsecured	100,000,000		
22	Notes Payable to Fidelia, due 07/08/2015, 4.735% - unsecured	50,000,000		
23	Notes Payable to Fidelia, due 12/21/2015, 5.360% - unsecured	75,000,000		
24	Notes Payable to Fidelia, due 10/25/2016, 5.675% - unsecured	50,000,000		
25	Notes Payable to Fidelia, due 04/24/2017, 5.280% - unsecured (3)	50,000,000		
26	Notes Payable to Fidelia, due 06/20/2017, 5.980% - unsecured	50,000,000		
27	Notes Payable to Fidelia, due 07/25/2018, 6.160% - unsecured	50,000,000		
28	Notes Payable to Fidelia, due 08/27/2018, 5.645% - unsecured	50,000,000		
29	Notes Payable to Fidelia, due 12/17/2018, 7.035% - unsecured	75,000,000		
30	Notes Payable to Fidelia, due 07/29/2019, 4.810% - unsecured (3)	50,000,000		
31	Notes Payable to Fidelia, due 10/25/2019, 5.710% - unsecured	70,000,000		
32	Notes Payable to Fidelia, due 11/25/2019, 4.445% - unsecured (3)	50,000,000		
33	TOTAL	1,581,779,405	7,849,197	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)						
<p>10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.</p> <p>11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.</p> <p>12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.</p> <p>13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.</p> <p>14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.</p> <p>15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.</p> <p>16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.</p>						
Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
05/19/2000	05/01/2023	05/19/2000	05/01/2023	12,900,000	63,525	3
05/23/2002	02/01/2032	05/23/2002	02/01/2032	20,930,000	234,840	4
05/23/2002	02/01/2032	05/23/2002	02/01/2032	2,400,000	26,929	5
05/23/2002	02/01/2032	05/23/2002	02/01/2032	2,400,000	26,929	6
05/23/2002	02/01/2032	05/23/2002	02/01/2032	7,400,000	83,030	7
10/03/2002	10/01/2032	10/03/2002	10/01/2032	96,000,000	422,547	8
10/20/2004	10/01/2034	10/20/2004	10/01/2034	50,000,000	220,657	9
02/23/2007	10/01/2034	02/23/2007	10/01/2034	54,000,000	295,742	10
05/24/2007	02/01/2026	05/24/2007	02/01/2026	17,875,000	1,027,812	11
05/24/2007	03/01/2037	05/24/2007	03/01/2037	8,927,000	535,620	12
10/17/2008	02/01/2032	10/17/2008	02/01/2032	77,947,405	422,812	13
				350,779,405	3,360,443	14
						15
						16
11/24/2003	11/24/2010				1,399,200	17
01/15/2004	01/16/2012			50,000,000	2,195,000	18
04/30/2003	04/30/2013			100,000,000	4,550,000	19
08/15/2003	08/15/2013			75,000,000	3,982,500	20
12/20/2007	12/19/2014			100,000,000	5,450,000	21
07/08/2005	07/08/2015			50,000,000	2,367,500	22
12/19/2005	12/21/2015			75,000,000	4,020,000	23
10/25/2006	10/25/2016			50,000,000	2,837,500	24
04/24/2009	04/24/2017			50,000,000	1,804,000	25
06/20/2007	06/20/2017			50,000,000	2,990,000	26
07/25/2008	07/25/2018			50,000,000	3,080,000	27
08/26/2008	08/27/2018			50,000,000	2,822,500	28
12/15/2008	12/17/2018			75,000,000	5,276,250	29
07/27/2009	07/29/2019			50,000,000	1,028,806	30
10/25/2007	10/25/2019			70,000,000	3,997,000	31
11/25/2009	11/25/2019			50,000,000	216,076	32
				1,648,779,405	72,299,975	33

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
LONG-TERM DEBT (Account 221, 222, 223 and 224)				
<p>1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.</p> <p>2. In column (a), for new issues, give Commission authorization numbers and dates.</p> <p>3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.</p> <p>6. In column (b) show the principal amount of bonds or other long-term debt originally issued.</p> <p>7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.</p> <p>8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.</p> <p>9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.</p>				
Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)	
1	ACCOUNT 223 continued			
2	Notes Payable to Fidelity, due 02/07/2022, 5.690% - unsecured	53,000,000		
3	Notes Payable to Fidelity, due 05/22/2023, 5.850% - unsecured	75,000,000		
4	Notes Payable to Fidelity, due 09/14/2028, 5.960% - unsecured	100,000,000		
5	Notes Payable to Fidelity, due 06/23/2036, 6.330% - unsecured	50,000,000		
6	Notes Payable to Fidelity, due 03/30/2037, 5.860% - unsecured	75,000,000		
7	TOTAL ACCOUNT 223	1,331,000,000		
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33	TOTAL	1,681,779,405	7,849,197	

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
02/07/2007	02/07/2022			53,000,000	3,015,700	2
05/20/2008	05/22/2023			75,000,000	4,387,500	3
09/14/2007	09/14/2028			100,000,000	5,960,000	4
06/23/2006	06/23/2036			50,000,000	3,165,000	5
03/30/2007	03/30/2037			75,000,000	4,395,000	6
				1,298,000,000	68,939,532	7
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				1,648,779,405	72,299,975	33

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report 2009/Q4
FOOTNOTE DATA			

Schedule Page: 256 Line No.: 1 Column: a

(1) Per instruction 9 concerning the treatment of unamortized debt expense, premium or discount – debt premium and expenses are being amortized over the lives of the related issues.

(2) Pollution control series bonds are obligations of Kentucky Utilities Company (KU), issued in connection with tax-exempt pollution control revenue bonds issued by various counties in Kentucky. A loan agreement obligates KU to make debt service payments to the county that equate to the debt service due from the county on the related pollution control revenue bonds.

(3) During 2009, the Company executed three additional long-term loans with Fidelia:

Amount	Interest Rate	Date Issued	Maturity Date
\$50,000,000	5.280%	04/24/2009	04/24/2017
\$50,000,000	4.810%	07/27/2009	07/29/2019
\$50,000,000	4.445%	11/25/2009	11/25/2019

The new long-term loan agreements were authorized by the Kentucky Public Service Commission in its November 5, 2008 Order in Case No. 2008-00426, the Commonwealth of Virginia State Corporation Commission in its November 7, 2008 Order in Case No. PUE-2008-00098, and the Tennessee Regulatory Authority in its November 25, 2008 Order in Docket No. 08-00193.

The Company requested, and was granted, authorization to issue up to \$225 million in additional affiliated debt during 2010 by the Kentucky Public Service Commission in its January 14, 2010 Order in Case No. 2009-00449, the Commonwealth of Virginia State Corporation Commission in its December 28, 2009 Order in Case No. PUE-2009-00130, and the Tennessee Regulatory Authority in its February 3, 2010 Order in Docket No. 09-00190.

(4) During 2009, the Company reclassified the balance of the loan to account 233 – Notes Payable to Associated Companies from 223 – Advances from Associated Companies as the note is due within one year.

Schedule Page: 256 Line No.: 1 Column: i

Interest Pollution Control Bonds (221):

Total Account 427000-427199 \$ 3,360,443

Interest on Debt to Associated Companies:

Notes Payable (223) \$68,939,532

Other Short Term Interest 108,932

Total Account 430 \$69,048,464

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES					
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.</p> <p>3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.</p>					
Line No.	Particulars (Details) (a)	Amount (b)			
1	Net Income for the Year (Page 117)	133,326,955			
2					
3					
4	Taxable Income Not Reported on Books				
5	See footnote	15,067,037			
6					
7					
8					
9	Deductions Recorded on Books Not Deducted for Return				
10	See footnote	146,068,901			
11					
12					
13					
14	Income Recorded on Books Not Included in Return				
15	See footnote	17,034,804			
16					
17					
18					
19	Deductions on Return Not Charged Against Book Income				
20	See footnote	213,877,720			
21					
22					
23					
24					
25					
26					
27	Federal Tax Net Income	63,550,369			
28	Show Computation of Tax:				
29					
30	Federal Tax Net Income	63,550,369			
31	35% Rounded	22,242,629			
32	Add: Adjustments of Prior Years' Taxes to Actual and Other	-6,580,098			
33	Add: Investment Tax Credits	-21,416,455			
34					
35	Total	-5,753,924			
36					
37					
38					
39					
40					
41					
42					
43					
44					

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 5 Column: b

Contributions in Aid of Construction	\$ 7,374,431
Customers Advances for Construction	497,606
Fuel Adjustment Clause KY	7,195,000

Total	\$15,067,037
	=====

Schedule Page: 261 Line No.: 10 Column: b

Provision for Deferred Taxes	\$ 50,244,571
Mark-to-Market	1,207,446
Pensions	4,875,293
Over/Under Collections - VA	1,936,619
Investment Tax Credit	21,416,455
Capitalized Interest	50,266,381
MISO Exit Fees-Transmission	2,567,049
Amortization of Regulatory Expenses	1,145,685
Vacation Pay	185,324
Emission Allowances	731,643
EEl Investment	10,084,218
Non-Deductible Expenses	554,815
Other	853,402

Total	\$146,068,901
	=====

Schedule Page: 261 Line No.: 15 Column: b

Equity in Subsidiary Earnings - EEI	\$ 8,680,000
Environmental Cost Recovery	8,223,957
Amortization of Investment Tax Credit	130,847

Total	\$17,034,804
	=====

Schedule Page: 261 Line No.: 20 Column: b

Federal Income Taxes:	
Utility Operating Income	\$ 4,766,355
Other Income and Deductions	987,569
Tax over Book Depreciation, Net	103,618,371
Cost of Removal	5,000,000
SFAS 106 Postretirement	338,626
SFAS 106 Subsidy	324,412
Repair Allowance	436,579
OMU Excess Amortization	1,058,301
Demand Side Management	1,899,655
Ice Storm Damages - Capital	28,000,000
Storm Damages	56,848,070
AFUDC Flow Through	3,305,897
Life Insurance	3,002,081
IRC 199 Manufacturing Deduction	2,277,853
Environmental Assessment	200,000
Other	1,813,951

Total	\$213,877,720
	=====

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR						
<p>1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.)</p> <p>Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.</p>						
Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Federal:					
2	Income	546,249		-5,928,746	-10,284,906	
3	FICA	553,449		5,889,208	5,872,486	
4						
5	Kentucky:					
6	Income	10,478		1,351,928	888,573	
7	Public Service Commission		896,375	1,834,121	1,875,492	
8	Sales & Use	577,873		3,821,246	3,714,263	
9	Vehicle License			141,157	141,157	
10						
11	Federal & Kentucky:					
12	Unemployment Insurance	48,319		159,504	133,314	
13						
14	Kentucky & Indiana:					
15	Property Taxes	6,822,192		12,571,568	11,923,077	
16	Vehicle Tax					
17	Miscellaneous					
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	8,558,560	896,375	19,839,986	14,263,456	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
<p>5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).</p> <p>6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot-note. Designate debit adjustments by parentheses.</p> <p>7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.</p> <p>9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.</p>						
BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
4,902,409		-4,766,355			-1,162,391	2
570,171		6,893,535			-1,004,327	3
						4
						5
473,833		1,631,507			-279,579	6
	937,746	1,834,121				7
684,856					3,821,246	8
					141,157	9
						10
						11
74,509		175,227			-15,723	12
						13
						14
7,470,683		11,974,840			596,728	15
		35,244			-35,244	16
		43,646			-43,646	17
						18
						19
						20
						21
						22
						23
						24
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						39
						40
14,176,461	937,746	17,821,765			2,018,221	41

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report 2009/Q4
FOOTNOTE DATA			

Schedule Page: 262 Line No.: 1 Column: a

Segregation of Other	Column L	Page 117 Other Inc & Deductions 408.2 - 409.2	Other Accounts
	Other		
Federal:			
Income	\$ (1,162,391)	\$ (987,569)	\$ (174,822)
FICA	(1,004,327)		(1,004,327)
Kentucky:			
Income	(279,579)	(307,915)	28,336
6% Use (Kentucky)	3,821,246		3,821,246
Vehicle License	141,157		141,157
Federal & Kentucky:			
Unemployment Ins	(15,723)		(15,723)
Kentucky & Indiana:			
Property Taxes	596,728	2,004	594,724
Federal, State & Local:			
Vehicle Tax	(35,244)		(35,244)
Miscellaneous	(43,646)		(43,646)
Total	\$2,018,221	\$ (1,293,480)	\$3,311,701

Reconciliation to page 114, line 14:

Other:	
Electric Total	\$17,821,765
Less Federal	4,766,355
Less State	(1,631,507)
Total	\$20,956,613

Schedule Page: 262 Line No.: 2 Column: d

The balance of (\$5,928,746) for Federal income taxes charged at 12/31/09 reflects an overpayment of Federal income taxes of \$11,611,666.

Schedule Page: 262 Line No.: 2 Column: e

The balance of (\$10,284,906) for Federal income taxes paid at 12/31/09 reflects the receipt of prior period Federal income tax overpayment amounts of \$8,382,550.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009		Year/Period of Report End of 2009/Q4	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)							
Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.							
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%						
6		118,157			420	130,847	2,927,959
7	15%	79,833,545	411.4	21,416,455			
8	TOTAL	79,951,702		21,416,455		130,847	2,927,959
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
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48							

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)					
Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION			Line No.
					1
					2
					3
					4
					5
2,915,269	31 years				6
101,250,000	37 years				7
104,165,269					8
					9
					10
					11
					12
					13
					14
					15
					16
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Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company		12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 266 Line No.: 6 Column: g

Transfer of Investment Tax Credit with purchase of Trimble County joint use assets from Louisville Gas and Electric Company.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
OTHER DEFERRED CREDITS (Account 253)						
1. Report below the particulars (details) called for concerning other deferred credits.						
2. For any deferred credit being amortized, show the period of amortization.						
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.						
Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Brown CT Long-Term Service					
2	Agreement	12,900,031	232/107/553	4,389,453		8,510,578
3						
4	EKPC Settlement	1,147,080	232	382,360		764,720
5						
6	VA Levelized Fuel Factor				432,854	432,854
7						
8	Uncertain Tax Position - Federal	210,000				210,000
9						
10	Deferred Compensation	479,158	232	370,789	22,154	130,523
11						
12	Carrollton Sale/Leaseback					
13	(Aug-06 to Jul-23)	63,890	421.1	4,381		59,509
14						
15	Uncertain Tax Position - State	36,000				36,000
16						
17	Def. Rent Payable					
18	(Aug-06 to Jul-23)	20,508			8,487	28,995
19						
20	Demand Side Management -		440-445/			
21	Refundable Costs	5,052,806	254	9,732,454	4,679,648	
22						
23	Other Def. Credits - OMU Excess					
24	(Jan-04 to Nov-19)	1,733,606	555	1,733,606		
25						
26	Merger Surcredit	66,000	186	66,000		
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	21,709,079		16,679,043	5,143,143	10,173,179

Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company		12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 269 Line No.: 21 Column: d

Balance reflects a \$5,052,806 million reclass during the first quarter of 2009 to account 254 of the 12/31/08 balance related to the DSM Cost Recovery.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ACCUMULATED DEFERRED INCOME TAXES – OTHER PROPERTY (Account 282)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Account 282				
2	Electric	283,819,495	53,969,428	38,658,713	
3	Gas				
4					
5	TOTAL (Enter Total of lines 2 thru 4)	283,819,495	53,969,428	38,658,713	
6					
7					
8					
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	283,819,495	53,969,428	38,658,713	
10	Classification of TOTAL				
11	Federal Income Tax	246,326,775	47,961,876	34,620,030	
12	State Income Tax	37,492,720	6,007,552	4,038,683	
13	Local Income Tax				
NOTES					

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of <u>2009/Q4</u>		
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)							
3. Use footnotes as required.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
		182/254	447,066	182/254	4,427,831	303,110,975	2
							3
			447,066		4,427,831	303,110,975	5
							6
							7
							8
			447,066		4,427,831	303,110,975	9
							10
			317,985		3,438,966	262,789,602	11
			129,081		988,865	40,321,373	12
							13
NOTES (Continued)							

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Account 283				
2	Electric				
3	Ice Storm Damages - Capital		11,480,000	588,000	
4	Loss on Reacquired Debt	5,143,207	63,021	155,258	
5	Asset Retirement Obligation	9,392,119			
6	FAC Under-Recovery	10,900,997	5,476,100	8,274,955	
7	Casualty Loss - Storm Damages	1,005,256	24,425,819	2,311,920	
8	Other	9,436,412	6,384,202	3,900,732	
9	TOTAL Electric (Total of lines 3 thru 8)	35,877,991	47,829,142	15,230,865	
10	Gas				
11					
12					
13					
14					
15					
16					
17	TOTAL Gas (Total of lines 11 thru 16)				
18	Other	7,508,541			
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	43,386,532	47,829,142	15,230,865	
20	Classification of TOTAL				
21	Federal Income Tax	36,999,553	41,037,815	13,333,188	
22	State Income Tax	6,386,979	6,791,327	1,897,677	
23	Local Income Tax				
NOTES					

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4		
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)							
3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.							
4. Use footnotes as required.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
						10,892,000	3
						5,050,970	4
						9,392,119	5
						8,102,142	6
						23,119,155	7
		182/254	51,685	182/254	1,638,301	13,506,498	8
			51,685		1,638,301	70,062,884	9
							10
							11
							12
							13
							14
							15
							16
							17
1,028,483	4,386,981					4,150,043	18
1,028,483	4,386,981		51,685		1,638,301	74,212,927	19
							20
908,085	3,751,082		51,685		1,073,552	62,883,050	21
120,398	635,899				564,749	11,329,877	22
							23
NOTES (Continued)							

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 276 Line No.: 8 Column: b

Beginning Balance:	
Rate Case Expenses	\$ 507,277
MISO Exit Fees	3,664,556
SFAS 109 Regulatory Tax Adjustments	3,572,900
IRS Audit Adjustments	(424,045)
Deferred Gain	1,541,402
OMU & Other Emission Allowances	687,874
Other	(113,552)

Total	\$9,436,412
	=====

Note: Some beginning balance amounts were reclassified from prior years' ending balance for presentation purposes, total beginning balance deferrals did not change.

Schedule Page: 276 Line No.: 8 Column: c

Debit Change Account 410.1:	
Rate Case Expenses	\$ 25,445
Mark-to-Market	473,868
MISO Exit Fees	53,908
Deferred Gain	5,056,551
OMU & Other Emission Allowances	15,365
IRS Audit Adjustment	446,937
Other	312,128

Total	\$6,384,202
	=====

Schedule Page: 276 Line No.: 8 Column: d

Credit Change Account 411.1:	
Rate Case Expenses	\$ 496,790
MISO Exit Fees	1,052,490
Deferred Gain	2,113,696
OMU & Other Emission Allowances	299,974
IRS Audit Adjustment	22,892
Other	(85,110)

Total	\$3,900,732
	=====

Schedule Page: 276 Line No.: 8 Column: h

Debit Adjustments:	
SFAS 109 Regulatory Tax Adjustments	\$ 51,685
	=====

Schedule Page: 276 Line No.: 8 Column: j

Credit Adjustments:	
SFAS 109 Regulatory Tax Adjustments	\$1,638,301
	=====

Schedule Page: 276 Line No.: 8 Column: k

Ending Balance:	
Rate Case Expenses	\$ 35,932
Mark-to-Market	473,868
SFAS 109 Regulatory Tax Adjustments	5,159,516
MISO Exit Fees	2,665,974
Deferred Gain	4,484,257
OMU & Other Emission Allowances	403,265

Name of Respondent Kentucky Utilities Company	This Report is: (1) _ An Original (2) X A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report 2009/Q4
FOOTNOTE DATA			

Other	283,686

Total	\$13,506,498
	=====

Schedule Page: 276 Line No.: 18 Column: b

Beginning Balance:	
EEl Investment	\$7,508,541
	=====

Schedule Page: 276 Line No.: 18 Column: e

Debit Change Account 410.2:	
EEl Investment	\$1,028,483
	=====

Schedule Page: 276 Line No.: 18 Column: f

Credit Change Account 411.2:	
EEl Investment	\$4,385,861
FIN 48 Interest	1,120

Total	\$4,386,981
	=====

Schedule Page: 276 Line No.: 18 Column: k

Ending Balance:	
EEl Investment	\$4,151,163
FIN 48 Interest	(1,120)

Total	\$4,150,043
	=====

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
OTHER REGULATORY LIABILITIES (Account 254)						
<p>1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.</p> <p>2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.</p> <p>3. For Regulatory Liabilities being amortized, show period of amortization.</p>						
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	SFAS 109 - Income Taxes	25,949,955	190/282	4,327,140		21,622,815
2	SFAS 158 - Pension and Postretirement		228.3	469,726	9,756,103	9,286,377
3	Asset Retirement Obligation	3,901,424	403	18,400	259,101	4,142,125
4	DSM Cost Recovery		440-445	7,323,781	10,476,932	3,153,151
5	MISO Schedule 10 Charges	9,172,734	182.3	9,582,232	3,439,774	3,030,276
6			184.6/506/			
7	Spare Parts	1,459,170	511-514	489,119	733,881	1,703,932
8	MISO Exit Fee Refund				836,537	836,537
9	Rates Subject to Refund in VA				469,231	469,231
10						
11						
12						
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40						
41	TOTAL	40,483,283		22,210,398	25,971,559	44,244,444

Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company		12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 278 Line No.: 4 Column: e

This amount includes the transfer of the 12/31/2008 balance from account 253008 of \$5,052,806 during the first quarter of 2009.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ELECTRIC OPERATING REVENUES (Account 400)				
<p>1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.</p> <p>2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.</p> <p>3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.</p> <p>4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.</p> <p>5. Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.</p>				
Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)	
1	Sales of Electricity			
2	(440) Residential Sales	480,270,452	462,085,548	
3	(442) Commercial and Industrial Sales			
4	Small (or Comm.) (See Instr. 4)	320,837,831	316,402,846	
5	Large (or Ind.) (See Instr. 4)	315,992,363	319,256,170	
6	(444) Public Street and Highway Lighting	10,185,756	10,014,050	
7	(445) Other Sales to Public Authorities	100,120,024	98,034,213	
8	(446) Sales to Railroads and Railways			
9	(448) Interdepartmental Sales			
10	TOTAL Sales to Ultimate Consumers	1,227,406,426	1,205,792,827	
11	(447) Sales for Resale	110,853,470	188,961,037	
12	TOTAL Sales of Electricity	1,338,259,896	1,394,753,864	
13	(Less) (449.1) Provision for Rate Refunds	469,231		
14	TOTAL Revenues Net of Prov. for Refunds	1,337,790,665	1,394,753,864	
15	Other Operating Revenues			
16	(450) Forfeited Discounts	5,730,043		
17	(451) Miscellaneous Service Revenues	1,416,641	1,358,829	
18	(453) Sales of Water and Water Power			
19	(454) Rent from Electric Property	1,338,110	2,173,641	
20	(455) Interdepartmental Rents			
21	(456) Other Electric Revenues	-141,872	-3,132,301	
22	(456.1) Revenues from Transmission of Electricity of Others	6,901,688	8,888,020	
23	(457.1) Regional Control Service Revenues			
24	(457.2) Miscellaneous Revenues			
25				
26	TOTAL Other Operating Revenues	15,144,610	9,288,189	
27	TOTAL Electric Operating Revenues	1,352,935,275	1,404,042,053	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ELECTRIC OPERATING REVENUES (Account 400)					
6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)					
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.					
8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.					
9. Include unmetered sales. Provide details of such Sales in a footnote.					
MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH			Line
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	No.	
				1	
6,594,160	6,802,830	445,203	441,059	2	
				3	
4,518,586	4,713,879	84,022	83,716	4	
5,652,615	5,995,379	2,039	1,918	5	
53,939	57,575	1,414	1,477	6	
1,593,207	1,648,938	7,940	8,271	7	
				8	
				9	
18,412,507	19,218,601	540,618	536,441	10	
2,507,765	4,865,118	31	46	11	
20,920,272	24,083,719	540,649	536,487	12	
				13	
20,920,272	24,083,719	540,649	536,487	14	
Line 12, column (b) includes \$ 16,789,347 of unbilled revenues.					
Line 12, column (d) includes 249,623 MWH relating to unbilled revenues					

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 300 Line No.: 5 Column: b

Large category includes Industrial and Mine Power accounts.

Industrial	\$267,669,673
Mine Power	<u>48,322,690</u>
Total Large (or Industrial)	\$315,992,363

Schedule Page: 300 Line No.: 5 Column: d

Large category includes Industrial and Mine Power accounts.

Industrial	4,867,629
Mine Power	<u>784,986</u>
Total Large (or Industrial)	5,652,615 Mwh

Schedule Page: 300 Line No.: 7 Column: b

Other category includes Other Sales to Public Authorities and Municipal Pumping accounts.

Other Sales to Public Authorities	\$ 95,587,730
Municipal Pumping	<u>4,532,294</u>
Total Other Sales to Public Authorities	\$100,120,024

Schedule Page: 300 Line No.: 7 Column: d

Other category includes Other Sales to Public Authorities and Municipal Pumping accounts.

Other Sales to Public Authorities	1,524,113
Municipal Pumping	<u>69,094</u>
Total Other Sales to Public Authorities	1,593,207 Mwh

Schedule Page: 300 Line No.: 11 Column: b

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Revenues from Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers. Furthermore, this reversal of intercompany Revenues from Transmission of Electricity for Others (456.1) was offset by a reversal of intercompany Transmission of Electricity by Others, as these amounts were intracompany activity that should have been eliminated.

Prior December 31, 2009 Balance	\$113,245,410
Reclassification to Kentucky Utilities Company Transmission of Electricity for Others (456.1)	(1,651,115)
Reclassification to Louisville Gas and Electric Company Transmission of Electricity for Others (456.1)	<u>(740,825)</u>
Current December 31, 2009 Balance	\$110,853,470

Schedule Page: 300 Line No.: 21 Column: b

As a result of the Company exiting the MISO, base rate revenues related to the MISO expenses through February 6, 2009, were reclassified from Other Operating Revenues to a Regulatory Liability, as required by the Kentucky Public Service Commission in its May 31, 2006 Order in Case No. 2003-00266. On February 6, 2009, new base rates excluding these MISO expenses became effective as a result of an Order in Case No. 2008-00252.

Items which compose this account's activity during 2009:

Credit to Kentucky American Water from December 2008 bill	\$ (436,000)
Total entries for the MISO reclassification	(409,498)
Other	<u>703,626</u>
Total Other Electric Revenues	\$ (141,872)

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 300 Line No.: 22 Column: b

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Revenues from Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers. Furthermore, this reversal of intercompany Revenues from Transmission of Electricity for Others (456.1) was offset by a reversal of intercompany Transmission of Electricity by Others, as these amounts were intracompany activity that should be eliminated.

In addition, the intracompany transmission revenues are eliminated from operating revenues:

Prior December 31, 2009 Balance	\$ 7,663,476
Reclassification from Sales for Resale (447)	1,651,115
Elimination of Kentucky Utilities Company Transmission of Electricity for Others (456.1)	(1,651,115)
Elimination of intracompany transmission revenues	(861,788)
Current December 31, 2009 Balance	<u>\$ 6,801,688</u>

Schedule Page: 300 Line No.: 27 Column: b

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Revenues from Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers. Furthermore, this reversal of intercompany Revenues from Transmission of Electricity for Others (456.1) was offset by a reversal of intercompany Transmission of Electricity by Others (565), as these amounts are intracompany activity that should have been eliminated.

In addition, the intracompany transmission revenues are eliminated from operating revenues:

Prior December 31, 2009 Balance	\$1,356,189,003
Elimination of Kentucky Utilities Company Transmission of Electricity for Others (456.1)	(1,651,115)
Elimination of intracompany transmission revenues	(861,788)
Reclassification to Louisville Gas and Electric Company Transmission of Electricity for Others (456.1)	(740,825)
Current December 31, 2009 Balance	<u>\$1,352,935,275</u>

Schedule Page: 300 Line No.: 1 Column: \$

This value contains unbilled revenue of \$16,460,688 and accrued revenue of \$328,659. The accrued revenue represents the following:

Energy Revenue Accrual	\$(1,936,619)
FAC Accrual	(7,195,000)
DSM Accrual	1,170,321
ECR Accrual	8,223,957
VDT Accrual	66,000
Total Accrual	<u>\$ 328,659</u>

Schedule Page: 300 Line No.: 1 Column: MWH

Unbilled revenue of 249,623 Mwh represents the net change of unbilled MWH from the previous period, and as a result could be positive or negative.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
SALES OF ELECTRICITY BY RATE SCHEDULES						
<p>1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.</p> <p>2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.</p> <p>3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</p> <p>4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</p> <p>5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</p> <p>6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.</p>						
Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Account 440					
2	Residential Service - KY	6,074,826	438,166,576	418,211	14,526	0.0721
3	General Service - KY	640	54,229	281	2,278	0.0847
4	Volunteer Fire Department - KY	13	992	2	6,500	0.0763
5	Outdoor Lighting - KY	25,044	4,505,679	42,660	587	0.1799
6	Residential Service - TN	113	2,196	5	22,600	0.0194
7	Full Electric Res. Svc. - TN	13	323	1	13,000	0.0248
8	Outdoor Lighting - TN	2	141	3	667	0.0705
9	Residential Service - VA	417,644	28,183,355	24,913	16,764	0.0675
10	General Service - VA	8	1,209	192	42	0.1511
11	Outdoor Lighting -VA	3,649	683,561	4,674	781	0.1873
12	Duplicate Customers			-45,739		
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38	Subtotal	6,521,952	471,598,261	445,203	14,649	0.0723
39	Unbilled and Other Accruals	72,208	8,672,191			0.1201
40	Total	6,594,160	480,270,452	445,203	14,812	0.0728
41	TOTAL Billed	18,305,289	1,217,338,768	540,618	33,860	0.0665
42	Total Unbilled Rev.(See Instr. 6)	107,218	10,067,658	0	0	0.0939
43	TOTAL	18,412,507	1,227,406,426	540,618	34,058	0.0667

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
SALES OF ELECTRICITY BY RATE SCHEDULES						
<p>1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.</p> <p>2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.</p> <p>3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</p> <p>4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</p> <p>5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</p> <p>6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.</p>						
Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Account 442					
2	Residential Service - KY	690	51,107	105	6,571	0.0741
3	Volunteer Fire Department - KY	6	474	1	6,000	0.0790
4	General Service -KY	1,680,687	140,253,541	72,746	23,103	0.0835
5	All Electric School - KY	10,289	658,125	39	263,821	0.0640
6	Outdoor Lighting - KY	48,272	6,275,411	20,801	2,321	0.1300
7	Small Time-of-Day Service - KY	21,189	1,084,293	6	3,531,500	0.0512
8	Combined Lighting & Power - KY	933,792	58,700,643	1,826	511,387	0.0629
9	Large Time-of-Day Service - KY	2,118,565	112,927,259	35	60,530,429	0.0533
10	Time-of-Day Service - KY	271,002	16,281,520	72	3,763,917	0.0601
11	Power Service - KY	3,187,236	200,078,135	5,449	584,921	0.0628
12	Industrial Service - KY	294,624	15,933,816	1	294,624,000	0.0541
13	IS Transmission - KY	62,037	4,121,902	1	62,037,000	0.0664
14	Curtailable Service Rider - KY		-5,686,165	2		
15	Redundant Capacity - KY		2,883	1		
16	Retail Transmission Service - KY	1,119,995	60,778,168	23	48,695,435	0.0543
17	Residential Service - VA	29	2,246	10	2,900	0.0774
18	General Service - VA	85,094	6,080,186	3,685	23,092	0.0715
19	Outdoor Lighting - VA	1,248	205,075	808	1,545	0.1643
20	Combined Lighting & Power - VA	83,065	4,461,512	63	1,318,492	0.0537
21	Curtailable Service Rider - VA		-19,200	1		
22	Power Service - VA	129,098	8,394,688	176	733,511	0.0650
23	Transmission Services - VA	98,109	5,710,503	8	12,263,625	0.0582
24	Duplicate Customers			-19,798		
25						
26						
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30						
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32						
33						
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35						
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37						
38	Subtotal	10,145,027	636,296,122	86,061	117,882	0.0627
39	Unbilled and Other Accruals	26,174	534,072			0.0204
40	Total	10,171,201	636,830,194	86,061	118,186	0.0626
41	TOTAL Billed	18,305,289	1,217,338,768	540,618	33,860	0.0665
42	Total Unbilled Rev.(See Instr. 6)	107,218	10,067,658	0	0	0.0939
43	TOTAL	18,412,507	1,227,406,426	540,618	34,058	0.0667

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
SALES OF ELECTRICITY BY RATE SCHEDULES						
<p>1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.</p> <p>2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.</p> <p>3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</p> <p>4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</p> <p>5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</p> <p>6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.</p>						
Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Account 444					
2	Residential Service - KY	17	1,317	1	17,000	0.0775
3	General Service - KY	4,196	437,864	849	4,942	0.1044
4	Outdoor Lighting - KY	186	29,944	105	1,771	0.1610
5	Street Lighting - KY	41,010	8,773,154	1,102	37,214	0.2139
6	Combined Power & Lighting - KY	1,559	107,777	8	194,875	0.0691
7	Power Service - KY	5,010	348,855	22	227,727	0.0696
8	General Service - VA	44	5,325	7	6,286	0.1210
9	Street Lighting - VA	1,587	263,180	66	24,045	0.1658
10	Duplicate Customers			-746		
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38	Subtotal	53,609	9,967,416	1,414	37,913	0.1859
39	Unbilled and Other Accruals	330	218,340			0.6516
40	Total	53,939	10,185,756	1,414	38,146	0.1888
41	TOTAL Billed	18,305,289	1,217,338,768	540,618	33,860	0.0665
42	Total Unbilled Rev.(See Instr. 6)	107,218	10,067,658	0	0	0.0939
43	TOTAL	18,412,507	1,227,406,426	540,618	34,058	0.0667

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
SALES OF ELECTRICITY BY RATE SCHEDULES						
<p>1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.</p> <p>2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.</p> <p>3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</p> <p>4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</p> <p>5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</p> <p>6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.</p>						
Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Account 445					
2	Residential Service - KY	2,239	171,447	292	7,668	0.0766
3	Volunteer Fire Department - KY	592	42,184	32	18,500	0.0713
4	General Service - KY	127,240	10,508,158	4,966	25,622	0.0826
5	All Electric School - KY	117,682	7,515,894	251	468,853	0.0639
6	Outdoor Lighting - KY	8,606	979,776	2,589	3,324	0.1138
7	Power Service - KY	603,981	39,264,256	971	622,020	0.0650
8	Combined Lighting & Power - KY	197,202	12,455,838	1,375	143,420	0.0632
9	Large Time-of-Day Svc. - KY	424,053	22,207,155	4	106,013,250	0.0524
10	Redundant Capacity - KY		7,560	2		
11	Retail Transmission Service - KY	20,565	1,093,397	9	2,285,000	0.0532
12	Residential Service - VA	589	39,514	40	14,725	0.0671
13	General Service - VA	14,170	1,112,360	528	26,837	0.0785
14	School Service - VA	23,501	1,220,618	148	158,791	0.0519
15	Outdoor Lighting - VA	656	107,636	215	3,051	0.1641
16	Power Service - VA	42,814	2,700,683	40	1,070,350	0.0631
17	Municipal Water Pumping - VA	811	50,493	11	73,727	0.0623
18	Duplicate Customers			-3,533		
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38	Subtotal	1,584,701	99,476,969	7,940	199,585	0.0628
39	Unbilled and Other Accruals	8,506	643,055			0.0756
40	Total	1,593,207	100,120,024	7,940	200,656	0.0628
41	TOTAL Billed	18,305,289	1,217,338,768	540,618	33,860	0.0665
42	Total Unbilled Rev.(See Instr. 6)	107,218	10,067,658	0	0	0.0939
43	TOTAL	18,412,507	1,227,406,426	540,618	34,058	0.0667

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report 2009/Q4
FOOTNOTE DATA			

Schedule Page: 304 Line No.: 2 Column: c Includes Fuel Adjustment Clause of \$14,416,979.
Schedule Page: 304 Line No.: 3 Column: c Includes Fuel Adjustment Clause of \$891.
Schedule Page: 304 Line No.: 4 Column: c Includes Fuel Adjustment Clause of \$17.
Schedule Page: 304 Line No.: 5 Column: a Average number of customers served under this rate schedule 42,660 - included in revenue class subtotal. These are deducted on line 12 to avoid duplication.
Schedule Page: 304 Line No.: 5 Column: c Includes Fuel Adjustment Clause of \$58,176.
Schedule Page: 304 Line No.: 11 Column: a Average number of customers served under this rate schedule 3,079 - included in revenue class subtotal. These are deducted on line 12 to avoid duplication.
Schedule Page: 304 Line No.: 39 Column: b The MWH relating to unbilled revenues represents the net change of unbilled MWH from the previous period and could be positive or negative.
Schedule Page: 304.1 Line No.: 2 Column: c Includes Fuel Adjustment Clause of \$578.
Schedule Page: 304.1 Line No.: 3 Column: c Includes Fuel Adjustment Clause of \$22.
Schedule Page: 304.1 Line No.: 4 Column: c Includes Fuel Adjustment Clause of \$3,927,105.
Schedule Page: 304.1 Line No.: 5 Column: c Includes Fuel Adjustment Clause of \$25,529.
Schedule Page: 304.1 Line No.: 6 Column: a Average number of customers served under this rate schedule 19,798 - included in revenue class subtotal. These are deducted on line 24 to avoid duplication.
Schedule Page: 304.1 Line No.: 6 Column: c Includes Fuel Adjustment Clause of \$112,359.
Schedule Page: 304.1 Line No.: 7 Column: c Includes Fuel Adjustment Clause of \$60,774.
Schedule Page: 304.1 Line No.: 8 Column: c Includes Fuel Adjustment Clause of \$3,006,001.
Schedule Page: 304.1 Line No.: 9 Column: c Includes Fuel Adjustment Clause of \$4,833,986.
Schedule Page: 304.1 Line No.: 10 Column: c Includes Fuel Adjustment Clause of \$545,306.
Schedule Page: 304.1 Line No.: 11 Column: c Includes Fuel Adjustment Clause of \$6,705,516.
Schedule Page: 304.1 Line No.: 12 Column: c Includes Fuel Adjustment Clause of \$549,901.
Schedule Page: 304.1 Line No.: 13 Column: c Includes Fuel Adjustment Clause of \$203,714.
Schedule Page: 304.1 Line No.: 16 Column: c Includes Fuel Adjustment Clause of \$2,009,482.
Schedule Page: 304.1 Line No.: 39 Column: b The MWH relating to unbilled revenues represents the net change of unbilled MWH from the previous period and could be positive or negative.
Schedule Page: 304.2 Line No.: 2 Column: c Includes Fuel Adjustment Clause of \$23.
Schedule Page: 304.2 Line No.: 3 Column: c Includes Fuel Adjustment Clause of \$10,428.
Schedule Page: 304.2 Line No.: 4 Column: c

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4

FOOTNOTE DATA

Includes Fuel Adjustment Clause of \$280.

Schedule Page: 304.2 Line No.: 5 Column: a

Average number of customers served under this rate schedule 746 - included in revenue class subtotal. These are deducted on line 10 to avoid duplication.

Schedule Page: 304.2 Line No.: 5 Column: c

Includes Fuel Adjustment Clause of \$103,497.

Schedule Page: 304.2 Line No.: 6 Column: c

Includes Fuel Adjustment Clause of \$4,982.

Schedule Page: 304.2 Line No.: 7 Column: c

Includes Fuel Adjustment Clause of \$10,645.

Schedule Page: 304.2 Line No.: 39 Column: b

The MWH relating to unbilled revenues represents the net change of unbilled MWH from the previous period and could be positive or negative.

Schedule Page: 304.3 Line No.: 2 Column: c

Includes Fuel Adjustment Clause of \$5,678.

Schedule Page: 304.3 Line No.: 3 Column: c

Includes Fuel Adjustment Clause of \$1,415.

Schedule Page: 304.3 Line No.: 4 Column: c

Includes Fuel Adjustment Clause of \$303,196.

Schedule Page: 304.3 Line No.: 5 Column: c

Includes Fuel Adjustment Clause of \$289,946.

Schedule Page: 304.3 Line No.: 6 Column: a

Average number of customers served under this rate schedule 2,589 - included in revenue class subtotal. These are deducted on line 18 to avoid duplication.

Schedule Page: 304.3 Line No.: 6 Column: c

Includes Fuel Adjustment Clause of \$15,668.

Schedule Page: 304.3 Line No.: 7 Column: c

Includes Fuel Adjustment Clause of \$1,262,760.

Schedule Page: 304.3 Line No.: 8 Column: a

Average number of customers served under this rate schedule 729 - included in revenue class subtotal. These are deducted on line 18 to avoid duplication.

Schedule Page: 304.3 Line No.: 8 Column: c

Includes Fuel Adjustment Clause of \$621,235.

Schedule Page: 304.3 Line No.: 9 Column: c

Includes Fuel Adjustment Clause of \$976,332.

Schedule Page: 304.3 Line No.: 11 Column: c

Includes Fuel Adjustment Clause of \$41,338.

Schedule Page: 304.3 Line No.: 15 Column: a

Average number of customers served under this rate schedule 215 - included in revenue class subtotal. These are deducted on line 18 to avoid duplication.

Schedule Page: 304.3 Line No.: 39 Column: b

The MWH relating to unbilled revenues represents the net change of unbilled MWH from the previous period and could be positive or negative.

Schedule Page: 304 Line No.: 42 Column: b

The MWH relating to unbilled revenues represents the net change of unbilled MWH from the previous period and could be positive or negative.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
SALES FOR RESALE (Account 447)						
<p>1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).</p> <p>2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows: RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers. LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract. IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years. SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less. LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit. IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	City of Barbourville	RQ	184	19	18	18
2	City of Bardstown	RQ	185	31	31	30
3	City of Bardwell	RQ	186	2	2	1
4	City of Benham	RQ	187	2	2	1
5	City of Berea	RQ	197	24	24	24
6	City of Corbin	RQ	188	15	15	15
7	City of Falmouth	RQ	189	3	3	3
8	City of Frankfort	RQ	190	120	120	118
9	City of Madisonville	RQ	161	51	52	46
10	City of Nicholasville	RQ	157	34	34	33
11	City of Paris	RQ	83	6	11	6
12	City of Providence	RQ	195	6	5	5
13	American Electric Power Service Corp	OS	(2)	N/A	N/A	N/A
14	Associated Electric Coop Inc	OS	(3)	N/A	N/A	N/A
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4		
SALES FOR RESALE (Account 447) (Continued)					
<p>OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.</p> <p>AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)</p> <p>5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.</p> <p>6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.</p> <p>8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.</p> <p>9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.</p> <p>10. Footnote entries as required and provide explanations following all required data.</p>					
MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
105,288	1,854,713	2,734,162	539,378	5,128,253	1
190,078	3,192,223	4,955,634	955,477	9,103,334	2
8,760	169,680	228,807	44,204	442,691	3
6,976	163,708	178,379	41,137	383,224	4
133,381	2,401,041	3,455,515	700,071	6,556,627	5
83,760	1,508,323	2,174,577	433,134	4,116,034	6
18,816	381,844	489,212	97,461	968,517	7
702,744	11,935,872	18,261,042	3,583,864	33,780,778	8
306,125	5,200,235	7,996,898	1,507,593	14,704,726	9
200,169	3,384,915	5,187,550	1,045,860	9,618,325	10
60,907	423,095	1,691,531	324,310	2,438,936	11
30,637	562,558	798,637	156,791	1,517,986	12
207		8,506		8,506	13
90		3,665		3,665	14
1,847,641	31,178,207	48,151,944	9,429,280	88,759,431	
660,124	0	21,887,259	206,780	22,094,039	
2,507,765	31,178,207	70,039,203	9,636,060	110,853,470	

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
SALES FOR RESALE (Account 447)						
<p>1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).</p> <p>2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows: RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers. LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract. IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years. SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less. LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit. IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Ameren Energy Marketing Company	OS	(3)	N/A	N/A	N/A
2	Cargill Power Markets, LLC	OS	(3)	N/A	N/A	N/A
3	Cobb Electric Membership Corporation	OS	(3)	N/A	N/A	N/A
4	DTE Energy Trading Inc.	OS	(3)	N/A	N/A	N/A
5	Duke Energy Carolinas, LLC	OS	(3)	N/A	N/A	N/A
6	East Kentucky Power Cooperative, Inc.	OS	(3)	N/A	N/A	N/A
7	Endure Energy	OS	(3)	N/A	N/A	N/A
8	Fortis Energy Marketing & Trading GP	OS	(3)	N/A	N/A	N/A
9	Illinois Municipal Electric Agency	OS	(5)	N/A	N/A	N/A
10	Indiana Municipal Power Agency	OS	(5)	N/A	N/A	N/A
11	Kentucky Municipal Power Agency	OS	(4)	N/A	N/A	N/A
12	Louisville Gas & Electric Company	SF	(1)	N/A	N/A	N/A
13	MF Global Inc.	OS		N/A	N/A	N/A
14	Merrill Lynch Commodities, Inc.	OS	(3)	N/A	N/A	N/A
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4		
SALES FOR RESALE (Account 447) (Continued)					
<p>OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.</p> <p>AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)</p> <p>5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.</p> <p>6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.</p> <p>8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.</p> <p>9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.</p> <p>10. Footnote entries as required and provide explanations following all required data.</p>					
MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
10		491		491	1
661		27,448		27,448	2
84		3,513		3,513	3
2		88		88	4
35		1,575		1,575	5
7		321		321	6
148		6,219		6,219	7
72		2,910		2,910	8
850		43,566		43,566	9
742		36,127		36,127	10
1		42		42	11
641,123		21,111,557		21,111,557	12
			206,667	206,667	13
95		4,253		4,253	14
1,847,641	31,178,207	48,151,944	9,429,280	88,759,431	
660,124	0	21,887,259	206,780	22,094,039	
2,507,765	31,178,207	70,039,203	9,636,060	110,853,470	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
SALES FOR RESALE (Account 447)						
<p>1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).</p> <p>2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows: RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers. LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract. IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years. SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less. LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit. IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Midwest Independent Transmission System	OS	(3)	N/A	N/A	N/A
2	Midwest ISO Contingency Reserve Sharing	OS	(7)	N/A	N/A	N/A
3	Owensboro Municipal Utilities	OS	(9)	N/A	N/A	N/A
4	PJM Interconnection Association	OS	(3)	N/A	N/A	N/A
5	PJM Interconnection Association	AD	(3)	N/A	N/A	N/A
6	Progress Energy Ventures Inc.	OS	(3)	N/A	N/A	N/A
7	Sempra Energy Trading Corp.	OS	(3)	N/A	N/A	N/A
8	Southern Company Services, Inc	OS	(3)	N/A	N/A	N/A
9	Tenaska Power Services Co	OS	(3)	N/A	N/A	N/A
10	Tennessee Valley Authority	OS	(3)	N/A	N/A	N/A
11	The Energy Authority	OS	(2),(3)	N/A	N/A	N/A
12	Union Electric Co (d/b/a Ameren UE)	OS	(3)	N/A	N/A	N/A
13	Westar Energy, Inc.	OS	(3)	N/A	N/A	N/A
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4		
SALES FOR RESALE (Account 447) (Continued)					
<p>OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.</p> <p>AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)</p> <p>5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.</p> <p>6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.</p> <p>8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.</p> <p>9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.</p> <p>10. Footnote entries as required and provide explanations following all required data.</p>					
MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
739		29,507		29,507	1
124		18,383		18,383	2
8,372		307,145		307,145	3
4,413		184,248		184,248	4
			113	113	5
36		2,040		2,040	6
2		120		120	7
1		72		72	8
5		215		215	9
1,579		65,635		65,635	10
658		26,825		26,825	11
33		1,268		1,268	12
35		1,520		1,520	13
					14
1,847,641	31,178,207	48,151,944	9,429,280	88,759,431	
660,124	0	21,887,259	206,780	22,094,039	
2,507,765	31,178,207	70,039,203	9,636,060	110,853,470	

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Kentucky Utilities Company	(1) <u> </u> An Original (2) <u>X</u> A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 310 Line No.: 1 Column: c

2nd Revised Rate Schedule FERC No. 184 effective May 2009.

Schedule Page: 310 Line No.: 1 Column: h

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 1,997,351
Reclassification to Transmission of Electricity for Others (456.1)	(142,638)
Current December 31, 2009 Balance	\$ 1,854,713

Schedule Page: 310 Line No.: 1 Column: j

All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.

Schedule Page: 310 Line No.: 1 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 5,270,890
Reclassification to Transmission of Electricity for Others (456.1)	(142,638)
Rounding	1
Current December 31, 2009 Balance	\$ 5,128,253

Schedule Page: 310 Line No.: 2 Column: c

2nd Revised Rate Schedule FERC No. 185 effective May 2009.

Schedule Page: 310 Line No.: 2 Column: h

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 3,436,638
Reclassification to Transmission of Electricity for Others (456.1)	(244,415)
Current December 31, 2009 Balance	\$ 3,192,223

Schedule Page: 310 Line No.: 2 Column: j

All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.

Schedule Page: 310 Line No.: 2 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 9,347,749
Reclassification to Transmission of Electricity for Others (456.1)	(244,415)
Current December 31, 2009 Balance	\$ 9,103,334

Schedule Page: 310 Line No.: 3 Column: c

2nd Revised Rate Schedule FERC No. 186 effective May 2009.

Schedule Page: 310 Line No.: 3 Column: h

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 182,033
Reclassification to Transmission of Electricity for Others (456.1)	(12,353)
Current December 31, 2009 Balance	\$ 169,680

Schedule Page: 310 Line No.: 3 Column: j

All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel

Name of Respondent	This Report is: (1) _ An Original (2) X A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(2) X A Resubmission	12/31/2009	2009/Q4

FOOTNOTE DATA

adjustment clause.

Schedule Page: 310 Line No.: 3 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 455,044
Reclassification to Transmission of Electricity for Others (456.1)	(12,353)
Current December 31, 2009 Balance	\$ 442,691

Schedule Page: 310 Line No.: 4 Column: c

3rd Revised Rate Schedule FERC No. 187 effective May 2009.

Schedule Page: 310 Line No.: 4 Column: h

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 172,428
Reclassification to Transmission of Electricity for Others (456.1)	(8,720)
Current December 31, 2009 Balance	\$ 163,708

Schedule Page: 310 Line No.: 4 Column: j

All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.

Schedule Page: 310 Line No.: 4 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 391,944
Reclassification to Transmission of Electricity for Others (456.1)	(8,720)
Current December 31, 2009 Balance	\$ 383,224

Schedule Page: 310 Line No.: 5 Column: c

1st Revised Rate Schedule FERC No. 197 effective May 2009.

Schedule Page: 310 Line No.: 5 Column: h

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 2,574,368
Reclassification to Transmission of Electricity for Others (456.1)	(173,327)
Current December 31, 2009 Balance	\$ 2,401,041

Schedule Page: 310 Line No.: 5 Column: j

All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.

Schedule Page: 310 Line No.: 5 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 6,729,954
Reclassification to Transmission of Electricity for Others (456.1)	(173,327)
Current December 31, 2009 Balance	\$ 6,556,627

Schedule Page: 310 Line No.: 6 Column: c

2nd Revised Rate Schedule FERC No. 188 effective May 2009.

Schedule Page: 310 Line No.: 6 Column: h

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	2009/Q4
FOOTNOTE DATA			

Prior December 31, 2009 Balance	\$ 1,624,612
Reclassification to Transmission of Electricity for Others (456.1)	(116,289)
Current December 31, 2009 Balance	\$ 1,508,323

Schedule Page: 310 Line No.: 6 Column: j

All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.

Schedule Page: 310 Line No.: 6 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 4,232,323
Reclassification to Transmission of Electricity for Others (456.1)	(116,289)
Current December 31, 2009 Balance	\$ 4,116,034

Schedule Page: 310 Line No.: 7 Column: c

2nd Revised Rate Schedule FERC No. 189 effective May 2009.

Schedule Page: 310 Line No.: 7 Column: h

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 407,124
Reclassification to Transmission of Electricity for Others (456.1)	(25,280)
Current December 31, 2009 Balance	\$ 381,844

Schedule Page: 310 Line No.: 7 Column: j

All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.

Schedule Page: 310 Line No.: 7 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 993,797
Reclassification to Transmission of Electricity for Others (456.1)	(25,280)
Current December 31, 2009 Balance	\$ 968,517

Schedule Page: 310 Line No.: 8 Column: c

2nd Revised Rate Schedule FERC No. 190 effective May 2009.

Schedule Page: 310 Line No.: 8 Column: h

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 12,868,068
Reclassification to Transmission of Electricity for Others (456.1)	(932,196)
Current December 31, 2009 Balance	\$ 11,935,872

Schedule Page: 310 Line No.: 8 Column: j

All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.

Schedule Page: 310 Line No.: 8 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 34,712,974
Reclassification to Transmission of Electricity for Others (456.1)	(932,196)
Current December 31, 2009 Balance	\$ 33,780,778

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
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FOOTNOTE DATA			

Schedule Page: 310 Line No.: 9 Column: c

2nd Revised Rate Schedule FERC No. 161 effective May 2009.

Schedule Page: 310 Line No.: 9 Column: h

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 5,598,676
Reclassification to Transmission of Electricity for Others (456.1)	(398,441)
Current December 31, 2009 Balance	\$ 5,200,235

Schedule Page: 310 Line No.: 9 Column: j

All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.

Schedule Page: 310 Line No.: 9 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 15,103,167
Reclassification to Transmission of Electricity for Others (456.1)	(398,441)
Current December 31, 2009 Balance	\$ 14,704,726

Schedule Page: 310 Line No.: 10 Column: c

2nd Revised Rate Schedule FERC No. 157 effective May 2009.

Schedule Page: 310 Line No.: 10 Column: h

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 3,632,274
Reclassification to Transmission of Electricity for Others (456.1)	(247,359)
Current December 31, 2009 Balance	\$ 3,384,915

Schedule Page: 310 Line No.: 10 Column: j

All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.

Schedule Page: 310 Line No.: 10 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 9,865,684
Reclassification to Transmission of Electricity for Others (456.1)	(247,359)
Current December 31, 2009 Balance	\$ 9,618,325

Schedule Page: 310 Line No.: 11 Column: c

2nd Revised Rate Schedule FERC No. 83 effective May 2009.

Schedule Page: 310 Line No.: 11 Column: h

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance	\$ 471,837
Reclassification to Transmission of Electricity for Others (456.1)	(48,742)
Current December 31, 2009 Balance	\$ 423,095

Schedule Page: 310 Line No.: 11 Column: j

All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.

Schedule Page: 310 Line No.: 11 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) __ An Original (2) <u>X</u> A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.
 Prior December 31, 2009 Balance \$ 2,487,678
 Reclassification to Transmission of Electricity for Others (456.1) (48,742)
 Current December 31, 2009 Balance \$ 2,438,936

Schedule Page: 310 Line No.: 12 Column: c

3rd Revised Rate Schedule FERC No. 195 effective May 2009.

Schedule Page: 310 Line No.: 12 Column: h

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance \$ 604,739
 Reclassification to Transmission of Electricity for Others (456.1) (42,181)
 Current December 31, 2009 Balance \$ 562,558

Schedule Page: 310 Line No.: 12 Column: j

All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.

Schedule Page: 310 Line No.: 12 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Prior December 31, 2009 Balance \$ 1,560,167
 Reclassification to Transmission of Electricity for Others (456.1) (42,181)
 Current December 31, 2009 Balance \$ 1,517,986

Schedule Page: 310 Line No.: 13 Column: b

Market Based Sale

Schedule Page: 310 Line No.: 13 Column: c

(2) FERC Electric Tariff, Original Volume No. 2

Schedule Page: 310 Line No.: 14 Column: b

Market Based Sale

Schedule Page: 310 Line No.: 14 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.1 Line No.: 1 Column: b

Market Based Sale

Schedule Page: 310.1 Line No.: 1 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.1 Line No.: 2 Column: b

Market Based Sale

Schedule Page: 310.1 Line No.: 2 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.1 Line No.: 3 Column: b

Market Based Sale

Schedule Page: 310.1 Line No.: 3 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.1 Line No.: 4 Column: b

Market Based Sale

Schedule Page: 310.1 Line No.: 4 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.1 Line No.: 5 Column: b

Market Based Sale

Schedule Page: 310.1 Line No.: 5 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.1 Line No.: 6 Column: b

Market Based Sale

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4

FOOTNOTE DATA

Market Based Sale

Schedule Page: 310.1 Line No.: 6 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.1 Line No.: 7 Column: b

Market Based Sale

Schedule Page: 310.1 Line No.: 7 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.1 Line No.: 8 Column: b

Market Based Sale

Schedule Page: 310.1 Line No.: 8 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.1 Line No.: 9 Column: b

Cost Based Sale

Schedule Page: 310.1 Line No.: 9 Column: c

(5) FERC Electric Tariff, Original Volume No. 5

Schedule Page: 310.1 Line No.: 10 Column: b

Cost Based Sale

Schedule Page: 310.1 Line No.: 10 Column: c

(5) FERC Electric Tariff, Original Volume No. 5

Schedule Page: 310.1 Line No.: 11 Column: b

Energy Imbalance

Schedule Page: 310.1 Line No.: 11 Column: c

(4) E.ON U.S. OATT FERC Electric Tariff Vol. 1 Fourth Rev.

Schedule Page: 310.1 Line No.: 12 Column: a

Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 310.1 Line No.: 12 Column: c

(1) FERC Rate Schedule No. 1. The Power Supply System Agreement, FERC Docket No. ER98-111-000

Schedule Page: 310.1 Line No.: 13 Column: b

Financial Swap

Schedule Page: 310.1 Line No.: 14 Column: b

Market Based Sale

Schedule Page: 310.1 Line No.: 14 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.2 Line No.: 1 Column: b

Market Based Sale

Schedule Page: 310.2 Line No.: 1 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.2 Line No.: 2 Column: a

Effective January 1 - January 6, 2009 MISO FERC Electric Tariff Rate Schedule No. 9: The Midwest ISO Contingency Reserve Sharing Group (MISO CRSG) is not a signatory to the CRSG contract. The MISO CRSG is the group administrator and serves as the clearing house for the CRSG billing. The CRSG group is comprised of the following members: Alliant East, Alliant West, Ameren Illinois, Ameren Missouri, Ames Municipal, Basin Electric Power Cooperative, Big Rivers, City of Springfield, City of Columbia Missouri, Consumers, Dairyland Power Cooperative, DTE Energy, Duke Energy, Duke Energy Indiana, Duke Energy Kentucky, Duke Energy Ohio, East Kentucky Power Coop, E.ON US, First Energy, GEN-SYS Energy, Great River Energy, Hastings Municipal, Heartland Consumers Power Dist, Hoosier Energy REC, Hutchinson Utilities Commission, Indianapolis Power & Light Co, Lincoln Electric System, Madison Gas & Electric, Manitoba Hydro, Michigan Electric Coordinated System, MidAmerican Energy Company, Minnesota Municipal Power Agency, Minnesota Power Inc, Minnkota Power Cooperative, Missouri River Energy Services, Montana-Dakota Utilities Inc, Municipal Energy Agency of Nebraska, Muscatine Power and Water, Nebraska Public Power District, Northern Indiana Public Service Co, Northwestern Energy, NSP Companies, Omaha Public Power District, Otter Tail Power Company, Rochester Public Utilities, So Minnesota

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
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FOOTNOTE DATA			

Municipal Power Agency, Southern Illinois Power Coop, Upper Peninsula Power Co, Vectren, Western Area Power Administration, Willmar Municipal Utilities, Wisconsin Energy Corporation, Wisconsin Public Power Inc, and Wisconsin Public Service Corp. FERC Rate Schedule No. 9 expired on January 6, 2009.

Effective January 6 - December 31, 2009: Amended and Restated MISO CRSG Agreement MISO FERC Electric Tariff Rate Schedule No. 14. The MISO CRSG group is comprised of the following members: Big Rivers, Dairyland Power Cooperative, East Kentucky Power Cooperative, Inc., Lincoln Electric System, Manitoba Hydro Marketing, MidAmerican Energy Company, Muscatine Power and Water, Nebraska Public Power District, Omaha Public Power District, Western Area Power Administration.

Schedule Page: 310.2 Line No.: 2 Column: b

Emergency Power

Schedule Page: 310.2 Line No.: 2 Column: c

(7) MISO FERC Electric Tariff Rate Schedule No. 9 (expired January 6, 2009) and MISO FERC Electric Tariff Rate Schedule No. 14 (Effective January 6 - December 31, 2009).

Schedule Page: 310.2 Line No.: 2 Column: g

MWH for Midwest ISO (MISO) members are excluded to avoid double-counting; MWH for the MISO members are reported with the MISO as part of the energy markets invoice using the FERC Order 668 MWH netting requirement.

Schedule Page: 310.2 Line No.: 2 Column: i

Energy dollars for the amount representing LMP are reported with the MISO as part of the energy markets invoice using the FERC Order 668 MWH netting requirement.

Schedule Page: 310.2 Line No.: 3 Column: b

Backup Power

Schedule Page: 310.2 Line No.: 3 Column: c

(9) FERC Electric Tariff FPC 74

Schedule Page: 310.2 Line No.: 4 Column: b

Market Based Sale

Schedule Page: 310.2 Line No.: 4 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.2 Line No.: 5 Column: b

December 2008 true-up of accrual estimate booked in 2009.

Schedule Page: 310.2 Line No.: 5 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.2 Line No.: 5 Column: j

December 2008 true-up of accrual estimate booked in 2009.

Schedule Page: 310.2 Line No.: 6 Column: b

Market Based Sale

Schedule Page: 310.2 Line No.: 6 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.2 Line No.: 7 Column: b

Market Based Sale

Schedule Page: 310.2 Line No.: 7 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.2 Line No.: 8 Column: b

Market Based Sale

Schedule Page: 310.2 Line No.: 8 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.2 Line No.: 9 Column: b

Market Based Sale

Schedule Page: 310.2 Line No.: 9 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.2 Line No.: 10 Column: b

Market Based Sale

Schedule Page: 310.2 Line No.: 10 Column: c

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.2 Line No.: 11 Column: b

Market Based Sale

Schedule Page: 310.2 Line No.: 11 Column: c

(2) FERC Electric Tariff, Original Volume No. 2

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.2 Line No.: 12 Column: b

Market Based Sale

Schedule Page: 310.2 Line No.: 12 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Schedule Page: 310.2 Line No.: 13 Column: b

Market Based Sale

Schedule Page: 310.2 Line No.: 13 Column: c

(3) FERC Electric Tariff, Second Revised Volume No. 3

Name of Respondent		This Report Is:		Date of Report	Year/Period of Report
Kentucky Utilities Company		(1) <input type="checkbox"/> An Original	(2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	End of 2009/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
1	1. POWER PRODUCTION EXPENSES				
2	A. Steam Power Generation				
3	Operation				
4	(500) Operation Supervision and Engineering	3,812,215	4,096,569		
5	(501) Fuel	415,456,996	468,318,498		
6	(502) Steam Expenses	12,683,781	12,298,437		
7	(503) Steam from Other Sources				
8	(Less) (504) Steam Transferred-Cr.				
9	(505) Electric Expenses	5,475,237	5,592,653		
10	(506) Miscellaneous Steam Power Expenses	17,161,081	10,595,994		
11	(507) Rents				
12	(509) Allowances	1,076,442	619,818		
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	455,665,752	501,521,969		
14	Maintenance				
15	(510) Maintenance Supervision and Engineering	8,032,502	6,147,126		
16	(511) Maintenance of Structures	5,465,692	5,408,039		
17	(512) Maintenance of Boiler Plant	30,085,584	25,209,896		
18	(513) Maintenance of Electric Plant	10,030,450	9,741,859		
19	(514) Maintenance of Miscellaneous Steam Plant	1,186,672	1,059,004		
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	54,800,900	47,565,924		
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	510,466,652	549,087,893		
22	B. Nuclear Power Generation				
23	Operation				
24	(517) Operation Supervision and Engineering				
25	(518) Fuel				
26	(519) Coolants and Water				
27	(520) Steam Expenses				
28	(521) Steam from Other Sources				
29	(Less) (522) Steam Transferred-Cr.				
30	(523) Electric Expenses				
31	(524) Miscellaneous Nuclear Power Expenses				
32	(525) Rents				
33	TOTAL Operation (Enter Total of lines 24 thru 32)				
34	Maintenance				
35	(528) Maintenance Supervision and Engineering				
36	(529) Maintenance of Structures				
37	(530) Maintenance of Reactor Plant Equipment				
38	(531) Maintenance of Electric Plant				
39	(532) Maintenance of Miscellaneous Nuclear Plant				
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)				
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)				
42	C. Hydraulic Power Generation				
43	Operation				
44	(535) Operation Supervision and Engineering	7,472	7,332		
45	(536) Water for Power				
46	(537) Hydraulic Expenses				
47	(538) Electric Expenses				
48	(539) Miscellaneous Hydraulic Power Generation Expenses	66,166	42,056		
49	(540) Rents				
50	TOTAL Operation (Enter Total of Lines 44 thru 49)	73,638	49,388		
51	C. Hydraulic Power Generation (Continued)				
52	Maintenance				
53	(541) Maintenance Supervision and Engineering	102,893	104,880		
54	(542) Maintenance of Structures	304,520	148,534		
55	(543) Maintenance of Reservoirs, Dams, and Waterways	204,843			
56	(544) Maintenance of Electric Plant	90,818	76,469		
57	(545) Maintenance of Miscellaneous Hydraulic Plant	4,890	5,629		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)	707,964	335,512		
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)	781,602	384,900		

Name of Respondent		This Report Is:		Date of Report	Year/Period of Report
Kentucky Utilities Company		(1) <input type="checkbox"/> An Original	(2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	End of 2009/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
60	D. Other Power Generation				
61	Operation				
62	(546) Operation Supervision and Engineering	151,335	177,861		
63	(547) Fuel	18,240,318	44,080,973		
64	(548) Generation Expenses	245,405	2,352,366		
65	(549) Miscellaneous Other Power Generation Expenses	115,234	137,843		
66	(550) Rents				
67	TOTAL Operation (Enter Total of lines 62 thru 66)	18,752,292	46,749,043		
68	Maintenance				
69	(551) Maintenance Supervision and Engineering	94,877	106,233		
70	(552) Maintenance of Structures	273,434	157,283		
71	(553) Maintenance of Generating and Electric Plant	1,355,144	2,318,502		
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	526,041	517,893		
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	2,249,496	3,099,911		
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	21,001,788	49,848,954		
75	E. Other Power Supply Expenses				
76	(555) Purchased Power	198,813,399	221,176,768		
77	(556) System Control and Load Dispatching	1,770,747	1,593,466		
78	(557) Other Expenses	858,038	980,360		
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	201,442,184	223,750,594		
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	733,692,226	823,072,341		
81	2. TRANSMISSION EXPENSES				
82	Operation				
83	(560) Operation Supervision and Engineering	938,282	1,987,071		
84	(561) Load Dispatching	1,142,269	1,028,651		
85	(561.1) Load Dispatch-Reliability				
86	(561.2) Load Dispatch-Monitor and Operate Transmission System				
87	(561.3) Load Dispatch-Transmission Service and Scheduling				
88	(561.4) Scheduling, System Control and Dispatch Services	5,367	19,268		
89	(561.5) Reliability, Planning and Standards Development	421,156			
90	(561.6) Transmission Service Studies	-90,921	47,889		
91	(561.7) Generation Interconnection Studies				
92	(561.8) Reliability, Planning and Standards Development Services	385	1,386		
93	(562) Station Expenses	427,272	400,774		
94	(563) Overhead Lines Expenses	382,898	424,984		
95	(564) Underground Lines Expenses				
96	(565) Transmission of Electricity by Others	2,968,189	6,315,049		
97	(566) Miscellaneous Transmission Expenses	5,244,100	4,842,910		
98	(567) Rents	151,270	99,500		
99	TOTAL Operation (Enter Total of lines 83 thru 98)	11,590,267	15,167,482		
100	Maintenance				
101	(568) Maintenance Supervision and Engineering				
102	(569) Maintenance of Structures				
103	(569.1) Maintenance of Computer Hardware				
104	(569.2) Maintenance of Computer Software				
105	(569.3) Maintenance of Communication Equipment				
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant				
107	(570) Maintenance of Station Equipment	1,328,766	1,212,830		
108	(571) Maintenance of Overhead Lines	4,955,410	3,143,960		
109	(572) Maintenance of Underground Lines				
110	(573) Maintenance of Miscellaneous Transmission Plant	383,109	375,802		
111	TOTAL Maintenance (Total of lines 101 thru 110)	6,667,285	4,732,592		
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	18,257,552	19,900,074		

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
113	3. REGIONAL MARKET EXPENSES			
114	Operation			
115	(575.1) Operation Supervision			
116	(575.2) Day-Ahead and Real-Time Market Facilitation			
117	(575.3) Transmission Rights Market Facilitation			
118	(575.4) Capacity Market Facilitation			
119	(575.5) Ancillary Services Market Facilitation			
120	(575.6) Market Monitoring and Compliance			
121	(575.7) Market Facilitation, Monitoring and Compliance Services	1,638,767	38,293	
122	(575.8) Rents			
123	Total Operation (Lines 115 thru 122)	1,638,767	38,293	
124	Maintenance			
125	(576.1) Maintenance of Structures and Improvements			
126	(576.2) Maintenance of Computer Hardware			
127	(576.3) Maintenance of Computer Software			
128	(576.4) Maintenance of Communication Equipment			
129	(576.5) Maintenance of Miscellaneous Market Operation Plant			
130	Total Maintenance (Lines 125 thru 129)			
131	TOTAL Regional Transmission and Market Op Expns (Total 123 and 130)	1,638,767	38,293	
132	4. DISTRIBUTION EXPENSES			
133	Operation			
134	(580) Operation Supervision and Engineering	2,948,316	1,437,058	
135	(581) Load Dispatching	732,823	603,830	
136	(582) Station Expenses	1,104,093	1,229,962	
137	(583) Overhead Line Expenses	3,661,640	4,122,244	
138	(584) Underground Line Expenses	72,193	72,556	
139	(585) Street Lighting and Signal System Expenses		10,104	
140	(586) Meter Expenses	6,331,754	6,521,240	
141	(587) Customer Installations Expenses	-52,277	-80,541	
142	(588) Miscellaneous Expenses	4,255,583	4,687,096	
143	(589) Rents	16,020	12,842	
144	TOTAL Operation (Enter Total of lines 134 thru 143)	19,070,145	18,616,391	
145	Maintenance			
146	(590) Maintenance Supervision and Engineering	75,226	7,745	
147	(591) Maintenance of Structures		685	
148	(592) Maintenance of Station Equipment	627,174	959,759	
149	(593) Maintenance of Overhead Lines	26,088,493	22,896,107	
150	(594) Maintenance of Underground Lines	525,538	630,133	
151	(595) Maintenance of Line Transformers	163,309	79,117	
152	(596) Maintenance of Street Lighting and Signal Systems	24,802	60,839	
153	(597) Maintenance of Meters			
154	(598) Maintenance of Miscellaneous Distribution Plant	1,890,125	-5,118	
155	TOTAL Maintenance (Total of lines 146 thru 154)	29,394,667	24,629,267	
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	48,464,812	43,245,658	
157	5. CUSTOMER ACCOUNTS EXPENSES			
158	Operation			
159	(901) Supervision	2,162,211	1,940,125	
160	(902) Meter Reading Expenses	3,980,247	3,761,113	
161	(903) Customer Records and Collection Expenses	14,908,295	12,515,610	
162	(904) Uncollectible Accounts	3,879,137	3,919,708	
163	(905) Miscellaneous Customer Accounts Expenses	381,731	334,960	
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	25,311,621	22,471,516	

Name of Respondent		This Report Is:	Date of Report	Year/Period of Report
Kentucky Utilities Company		(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	End of 2009/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
166	Operation			
167	(907) Supervision	169,903	252,037	
168	(908) Customer Assistance Expenses	11,302,051	2,726,413	
169	(909) Informational and Instructional Expenses	152,470	68,864	
170	(910) Miscellaneous Customer Service and Informational Expenses	2,718,541	1,870,819	
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	14,342,965	4,918,133	
172	7. SALES EXPENSES			
173	Operation			
174	(911) Supervision			
175	(912) Demonstrating and Selling Expenses	7,959		
176	(913) Advertising Expenses	52,319	58,162	
177	(916) Miscellaneous Sales Expenses			
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	60,278	58,162	
179	8. ADMINISTRATIVE AND GENERAL EXPENSES			
180	Operation			
181	(920) Administrative and General Salaries	17,889,542	16,142,090	
182	(921) Office Supplies and Expenses	5,425,432	6,798,911	
183	(Less) (922) Administrative Expenses Transferred-Credit	2,091,217	1,992,872	
184	(923) Outside Services Employed	6,534,631	12,763,789	
185	(924) Property Insurance	3,300,729	2,832,972	
186	(925) Injuries and Damages	1,840,624	1,226,235	
187	(926) Employee Pensions and Benefits	38,828,205	24,119,043	
188	(927) Franchise Requirements	3,490	3,196	
189	(928) Regulatory Commission Expenses	1,200,955	1,192,613	
190	(929) (Less) Duplicate Charges-Cr.	3,490	3,196	
191	(930.1) General Advertising Expenses	760,367	585,277	
192	(930.2) Miscellaneous General Expenses	1,949,580	1,738,084	
193	(931) Rents	1,970,871	1,741,354	
194	TOTAL Operation (Enter Total of lines 181 thru 193)	77,609,719	67,147,496	
195	Maintenance			
196	(935) Maintenance of General Plant	9,453,795	8,415,586	
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	87,063,514	75,563,082	
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	928,831,735	989,267,259	

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) _ An Original (2) X A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 320 Line No.: 90 Column: b

Credit Balance is due to adjustments for transmission studies expenses that were performed for and billed to Southwest Power Pool.

Schedule Page: 320 Line No.: 96 Column: b

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Revenues from Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers. Furthermore, this reversal of intercompany Revenues from Transmission of Electricity for Others (456.1) was offset by a reversal of intercompany Transmission of Electricity by Others (565), as these amounts were intracompany activity that should have been eliminated.

In addition, intracompany transmission expenses are eliminated from operating expenses:

Prior December 31, 2009 Balance	\$ 6,221,917
Elimination of Kentucky Utilities Company Transmission of Electricity by Others (565)	(1,651,115)
Elimination of intracompany transmission expenses (565)	(861,788)
Reclassification to Louisville Gas and Electric Company Transmission of Electricity by Others (565)	(740,825)
Current December 31, 2009 Balance	<u>\$ 2,968,189</u>

Schedule Page: 320 Line No.: 99 Column: b

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Revenues from Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers. Furthermore, this reversal of intercompany Revenues from Transmission of Electricity for Others (456.1) was offset by a reversal of intercompany Transmission of Electricity by Others (565), as these amounts were intracompany activity that should have been eliminated.

In addition, intracompany transmission expenses are eliminated from operating expenses:

Prior December 31, 2009 Balance	\$ 14,843,995
Elimination of Kentucky Utilities Company Transmission of Electricity by Others (565)	(1,651,115)
Elimination of intracompany transmission expenses (565)	(861,788)
Reclassification to Louisville Gas and Electric Company Transmission of Electricity by Others (565)	(740,825)
Current December 31, 2009 Balance	<u>\$ 11,590,267</u>

Schedule Page: 320 Line No.: 112 Column: b

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Revenues from Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers. Furthermore, this reversal of intercompany Revenues from Transmission of Electricity for Others (456.1) was offset by a reversal of intercompany Transmission of Electricity by Others (565), as these amounts were intracompany activity that should have been eliminated.

In addition, intracompany transmission expenses are eliminated from operating expenses:

Prior December 31, 2009 Balance	\$ 21,511,280
Elimination of Kentucky Utilities Company Transmission of Electricity by Others (565)	(1,651,115)
Elimination of intracompany transmission expenses (565)	(861,788)
Reclassification to Louisville Gas and Electric Company Transmission of Electricity by Others (565)	(740,825)

Name of Respondent	This Report is: (1) <u> </u> An Original (2) <u>X</u> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company		12/31/2009	2009/Q4
FOOTNOTE DATA			

Current December 31, 2009 Balance \$ 18,257,552

Schedule Page: 320 Line No.: 141 Column: b

The credit is due to meter tampering charges billed to customers to offset the cost of meter maintenance. The cost is recorded in several accounts.

Schedule Page: 320 Line No.: 141 Column: c

The credit is due to meter tampering charges billed to customers to offset the cost of meter maintenance. The cost is recorded in several accounts.

Schedule Page: 320 Line No.: 154 Column: c

The credit balance is due to an out-of-period adjustment for uncollectible Sundry accounts receivable.

Schedule Page: 320 Line No.: 198 Column: b

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Revenues from Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers. Furthermore, this reversal of intercompany Revenues from Transmission of Electricity for Others (456.1) was offset by a reversal of intercompany Transmission of Electricity by Others (565), as these were intracompany amounts that should have been eliminated.

In addition, intracompany transmission expenses are eliminated from operating expenses:

Prior December 31, 2009 Balance	\$ 932,085,463
Elimination of Kentucky Utilities Company Transmission of Electricity by Others (565)	(1,651,115)
Elimination of intracompany transmission expenses (565)	(861,788)
Reclassification to Louisville Gas and Electric Company Transmission of Electricity by Others (565)	(740,825)
Current December 31, 2009 Balance	<u>\$ 928,831,735</u>

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
PURCHASED POWER (Account 555) (Including power exchanges)						
<p>1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.</p> <p>2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</p> <p>RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.</p> <p>LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.</p> <p>LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.</p> <p>IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.</p> <p>OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Ameren Energy Marketing Company	OS	(1)	N/A	N/A	N/A
2	American Electric Power Service Corp	OS	(1)	N/A	N/A	N/A
3	Associated Electric Coop Inc	OS	(1)	N/A	N/A	N/A
4	Big Rivers Electric Corp.	OS	(3)	N/A	N/A	N/A
5	Bluegrass Generation Company LLC	OS	(5)	N/A	N/A	N/A
6	Cargill Power Markets, LLC	OS	(1)	N/A	N/A	N/A
7	Cobb Electric Membership Corporation	OS	(1)	N/A	N/A	N/A
8	Dynegy Marketing and Trade, LLC	OS	(1)	N/A	N/A	N/A
9	Dynegy Power Marketing, Inc	OS	(1)	165	168	
10	Duke Energy Carolinas, LLC	OS	(1)	N/A	N/A	N/A
11	East Kentucky Power Coop. Inc.	OS	(1)	N/A	N/A	N/A
12	East Kentucky Power Coop. Inc.	OS	(3)	N/A	N/A	N/A
13	Endure Energy	OS	(1)	N/A	N/A	N/A
14	Fortis Energy Marketing & Trading GP	OS	(1)	N/A	N/A	N/A
	Total					

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4				
PURCHASED POWER (Account 555) (Continued) (Including power exchanges)							
<p>AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.</p> <p>5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>6. Report in column (g) the megawatt-hours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatt-hours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.</p> <p>7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.</p> <p>8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.</p> <p>9. Footnote entries as required and provide explanations following all required data.</p>							
MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$)(j)	Energy Charges (\$)(k)	Other Charges (\$)(l)	Total (j+k+l) of Settlement (\$)(m)	
56,869				2,011,029		2,011,029	1
6,444				310,454		310,454	2
1,753				87,563		87,563	3
82				3,952		3,952	4
229				13,649		13,649	5
4,942				191,063		191,063	6
400				20,400		20,400	7
689				13,780		13,780	8
38,866			1,543,812	2,013,748		3,557,560	9
45				2,655		2,655	10
525				7,875		7,875	11
9,995				344,653		344,653	12
50				1,800		1,800	13
250				9,250		9,250	14
7,352,923	19,680	26,299	25,910,790	178,689,145	-5,786,536	198,813,399	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
PURCHASED POWER (Account 555) (Including power exchanges)						
<p>1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.</p> <p>2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</p> <p>RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.</p> <p>LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.</p> <p>LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.</p> <p>IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.</p> <p>OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Hoosier Energy Rural Electric Coop.	OS	(3)	N/A	N/A	N/A
2	Illinois Municipal Electric Agency	OS	(7)	N/A	N/A	N/A
3	Indiana Municipal Power Agency	OS	(7)	N/A	N/A	N/A
4	Kentucky Municipal Power Agency	OS	(3)	N/A	N/A	N/A
5	Louisville Gas & Electric Co.	SF	(2)	N/A	N/A	N/A
6	Merrill Lynch Commodities, Inc.	OS	(1)	N/A	N/A	N/A
7	Midwest Independent Transmission Oper.	OS	(1)	N/A	N/A	N/A
8	Midwest ISO Contingency Reserv Sharing	OS	(4)	N/A	N/A	N/A
9	Midwest ISO Contingency Reserv Sharing	AD	(4)	N/A	N/A	N/A
10	Ohio Valley Electric Corporation	OS	(6)	N/A	N/A	N/A
11	Ohio Valley Electric Corporation	AD	(6)	N/A	N/A	N/A
12	Owensboro Municipal Utilities	RQ	(8)	178	297	
13	Owensboro Municipal Utilities	AD	(8)	N/A	N/A	N/A
14	PJM Interconnection Association	OS	(1)	N/A	N/A	N/A
	Total					

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4		
PURCHASED POWER (Account 555) (Continued) (Including power exchanges)							
AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.							
4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.							
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.							
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.							
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.							
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.							
9. Footnote entries as required and provide explanations following all required data.							
MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$ (j))	Energy Charges (\$ (k))	Other Charges (\$ (l))	Total (j+k+l) of Settlement (\$) (m)	
130				4,565		4,565	1
4,216				86,850		86,850	2
6,399				184,880		184,880	3
60				1,794		1,794	4
4,970,889				100,863,328		100,863,328	5
1,225				43,950		43,950	6
46,398				1,967,528		1,967,528	7
230				98,009		98,009	8
					28	28	9
369,893			7,391,282	8,296,452		15,687,734	10
					147,586	147,586	11
1,584,851			16,975,696	51,203,094		68,178,790	12
					-5,933,188	-5,933,188	13
206,432				9,420,871		9,420,871	14
7,352,923	19,680	26,299	25,910,790	178,689,145	-5,786,536	198,813,399	

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4			
PURCHASED POWER (Account 555) (Including power exchanges)						
<p>1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.</p> <p>2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</p> <p>RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.</p> <p>LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.</p> <p>LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.</p> <p>IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.</p> <p>OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	PJM Interconnection Association	AD	(1)	N/A	N/A	N/A
2	Southern Company Services, Inc.	OS	(1)	N/A	N/A	N/A
3	Suez Energy Marketing	OS	(1)	N/A	N/A	N/A
4	Tenaska Power Services Co	OS	(1)	N/A	N/A	N/A
5	The Energy Authority	OS	(1)	N/A	N/A	N/A
6	Tennessee Valley Authority	OS	(1)	N/A	N/A	N/A
7	Union Electric Co (d/b/a Ameren UE)	OS	(1)	N/A	N/A	N/A
8	Westar Energy, Inc.	OS	(1)	N/A	N/A	N/A
9	Inadvertent Interchange			N/A	N/A	N/A
10						
11						
12						
13						
14						
	Total					

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4				
PURCHASED POWER (Account 555) (Continued) (Including power exchanges)							
<p>AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.</p> <p>5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.</p> <p>7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.</p> <p>8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.</p> <p>9. Footnote entries as required and provide explanations following all required data.</p>							
MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER			Total (j+k+l) of Settlement (\$) (m)	Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)		
					-962	-962	1
677				34,358		34,358	2
70				4,060		4,060	3
250				14,750		14,750	4
8,647				455,509		455,509	5
150				6,450		6,450	6
28,786				883,373		883,373	7
2,481				87,453		87,453	8
	19,680	26,299					9
							10
							11
							12
							13
							14
7,352,923	19,680	26,299	25,910,790	178,689,145	-5,786,536	198,813,399	

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 326 Line No.: 1 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 1 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 2 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 2 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 3 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 3 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 4 Column: b
Energy Imbalance
Schedule Page: 326 Line No.: 4 Column: c
(3) E.ON U.S. OATT FERC Electric Tariff Vol. 1 Fourth Rev and Big Rivers Electric Corp. OATT FERC Electric Tariff Vol. 1 Second Rev.
Schedule Page: 326 Line No.: 5 Column: b
Energy Imbalance
Schedule Page: 326 Line No.: 5 Column: c
(5) FERC Electric Tariff, Original Volume No. 2, Service Agreement No. 255
Schedule Page: 326 Line No.: 6 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 6 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 7 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 7 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 8 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 8 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 9 Column: b
Purchased Power
Schedule Page: 326 Line No.: 9 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 9 Column: f
The supplier's system monthly peak is not available to Kentucky Utilities Company.
Schedule Page: 326 Line No.: 10 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 10 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 11 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 11 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 12 Column: b
Energy Imbalance
Schedule Page: 326 Line No.: 12 Column: c
(3) E.ON U.S. OATT FERC Electric Tariff Vol. 1 Fourth Rev and East Kentucky Power Coop. OATT FERC Electric Tariff Vol. 1 Second Rev.
Schedule Page: 326 Line No.: 13 Column: b
Market Based Purchase
FERC FORM NO. 1 (ED. 12-87)
Page 450.1

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 326 Line No.: 13 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326 Line No.: 14 Column: b

Market Based Purchase

Schedule Page: 326 Line No.: 14 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.1 Line No.: 1 Column: b

Energy Imbalance

Schedule Page: 326.1 Line No.: 1 Column: c

(3) E.ON U.S. OATT FERC Electric Tariff Vol. 1 Fourth Rev and Hoosier Energy Rural Electric Coop. OATT FERC Electric Tariff Vol. 1 Second Rev.

Schedule Page: 326.1 Line No.: 2 Column: b

Market Based Purchase

Schedule Page: 326.1 Line No.: 2 Column: c

(7) Interchange Agreement FERC Schedule No. 33

Schedule Page: 326.1 Line No.: 3 Column: b

Market Based Purchase

Schedule Page: 326.1 Line No.: 3 Column: c

(7) Interchange Agreement FERC Schedule No. 31

Schedule Page: 326.1 Line No.: 4 Column: b

Energy Imbalance

Schedule Page: 326.1 Line No.: 4 Column: c

(3) E.ON U.S. OATT FERC Electric Tariff Vol. 1 Fourth Rev.

Schedule Page: 326.1 Line No.: 5 Column: a

Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 326.1 Line No.: 5 Column: c

(2) FERC Rate Schedule No. 1. The Power Supply System Agreement, FERC Docket No. ER98-111-000

Schedule Page: 326.1 Line No.: 6 Column: b

Market Based Purchase

Schedule Page: 326.1 Line No.: 6 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.1 Line No.: 7 Column: b

Market Based Purchase

Schedule Page: 326.1 Line No.: 7 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.1 Line No.: 8 Column: a

Effective January 1 - January 6, 2009 MISO FERC Electric Tariff Rate Schedule No. 9: The Midwest ISO Contingency Reserve Sharing Group (MISO CRSG) is not a signatory to the CRSG contract. The MISO CRSG is the group administrator and serves as the clearing house for the CRSG billing. The CRSG group is comprised of the following members: Alliant East, Alliant West, Ameren Illinois, Ameren Missouri, Ames Municipal, Basin Electric Power Cooperative, Big Rivers, City of Springfield, City of Columbia Missouri, Consumers, Dairyland Power Cooperative, DTE Energy, Duke Energy, Duke Energy Indiana, Duke Energy Kentucky, Duke Energy Ohio, East Kentucky Power Coop, E.ON US, First Energy, GEN-SYS Energy, Great River Energy, Hastings Municipal, Heartland Consumers Power Dist, Hoosier Energy REC, Hutchinson Utilities Commission, Indianapolis Power & Light Co, Lincoln Electric System, Madison Gas & Electric, Manitoba Hydro, Michigan Electric Coordinated System, MidAmerican Energy Company, Minnesota Municipal Power Agency, Minnesota Power Inc, Minnkota Power Cooperative, Missouri River Energy Services, Montana-Dakota Utilities Inc, Municipal Energy Agency of Nebraska, Muscatine Power and Water, Nebraska Public Power District, Northern Indiana Public Service Co, Northwestern Energy, NSP Companies, Omaha Public Power District, Otter Tail

Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report 2009/Q4
Kentucky Utilities Company			
FOOTNOTE DATA			

Power Company, Rochester Public Utilities, So Minnesota Municipal Power Agency, Southern Illinois Power Coop, Upper Peninsula Power Co, Vectren, Western Area Power Administration, Willmar Municipal Utilities, Wisconsin Energy Corporation, Wisconsin Public Power Inc, and Wisconsin Public Service Corp. FERC Rate Schedule No. 9 expired on January 6, 2009.

Effective January 6 - December 31, 2009: Amended and Restated MISO CRSG Agreement MISO FERC Electric Tariff Rate Schedule No. 14. The MISO CRSG group is comprised of the following members: Big Rivers, Dairyland Power Cooperative, East Kentucky Power Cooperative, Inc., Lincoln Electric System, Manitoba Hydro Marketing, MidAmerican Energy Company, Muscatine Power and Water, Nebraska Public Power District, Omaha Public Power District, Western Area Power Administration.

Schedule Page: 326.1 Line No.: 8 Column: b

Emergency Power

Schedule Page: 326.1 Line No.: 8 Column: c

(4) MISO FERC Electric Tariff Rate Schedule No. 9 (expired January 6, 2009) and MISO FERC Electric Tariff Rate Schedule No. 14 (Effective January 6 - December 31, 2009).

Schedule Page: 326.1 Line No.: 8 Column: g

MWH for the Midwest ISO (MISO) members are excluded to avoid double-counting; MWH for the MISO members are reported with the MISO as part of the energy markets invoice using the FERC Order 668 MWH netting requirement.

Schedule Page: 326.1 Line No.: 8 Column: k

Energy dollars for the amount representing LMP are reported with the Midwest ISO (MISO) as part of the energy markets invoice using the FERC Order 668 MWH netting requirement.

Schedule Page: 326.1 Line No.: 9 Column: a

Effective January 1 - January 6, 2009 MISO FERC Electric Tariff Rate Schedule No. 9: The Midwest ISO Contingency Reserve Sharing Group (MISO CRSG) is not a signatory to the CRSG contract. The MISO CRSG is the group administrator and serves as the clearing house for the CRSG billing. The CRSG group is comprised of the following members: Alliant East, Alliant West, Ameren Illinois, Ameren Missouri, Ames Municipal, Basin Electric Power Cooperative, Big Rivers, City of Springfield, City of Columbia Missouri, Consumers, Dairyland Power Cooperative, DTE Energy, Duke Energy, Duke Energy Indiana, Duke Energy Kentucky, Duke Energy Ohio, East Kentucky Power Coop, E.ON US, First Energy, GEN-SYS Energy, Great River Energy, Hastings Municipal, Heartland Consumers Power Dist, Hoosier Energy REC, Hutchinson Utilities Commission, Indianapolis Power & Light Co, Lincoln Electric System, Madison Gas & Electric, Manitoba Hydro, Michigan Electric Coordinated System, MidAmerican Energy Company, Minnesota Municipal Power Agency, Minnesota Power Inc, Minnkota Power Cooperative, Missouri River Energy Services, Montana-Dakota Utilities Inc, Municipal Energy Agency of Nebraska, Muscatine Power and Water, Nebraska Public Power District, Northern Indiana Public Service Co, Northwestern Energy, NSP Companies, Omaha Public Power District, Otter Tail Power Company, Rochester Public Utilities, So Minnesota Municipal Power Agency, Southern Illinois Power Coop, Upper Peninsula Power Co, Vectren, Western Area Power Administration, Willmar Municipal Utilities, Wisconsin Energy Corporation, Wisconsin Public Power Inc, and Wisconsin Public Service Corp. FERC Rate Schedule No. 9 expired on January 6, 2009.

Effective January 6 - December 31, 2009: Amended and Restated MISO CRSG Agreement MISO FERC Electric Tariff Rate Schedule No. 14. The MISO CRSG group is comprised of the following members: Big Rivers, Dairyland Power Cooperative, East Kentucky Power Cooperative, Inc., Lincoln Electric System, Manitoba Hydro Marketing, MidAmerican Energy Company, Muscatine Power and Water, Nebraska Public Power District, Omaha Public Power District, Western Area Power Administration.

Schedule Page: 326.1 Line No.: 9 Column: b

FERC FORM NO. 1 (ED. 12-87)

Page 450.3

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4

FOOTNOTE DATA

True-up of December 2008 accrual estimate.

Schedule Page: 326.1 Line No.: 9 Column: c

(4) MISO FERC Electric Tariff Rate Schedule No. 9 (expired January 6, 2009) and MISO FERC Electric Tariff Rate Schedule No. 14 (Effective January 6 - December 31, 2009).

Schedule Page: 326.1 Line No.: 9 Column: l

December 2008 true-up of accrual estimate booked in 2009.

Schedule Page: 326.1 Line No.: 10 Column: a

OVEC 3rd Revised Rate Schedule FERC No. 4. The Company owns 2.5% of the common stock of Ohio Valley Electric Corporation (OVEC). Purchase of surplus power pursuant to Article 4 of the Amended and Restated Inter-company Power Agreement among OVEC and Sponsoring Companies dated March 13, 2006

Schedule Page: 326.1 Line No.: 10 Column: b

Surplus Power

Schedule Page: 326.1 Line No.: 10 Column: c

(6) Purchase of surplus power pursuant to Article 4 of the Amended and Restated Inter-company Power Agreement among OVEC and Sponsoring Companies dated March 13, 2006.

Schedule Page: 326.1 Line No.: 11 Column: a

OVEC 3rd Revised Rate Schedule FERC No. 4. The Company owns 2.5% of the common stock of Ohio Valley Electric Corporation (OVEC). Purchase of surplus power pursuant to Article 4 of the Amended and Restated Inter-company Power Agreement among OVEC and Sponsoring Companies dated March 13, 2006

Schedule Page: 326.1 Line No.: 11 Column: b

December 2008 true-up of accrual estimate for both energy and demand charges booked in 2009.

Schedule Page: 326.1 Line No.: 11 Column: c

(6) Purchase of surplus power pursuant to Article 4 of the Amended and Restated Inter-company Power Agreement among OVEC and Sponsoring Companies dated March 13, 2006.

Schedule Page: 326.1 Line No.: 11 Column: l

December 2008 true-up of accrual estimates for both energy (\$102,261) and demand charges (\$45,325) made in 2009.

Schedule Page: 326.1 Line No.: 12 Column: c

(8) FERC Electric Tariff FPC 74

Schedule Page: 326.1 Line No.: 12 Column: f

The supplier's system monthly peak is not available to Kentucky Utilities Company.

Schedule Page: 326.1 Line No.: 13 Column: b

December 2008 true-up of accrual estimate for both energy and demand charges booked in 2009.

Schedule Page: 326.1 Line No.: 13 Column: c

(8) FERC Electric Tariff FPC 74

Schedule Page: 326.1 Line No.: 13 Column: l

December 2008 true-up of accrual estimates for both energy (\$440,023) and demand charges (\$49,397) made in 2009 and refund of NOx Allowances and interest from favorable result of OMU litigation in 2009 (-\$6,422,608).

Schedule Page: 326.1 Line No.: 14 Column: b

Market Based Purchase

Schedule Page: 326.1 Line No.: 14 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 1 Column: b

December 2008 true-up of accrual estimate booked in 2009.

Schedule Page: 326.2 Line No.: 1 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 1 Column: l

December 2008 true-up of accrual estimate booked in 2009.

Schedule Page: 326.2 Line No.: 2 Column: b

Market Based Purchase

Schedule Page: 326.2 Line No.: 2 Column: c

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	2009/Q4
FOOTNOTE DATA			

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 3 Column: b

Market Based Purchase

Schedule Page: 326.2 Line No.: 3 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 4 Column: b

Market Based Purchase

Schedule Page: 326.2 Line No.: 4 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 5 Column: b

Market Based Purchase

Schedule Page: 326.2 Line No.: 5 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 6 Column: b

Market Based Purchase

Schedule Page: 326.2 Line No.: 6 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 7 Column: b

Market Based Purchase

Schedule Page: 326.2 Line No.: 7 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 8 Column: b

Market Based Purchase

Schedule Page: 326.2 Line No.: 8 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c).</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Midwest ISO	Midwest ISO	Midwest ISO	AD	
2	East Kentucky Power Cooperative	East Kentucky Power Cooperative	East Kentucky Power Cooperative	FNO	
3	East Kentucky Power Cooperative	East Kentucky Power Cooperative	East Kentucky Power Cooperative	SFP	
4	East Kentucky Power Cooperative	East Kentucky Power Cooperative	East Kentucky Power Cooperative	NF	
5	Tennessee Valley Authority	Tennessee Valley Authority	Tennessee Valley Authority	OLF	
6	Tennessee Valley Authority	Tennessee Valley Authority	Tennessee Valley Authority	NF	
7	Big Rivers Electric Corporation	Big Rivers Electric Corporation	Big Rivers Electric Corporation	FNO	
8	Big Rivers Electric Corporation	Various	Big Rivers Electric Corporation	NF	
9	Kentucky Municipal Power Agency	Various	Kentucky Municipal Power Agency	FNO	
10	KU/LG&E	Various	Various	FNS	
11	KU/LG&E	Various	Various	NF	
12	KU/LG&E	Various	Various	SFP	
13	KU/LG&E	Various	Various	LFP	
14	Cargill Power Markets, LLC	Various	Various	SFP	
15	Cargill Power Markets, LLC	Various	Various	NF	
16	Dynegy Power Marketing, Inc.	Various	Various	AD	
17	Ameren Energy Marketing	Ameren Energy Marketing	Ameren Energy Marketing	SFP	
18	Ameren Energy Marketing	Ameren Energy Marketing	Ameren Energy Marketing	NF	
19	American Electric Power Service Corporation	Various	Various	NF	
20	City of Barbourville	Various	City of Barbourville	FNS	
21	City of Bardstow	Various	City of Bardstow	FNS	
22	City of Bardwell	Various	City of Bardwell	FNS	
23	City of Benhem	Various	City of Benhem	FNS	
24	City of Berea	Various	City of Berea	FNS	
25	City of Corbin	Various	City of Corbin	FNS	
26	City of Falmouth	Various	City of Falmouth	FNS	
27	City of Frankfort	Various	City of Frankfort	FNS	
28	City of Madisonville	Various	City of Madisonville	FNS	
29	City of Nicholasville	Various	City of Nicholasville	FNS	
30	City of Paris	Various	City of Paris	FNS	
31	City of Providence	Various	City of Providence	FNS	
32					
33					
34					
	TOTAL				

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')						
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>						
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
N/A	Midwest ISO	N/A				1
Vol 1 SA 4	East Kentucky Power	East Kentucky Power	299	1,988,517	1,930,943	2
Vol 1	East Kentucky Power	East Kentucky Power	1	10,257	4,816	3
Vol 1	East Kentucky Power	East Kentucky Power		218	165	4
93	TVA	TVA	49	312,101	304,607	5
Vol 1	TVA	Various		2,089	2,082	6
Vol 1	Various	Various	1	914	1,205	7
Vol 1	Various	Various		13,520	13,077	8
Vol 1 SA 13	Various	LGEE.KMPA		11,572	11,871	9
Vol 1	Various	Kentucky Utilities				10
Vol 1	Various	Various	47			11
Vol 1	Various	Various	89			12
Vol 1	Various	Various				13
Vol 1	Various	Various	38	82,953	80,107	14
Vol 1	Various	Various		10,687	10,351	15
Vol 1	Various	Various				16
Vol 1	Various	Various		1,668	1,618	17
Vol 1	Various	Various				18
Vol 1	Various	Various		1,367	1,327	19
184	Various	City of Barbourville	12			20
185	Various	City of Bardstow	21			21
186	Various	City of Bardwell	1			22
187	Various	City of Benham	1			23
197	Various	City of Berea	15			24
188	Various	City of Corbin	10			25
189	Various	City of Falmouth	2			26
190	Various	City of Frankfort	81			27
161	Various	City of Madisonville	35			28
157	Various	City of Nicholasvill	21			29
83	Various	City of Paris	4			30
195	Various	City of Providence	4			31
						32
						33
						34
			731	2,435,863	2,362,169	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')					
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>					
REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS					
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.	
		-334,009	-334,009	1	
2,453,855		105,470	2,559,325	2	
20,421	3,778	855	25,054	3	
	39,079	-296	38,783	4	
550,990		41,346	592,336	5	
	8,023	145	8,168	6	
2,972		84	3,056	7	
	26,733	612	27,345	8	
				9	
3,517		66	3,583	10	
	1,065,655	26,843	1,092,498	11	
443,538	41,170	11,647	496,355	12	
1,023,886		37,904	1,061,790	13	
393,547	31,584	4,278	429,409	14	
	18,110	711	18,821	15	
		-19,266	-19,266	16	
	3,198	132	3,330	17	
	1,439	60	1,499	18	
	4,215	70	4,285	19	
96,664		1,797	98,461	20	
185,637		3,078	168,715	21	
8,371		156	8,527	22	
5,909		110	6,019	23	
117,460		2,184	119,644	24	
78,808		1,465	80,273	25	
17,132		318	17,450	26	
631,736		11,742	643,478	27	
270,019		5,018	275,037	28	
167,631		3,116	170,747	29	
33,034		612	33,646	30	
28,586		531	29,117	31	
				32	
				33	
				34	
6,513,713	1,242,984	-93,221	7,663,476		

Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report 2009/Q4
Kentucky Utilities Company			
FOOTNOTE DATA			

Schedule Page: 328 Line No.: 1 Column: m

The total consists of a true-up of the pass through of a reduction in Schedule 1 and Schedule 2 charges for the period of August 2002 - March 2005, as per FERC Orders ER05-63 and ER05-55.

Schedule Page: 328 Line No.: 2 Column: m

The total consists of East Kentucky Power Cooperative Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 3 Column: m

The total consists of East Kentucky Power Cooperative Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 4 Column: m

The total consists of East Kentucky Power Cooperative Schedule 1 and Schedule 2 charges and a refund of over-collected Schedule 2 revenue.

Schedule 1	\$ 14
Schedule 2	15
Schedule 2 refund	(325)
	\$ (296)

Schedule Page: 328 Line No.: 5 Column: d

The OLF transmission service agreement between Kentucky Utilities Company and Tennessee Valley Authority has a termination date of 12/31/2011.

Schedule Page: 328 Line No.: 5 Column: m

The total consists of Tennessee Valley Authority Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 6 Column: m

The total consists of Tennessee Valley Authority Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 7 Column: m

The total consists of Big Rivers Electric Corporation Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 8 Column: m

The total consists of Big Rivers Electric Corporation Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 10 Column: a

Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 328 Line No.: 10 Column: h

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been in Lines 20-31 (Billing Demand MW).

Prior December 31, 2009 Balance	207 MW
Reclassification to Lines 20-31 from Line 10	(207) MW
Current December 31, 2009 Balance	0

Schedule Page: 328 Line No.: 10 Column: k

Resubmission due to the reversal of intercompany Transmission of Electricity for Others (456.1) recorded in error, offset by a corresponding reversal of intercompany Transmission of Electricity by Others (565).

Prior December 31, 2009 Balance	\$1,624,504
Reclassification to Lines 20-31 from Line 10	(1,620,987)
Current December 31, 2009 Balance	\$ 3,517

Schedule Page: 328 Line No.: 10 Column: m

The total consists of Kentucky Utilities Company and Louisville Gas and Electric Company Open Access Transmission Tariff Schedule 1 charges for transmission service for serving Kentucky Utilities Company's Municipals.

Resubmission due to the reversal of intercompany Transmission of Electricity for Others (456.1) for Schedule 1 charges, offset by a corresponding reversal of intercompany Transmission of Electricity by Others (565) for Schedule 1 charges, as these amounts were intracompany activity that should have been eliminated.

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Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4

FOOTNOTE DATA

Prior December 31, 2009 Balance	\$30,193
Reclassification to Lines 20-31 from Line 10	(30,127)
Current December 31, 2009 Balance	\$ 66

Schedule Page: 328 Line No.: 11 Column: a

Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 328 Line No.: 11 Column: m

The total consists of Schedule 1 and Schedule 2 charges related to various counterparties.

Schedule Page: 328 Line No.: 12 Column: a

Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 328 Line No.: 12 Column: m

The total consists of Schedule 1 and Schedule 2 charges related to various counterparties.

Schedule Page: 328 Line No.: 13 Column: a

Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 328 Line No.: 13 Column: d

Long-term Firm purchases by Kentucky Utilities Company and Louisville Gas and Electric Company take place under the Open Access Transmission Tariff with intercompany allocations for revenues and expenses determined by the Transmission Coordination Agreement between the Companies. The Tariff is evergreen and the Transmission Coordination Agreement automatically renews unless terminated.

Schedule Page: 328 Line No.: 13 Column: m

The total consists of Schedule 1 and Schedule 2 charges related to various counterparties.

Schedule Page: 328 Line No.: 14 Column: m

The total consists of Cargill Power Markets, LLC Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 15 Column: m

The total consists of Cargill Power Markets, LLC Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 16 Column: m

The total consists of a refund of prior period Dynegy Power Marketing, Inc. Schedule 2 charges collected from customers.

Schedule Page: 328 Line No.: 17 Column: m

The total consists of Ameren Energy Marketing Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 18 Column: m

The total consists of Ameren Energy Marketing Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 19 Column: m

The total consists of American Electric Power Service Corp. Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 20 Column: a

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Schedule Page: 328 Line No.: 20 Column: h

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been in Line 20 (Billing Demand MW).

Prior December 31, 2009 Balance	0 MW
Reclassification to Line 20 from Line 10	12 MW
Current December 31, 2009 Balance	12 MW

Schedule Page: 328 Line No.: 20 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$96,664

Schedule Page: 328 Line No.: 20 Column: m

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	2009/Q4
FOOTNOTE DATA			

Resubmission due to the reclassification of unbundled transmission revenues for Schedule 1 charges from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$1,797

Schedule Page: 328 Line No.: 21 Column: a

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Schedule Page: 328 Line No.: 21 Column: h

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been in Line 21 (Billing Demand MW).

Prior December 31, 2009 Balance	0 MW
Reclassification to Line 21 from Line 10	21 MW
Current December 31, 2009 Balance	21 MW

Schedule Page: 328 Line No.: 21 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$165,637

Schedule Page: 328 Line No.: 21 Column: m

Resubmission due to the reclassification of unbundled transmission revenues for Schedule 1 charges from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$3,078

Schedule Page: 328 Line No.: 22 Column: a

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Schedule Page: 328 Line No.: 22 Column: h

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been in Line 22 (Billing Demand MW).

Prior December 31, 2009 Balance	0 MW
Reclassification to Line 22 from Line 10	1 MW
Current December 31, 2009 Balance	1 MW

Schedule Page: 328 Line No.: 22 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$8,371

Schedule Page: 328 Line No.: 22 Column: m

Resubmission due to the reclassification of unbundled transmission revenues for Schedule 1 charges from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$156

Schedule Page: 328 Line No.: 23 Column: a

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Schedule Page: 328 Line No.: 23 Column: h

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been

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FOOTNOTE DATA

in Line 23 (Billing Demand MW).

Prior December 31, 2009 Balance	0 MW
Reclassification to Line 23 from Line 10	1 MW
Current December 31, 2009 Balance	1 MW

Schedule Page: 328 Line No.: 23 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$5,909

Schedule Page: 328 Line No.: 23 Column: m

Resubmission due to the reclassification of unbundled transmission revenues for charges from Sales for Resale (447) to Transmission of Electricity for Others Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$110

Schedule Page: 328 Line No.: 24 Column: a

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Schedule Page: 328 Line No.: 24 Column: h

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been in Line 24 (Billing Demand MW).

Prior December 31, 2009 Balance	0 MW
Reclassification to Line 24 from Line 10	15 MW
Current December 31, 2009 Balance	15 MW

Schedule Page: 328 Line No.: 24 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$117,460

Schedule Page: 328 Line No.: 24 Column: m

Resubmission due to the reclassification of unbundled transmission revenues for Schedule 1 charges from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$2,184

Schedule Page: 328 Line No.: 25 Column: a

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Schedule Page: 328 Line No.: 25 Column: h

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been in Line 25 (Billing Demand MW).

Prior December 31, 2009 Balance	0 MW
Reclassification to Line 25 from Line 10	10 MW
Current December 31, 2009 Balance	10 MW

Schedule Page: 328 Line No.: 25 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$78,808

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Kentucky Utilities Company		12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 328 Line No.: 25 Column: m

Resubmission due to the reclassification of unbundled transmission revenues for Schedule 1 charges from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$1,465

Schedule Page: 328 Line No.: 26 Column: a

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Schedule Page: 328 Line No.: 26 Column: h

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been in Line 26 (Billing Demand MW).

Prior December 31, 2009 Balance	0 MW
Reclassification to Line 26 from Line 10	2 MW
Current December 31, 2009 Balance	2 MW

Schedule Page: 328 Line No.: 26 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$17,132

Schedule Page: 328 Line No.: 26 Column: m

Resubmission due to the reclassification of unbundled transmission revenues for Schedule 1 charges from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$318

Schedule Page: 328 Line No.: 27 Column: a

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Schedule Page: 328 Line No.: 27 Column: h

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been in Line 27 (Billing Demand MW).

Prior December 31, 2009 Balance	0 MW
Reclassification to Line 27 from Line 10	81 MW
Current December 31, 2009 Balance	81 MW

Schedule Page: 328 Line No.: 27 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$631,736

Schedule Page: 328 Line No.: 27 Column: m

Resubmission due to the reclassification of unbundled transmission revenues for Schedule 1 charges from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$11,742

Schedule Page: 328 Line No.: 28 Column: a

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Schedule Page: 328 Line No.: 28 Column: h

Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company		12/31/2009	2009/Q4
FOOTNOTE DATA			

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been in Line 28 (Billing Demand MW).

Prior December 31, 2009 Balance	0 MW
Reclassification to Line 28 from Line 10	35 MW
Current December 31, 2009 Balance	35 MW

Schedule Page: 328 Line No.: 28 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$270,019

Schedule Page: 328 Line No.: 28 Column: m

Resubmission due to the reclassification of unbundled transmission revenues for Schedule 1 charges from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$5,018

Schedule Page: 328 Line No.: 29 Column: a

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Schedule Page: 328 Line No.: 29 Column: h

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been in Line 29 (Billing Demand MW).

Prior December 31, 2009 Balance	0 MW
Reclassification to Line 29 from Line 10	21 MW
Current December 31, 2009 Balance	21 MW

Schedule Page: 328 Line No.: 29 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$167,631

Schedule Page: 328 Line No.: 29 Column: m

Resubmission due to the reclassification of unbundled transmission revenues for Schedule 1 charges from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$3,116

Schedule Page: 328 Line No.: 30 Column: a

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Schedule Page: 328 Line No.: 30 Column: h

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been in Line 30 (Billing Demand MW).

Prior December 31, 2009 Balance	0 MW
Reclassification to Line 30 from Line 10	4 MW
Current December 31, 2009 Balance	4 MW

Schedule Page: 328 Line No.: 30 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
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FOOTNOTE DATA			

Reclassification from Sales for Resale (447) from Line 10: \$33,034

Schedule Page: 328 Line No.: 30 Column: m

Resubmission due to the reclassification of unbundled transmission revenues for Schedule 1 charges from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$612

Schedule Page: 328 Line No.: 31 Column: a

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Schedule Page: 328 Line No.: 31 Column: h

Resubmission due to amounts included in Line 10 (Billing Demand MW) that should have been in Line 31 (Billing Demand MW).

Prior December 31, 2009 Balance	0 MW
Reclassification to Line 31 from Line 10	4 MW
Current December 31, 2009 Balance	4 MW

Schedule Page: 328 Line No.: 31 Column: k

Resubmission due to the reclassification of unbundled transmission revenues from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$28,586

Schedule Page: 328 Line No.: 31 Column: m

Resubmission due to the reclassification of unbundled transmission revenues for Schedule 1 charges from Sales for Resale (447) to Transmission of Electricity for Others (456.1) for Kentucky Utilities Company municipal customers.

Reclassification from Sales for Resale (447) from Line 10: \$531

Schedule Page: 328 Line No.: 31 Column: n

This footnote is not to reference this cell, but the total on line 35 column (n).

The total amount does not agree to page 300, line 22, column (b) due to intracompany transmission revenues that must be eliminated in consolidation:

Page 330, line 35, column (n)	\$ 7,663,476
Elimination of intracompany transmission revenues	(861,788)
Page 300, line 22, column (b)	\$ 6,801,688

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4			
TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565) (Including transactions referred to as "wheeling")								
<p>1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.</p> <p>2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.</p> <p>3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.</p> <p>4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.</p> <p>5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>6. Enter "TOTAL" in column (a) as the last line.</p> <p>7. Footnote entries and provide explanations following all required data.</p>								
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			Total Cost of Transmission (\$) (h)
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	
1	Midwest ISO	NF	73,739	73,739		316,202	42,135	358,337
2	Midwest ISO	AD	-217	-217			-3,435	-109,114
3	East Kentucky Power	LFP			1,650,560		119,659	1,770,219
4	East Kentucky Power	AD			23,318		12,939	36,257
5	KU/LG&E	LFP	241,219	241,219	361,993		17,424	379,417
6	KU/LG&E	SFP	94,565	94,565	232,623		7,824	240,447
7	KU/LG&E	NF	162,326	162,326		610,389	27,085	637,474
8	KU/LG&E	FNS			5,057		131	5,188
9	PJM Interconnect	SFP	61,584	61,584	255,040		9,330	264,370
10	PJM Interconnect	NF	192,288	192,288		128,833	107,935	236,768
11	PJM Interconnect	AD					596	596
12	Tennessee Valley Auth	NF	2,130	2,130		8,036	1,982	10,018
13	Tennessee Valley Auth	AD				-133	133	
14								
15								
16								
	TOTAL		827,634	827,634	2,528,591	1,069,892	241,494	3,829,977

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4

FOOTNOTE DATA

Schedule Page: 332 Line No.: 1 Column: g

The total consists of Schedule 1, Schedule 2 and Schedule 26 charges.

Schedule Page: 332 Line No.: 2 Column: f

The total consists of true-ups of prior periods.

Schedule Page: 332 Line No.: 2 Column: g

The total consists of a true-up of prior period Schedule 1, Schedule 2, Schedule 26 charges and a pass-through of a reduction in Schedule 1 and Schedule 2 expense for the period of August 2002 - March 2005, as per FERC order ER05-63 and ER05-55.

Schedule 1 true-up:	\$ 209
Schedule 2 true-up:	(701)
Schedule 26 true-up:	179
Pass-through expense reduction:	(105,366)
	\$ (105,679)

Schedule Page: 332 Line No.: 3 Column: b

The LFP transmission service agreement between East Kentucky Power Cooperative and Kentucky Utilities Company and Louisville Gas and Electric Company has a termination date of 9/30/2016.

Schedule Page: 332 Line No.: 3 Column: e

Resubmission due to a rounding correction.

Prior December 31, 2009 Balance	\$ 1,650,559
Rounding correction	1
Current December 31, 2009 Balance	\$ 1,650,560

Schedule Page: 332 Line No.: 3 Column: g

The total consists of Schedule 1 and Schedule 2 charges.

Schedule Page: 332 Line No.: 4 Column: e

The total consists of true-ups of prior periods.

Schedule Page: 332 Line No.: 4 Column: g

The total consists of true-ups of Schedule 1 and Schedule 2 charges for prior periods.

Schedule Page: 332 Line No.: 5 Column: a

Resubmission due to a change in the way the name of the company was previously reported to reflect both intracompany and intercompany transactions. Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 332 Line No.: 5 Column: b

Long-term firm purchases by Kentucky Utilities Company and Louisville Gas and Electric Company take place under the Open Access Transmission Tariff with intercompany allocations for revenues and expenses determined by the Transmission Coordination Agreement between the Companies. The Tariff is evergreen and the Transmission Coordination Agreement automatically renews unless terminated.

Schedule Page: 332 Line No.: 5 Column: g

The total consists of Schedule 1 and Schedule 2 charges.

Schedule Page: 332 Line No.: 6 Column: a

Resubmission due to a change in the way the name of the company was previously reported to reflect both intracompany and intercompany transactions. Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 332 Line No.: 6 Column: g

The total consists of Schedule 1 and Schedule 2 charges.

Schedule Page: 332 Line No.: 7 Column: a

Resubmission due to a change in the way the name of the company was previously reported to reflect both intracompany and intercompany transactions. Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 332 Line No.: 7 Column: g

The total consists of Schedule 1 and Schedule 2 charges.

Schedule Page: 332 Line No.: 8 Column: a

Name of Respondent	This Report is: (1) _ An Original (2) X A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(2) X A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

Resubmission due to a change in the way the name of the company was previously reported to reflect both intracompany and intercompany transactions. Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 332 Line No.: 8 Column: e

Resubmission due to the reversal of intercompany Transmission of Electricity by Others (565) recorded in error, offset by a corresponding reversal of intercompany Transmission of Electricity for Others (456.1).

Prior December 31, 2009 Balance	\$ 2,336,742
Reversal of Transmission of Electricity by Others (565)	(2,331,685)
Current December 31, 2009 Balance	<u>\$ 5,057</u>

Schedule Page: 332 Line No.: 8 Column: g

The total consists of Kentucky Utilities Company and Louisville Gas and Electric Company Open Access Transmission Tariff Schedule 1 charges for transmission service for serving Kentucky Utilities Company Municipals. Resubmission due to the reversal of intercompany Transmission of Electricity by Others (565) for Schedule 1 charges recorded in error, offset by a corresponding reversal of intercompany Transmission of Electricity for Others (456.1) for Schedule 1 charges.

Prior December 31, 2009 Balance	\$ 60,387
Reversal of Transmission of Electricity by Others (565)	(60,256)
Current December 31, 2009 Balance	<u>\$ 131</u>

Schedule Page: 332 Line No.: 9 Column: g

The total consists of Schedule 1, Schedule 2, Black Start service and charges for other short-term firm point-to-point transmission without energy.

Schedule Page: 332 Line No.: 10 Column: g

The total consists of Schedule 1, Schedule 2, Black Start service and charges for other non-firm point to point without energy.

Schedule Page: 332 Line No.: 11 Column: g

The total consists of true-ups and reclassification of prior period Schedule 1, Schedule 2, Black Start service and charges for other non-firm point to point without energy.

Schedule 1 Non-firm:	\$ (20,267)
Schedule 2 Non-firm:	(7,739)
Other Non-firm Point-to-Point without energy:	<u>28,602</u>
	<u>\$ 596</u>

Schedule Page: 332 Line No.: 12 Column: g

The total consists of Schedule 1 and Schedule 2 charges.

Schedule Page: 332 Line No.: 13 Column: f

The total consists of true-ups of prior periods.

Schedule Page: 332 Line No.: 13 Column: g

The total consists of true-ups of Schedule 1 and Schedule 2 charges for prior periods.

Schedule Page: 332 Line No.: 13 Column: h

This footnote is not to reference this cell, but the total for column (h).

The total amount does not agree to page 321, line 96, column (b) due to the elimination of intracompany transmission expenses:

Page 332, the total for column (h)	\$ 3,829,977
Elimination of intracompany transmission expenses	(861,788)
Page 321, line 96, column (b)	<u>\$ 2,968,189</u>

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)					
Line No.	Description (a)	Amount (b)			
1	Industry Association Dues	513,814			
2	Nuclear Power Research Expenses				
3	Other Experimental and General Research Expenses	1,264,199			
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities				
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000	24,251			
6	Water Use Fees - KY River Authority	79,793			
7	Professional Services - Ernst & Young	23,333			
8	Marketing Research & Consulting Expenses				
9	Chartwell Inc.	14,845			
10	First Quartile Consulting	12,750			
11	Websurveyor Corp.	8,695			
12	Bellomy Research Inc.	7,900			
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45					
46	TOTAL	1,949,580			

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4			
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405) (Except amortization of acquisition adjustments)						
<p>1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).</p> <p>2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.</p> <p>3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.</p> <p>Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.</p> <p>In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.</p> <p>For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.</p> <p>4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.</p>						
A. Summary of Depreciation and Amortization Charges						
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			6,066,868		6,066,868
2	Steam Production Plant	63,390,014	296,976			63,686,990
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional	101,285	52			101,337
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	17,009,377	2,443			17,011,820
7	Transmission Plant	9,855,390	91			9,855,481
8	Distribution Plant	31,732,386	183			31,732,569
9	Regional Transmission and Market Operation					
10	General Plant	5,165,541				5,165,541
11	Common Plant-Electric					
12	TOTAL	127,253,993	299,745	6,066,868		133,620,606
B. Basis for Amortization Charges						
ACCOUNT	RATE	PLANT BALANCE @12/31/2009	AMORTIZATION			
130200	0 - 5% (1)	83,453	292			
130300	20%	15,165,484	3,478,384			
130310	10%	36,405,084	2,588,192			
Notes:						
(1) Amortization rates vary from 0 to 5%						

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4		
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Intangible Plant						
13	301 Organization	44					
14	302 Fmchses & Consent	83					
15	303 Misc Intngbl Plant	15,165			20.00		
16	303.10 CCS Software	36,405			10.00		
17							
18	Steam Production Plant						
19	310 Land	10,881					
20							
21	311 Strctrs & Imprvmts						
22	5603 Tyrone Unit 3	5,592	100.00	-5.00		100-S1.5	
23	5604 Tyrone Units 1&2	583	100.00	-5.00		100-S1.5	
24	5613 Green Rvr Unit 3	2,769	100.00	-5.00		100-S1.5	
25	5614 Green Rvr Unit 4	4,870	100.00	-5.00		100-S1.5	
26	5615 Green Rvr Unt 1&2	2,573	100.00	-5.00		100-S1.5	
27	5621 Brown Unit 1	4,703	100.00	-5.00	0.60	100-S1.5	19.30
28	5622 Brown Unit 2	2,105	100.00	-5.00	0.08	100-S1.5	19.40
29	5623 Brown Unit 3	20,942	100.00	-5.00	0.54	100-S1.5	19.20
30	5643 Pineville Unit 3	16	100.00	-5.00		100-S1.5	
31	5650 Ghent Unit 1 FGD	8,484	100.00	-5.00	2.65	100-S1.5	19.30
32	5651 Ghent Unit 1	17,724	100.00	-5.00	0.39	100-S1.5	19.10
33	5652 Ghent Unit 2	16,011	100.00	-5.00	0.50	100-S1.5	19.90
34	5658 Ghent Unit 2 FGD	15,817	100.00	-5.00	2.65	100-S1.5	19.90
35	5653 Ghent Unit 3	42,047	100.00	-5.00	1.19	100-S1.5	28.20
36	5654 Ghent Unit 4	30,604	100.00	-5.00	1.14	100-S1.5	28.30
37	5591 System Laboratory	806	100.00	-5.00	1.54	100-S1.5	28.40
38	0321 Trmble Cty Unit 2	46,148	100.00	-5.00	2.10	100-S1.5	
39							
40	312 Boiler Plant Eqpmt						
41	5603 Tyrone Unit 3	13,985	65.00	-20.00	3.99	65-R2	11.10
42	5604 Tyrone Units 1&2	422	65.00	-20.00	0.14	65-R2	
43	5613 Green Rvr Unit 3	11,658	65.00	-20.00	3.08	65-R2	11.10
44	5614 Green Rvr Unit 4	25,276	65.00	-20.00	4.20	65-R2	11.10
45	5615 Green Rvr Unt 1&2	356	65.00	-20.00	2.18	65-R2	11.10
46	5621 Brown Unit 1	39,950	65.00	-20.00	2.98	65-R2	18.20
47	5622 Brown Unit 2	35,257	65.00	-20.00	3.01	65-R2	18.10
48	5623 Brown Unit 3	106,582	65.00	-20.00	2.80	65-R2	18.00
49	5643 Pineville Unit 3	227	65.00	-20.00		65-R2	18.40
50	5650 Ghent Unit 1 FGD	131,432	65.00	-20.00	3.87	65-R2	18.20

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4		
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	5651 Ghent Unit 1	191,681	65.00	-20.00	3.84	65-R2	18.20
13	5652 Ghent Unit 2	98,541	65.00	-20.00	2.33	65-R2	18.60
14	5658 Ghent Unit 2 FGD	90,004	65.00	-20.00	3.87	65-R2	18.60
15	5653 Ghent Unit 3	251,387	65.00	-20.00	2.63	65-R2	25.60
16	5660 Ghent Unit 3 FGD	118,656	65.00	-20.00	3.87	65-R2	25.60
17	5654 Ghent Unit 4	264,246	65.00	-20.00	2.79	65-R2	25.80
18	5661 Ghent 4 FGD	281,666	65.00	-20.00	3.87	65-R2	25.80
19	5659 Coal Cars	7,647	25.00	-20.00	2.41	25-R2	10.80
20	0321 Trmble Cty Unit 2	43,286	65.00	-20.00	4.28	65-R2	
21							
22	314 Turbogenerator Unt						
23	5603 Tyrone Unit 3	4,806	55.00	-15.00	3.44	55-R2.5	11.20
24	5604 Tyrone Units 1&2	88	55.00	-15.00		55-R2.5	
25	5613 Green Rvr Unit 3	4,470	55.00	-15.00	2.90	55-R2.5	11.20
26	5614 Green Rvr Unit 4	10,172	55.00	-15.00	3.79	55-R2.5	11.20
27	5621 Brown Unit 1	6,014	55.00	-15.00	1.12	55-R2.5	16.80
28	5622 Brown Unit 2	12,367	55.00	-15.00	2.91	55-R2.5	17.90
29	5623 Brown Unit 3	28,610	55.00	-15.00	3.17	55-R2.5	18.00
30	5651 Ghent Unit 1	34,427	55.00	-15.00	2.23	55-R2.5	17.40
31	5652 Ghent Unit 2	32,308	55.00	-15.00	2.08	55-R2.5	18.20
32	5653 Ghent Unit 3	41,090	55.00	-15.00	2.03	55-R2.5	23.90
33	5654 Ghent Unit 4	53,004	55.00	-15.00	2.20	55-R2.5	24.60
34	0321 Trmble Cty Unit 2	20,540	55.00	-15.00	2.78	55-R2.5	
35							
36	315 Accessry Elec Eqpm						
37	5603 Tyrone Unit 3	2,065	70.00	-5.00		70-S3	
38	5604 Tyrone Units 1&2	99	70.00	-5.00		70-S3	
39	5613 Green Rvr Unit 3	781	70.00	-5.00		70-S3	
40	5614 Green Rvr Unit 4	2,510	70.00	-5.00	1.46	70-S3	11.50
41	5621 Brown Unit 1	3,768	70.00	-5.00	2.10	70-S3	19.50
42	5622 Brown Unit 2	1,229	70.00	-5.00	0.48	70-S3	19.50
43	5623 Brown Unit 3	7,054	70.00	-5.00	0.54	70-S3	19.40
44	5650 Ghent Unit 1 FGD	12,727	70.00	-5.00	2.70	70-S3	19.50
45	5651 Ghent Unit 1	8,648	70.00	-5.00	0.55	70-S3	19.50
46	5652 Ghent Unit 2	13,259	70.00	-5.00	0.60	70-S3	19.80
47	5658 Ghent Unit 2 FGD	1,039	70.00	-5.00	2.70	70-S3	19.80
48	5653 Ghent Unit 3	30,932	70.00	-5.00	1.30	70-S3	27.10
49	5660 Ghent Unit 3 FGD	11,277	70.00	-5.00	2.70	70-S3	27.10
50	5654 Ghent Unit 4	24,394	70.00	-5.00	1.22	70-S3	27.80

Name of Respondent		This Report Is:		Date of Report		Year/Period of Report	
Kentucky Utilities Company		(1) <input type="checkbox"/> An Original	(2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009		End of 2009/Q4	
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	5661 Ghent 4 FGD	3,628	70.00	-5.00	2.70	70-S3	27.80
13	0321 Trmble Cty Unit 2	10,778	70.00	-5.00	2.49	70-S3	
14							
15	316 Misc Plant Equipmt						
16	5603 Tyrone Unit 3	553	70.00		3.12	70-R1.5	11.00
17	5604 Tyrone Units 1&2	50	70.00			70-R1.5	
18	5613 Green Rvr Unit 3	153	70.00		3.97	70-R1.5	11.00
19	5614 Green Rvr Unit 4	2,169	70.00		2.71	70-R1.5	11.10
20	5615 Green Rvr Unt 1&2	85	70.00			70-R1.5	
21	5621 Brown Unit 1	425	70.00		2.26	70-R1.5	17.90
22	5622 Brown Unit 2	107	70.00		0.71	70-R1.5	17.80
23	5623 Brown Unit 3	4,406	70.00		2.33	70-R1.5	17.90
24	5650 Ghent Unit 1 FGD	985	70.00		2.87	70-R1.5	18.10
25	5651 Ghent Unit 1	1,752	70.00		1.38	70-R1.5	17.90
26	5652 Ghent Unit 2	1,501	70.00		1.07	70-R1.5	18.60
27	5653 Ghent Unit 3	3,150	70.00		1.40	70-R1.5	25.60
28	5654 Ghent Unit 4	6,274	70.00		2.03	70-R1.5	25.60
29	0321 Trmble Cty Unit 2	68	70.00		3.00	70-R1.5	
30	5591 System Labratory	2,450	70.00		2.74	70-R1.5	25.30
31							
32	317 Asset Rtiremt Oblg	9,248					
33							
34	Hydraulic Prodcn Plnt						
35	330.10 Land Rights	879	100.00			100-R4	
36	331 Strctrs & Imprvmt	606	90.00	-5.00	1.29	90-S2.5	26.80
37	332 Resrvrs Dams Wtrwy	9,823	100.00		0.72	100-S2.5	27.10
38	333 Wtr Whls Trbns Gen	437	80.00	-10.00	0.66	80-R3	23.80
39	334 Assessry Elec Eqpl	552	40.00		0.83	40-L2.5	10.70
40	335 Misc Pwr Plnt Eqpm	380	35.00		3.55	35-L1	14.50
41	336 Rds Railrds Bridge	176	55.00			55-R4	
42	337 Asset Retirmt Oblg	5					
43							
44	Other Production Plant						
45	340.10 Land Rights	176	30.00		2.97	30-R0.5	16.40
46	340.20 Land	119					
47							
48	341 Strctrs & Imprvmt						
49	5697 Paddys Run Gen 13	1,910	40.00		3.03	40-R2.5	24.10
50	5635 Brown CT 5	775	40.00		3.04	40-R2.5	24.10

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	5636 Brown CT 6	193	40.00		3.05	40-R2.5	23.70
13	5637 Brown CT 7	545	40.00		2.93	40-R2.5	23.70
14	5638 Brown CT 8	2,013	40.00		2.60	40-R2.5	22.40
15	5639 Brown CT 9	4,641	40.00		2.60	40-R2.5	22.40
16	5640 Brown CT 10	1,866	40.00		2.61	40-R2.5	22.50
17	5641 Brown CT 11	1,859	40.00		2.72	40-R2.5	23.00
18	0470 Trimble Cty CT 5	3,740	40.00		3.14	40-R2.5	24.20
19	0471 Trimble Cty CT 6	3,589	40.00		3.12	40-R2.5	24.20
20	0474 Trimble Cty CT 7	3,559	40.00		3.32	40-R2.5	24.40
21	0475 Trimble Cty CT 8	3,549	40.00		3.32	40-R2.5	24.40
22	0476 Trimble Cty CT 9	3,656	40.00		3.32	40-R2.5	24.40
23	0477 Trimble Cty CT 10	3,653	40.00		3.32	40-R2.5	24.50
24	5696 Haeflg Unts 1,2,3	435	40.00		6.47	40-R2.5	3.50
25							
26	342 Fuel Holders Prdcr						
27	5697 Paddys Run Gen 13	1,995	45.00	-5.00	3.11	45-R2.5	25.20
28	5635 Brown CT 5	2,355	45.00	-5.00	3.11	45-R2.5	25.20
29	5636 Brown CT 6	152	45.00	-5.00	2.92	45-R2.5	24.90
30	5637 Brown CT 7	151	45.00	-5.00	2.92	45-R2.5	24.90
31	5638 Brown CT 8	20	45.00	-5.00	2.63	45-R2.5	24.00
32	5639 Brown CT 9	1,932	45.00	-5.00	2.65	45-R2.5	24.10
33	5640 Brown CT 10	32	45.00	-5.00	2.63	45-R2.5	24.00
34	5641 Brown CT 11	52	45.00	-5.00	2.74	45-R2.5	24.40
35	5645 Brown CT 9 Gas PL	8,106	45.00	-5.00	2.57	45-R2.5	23.80
36	0470 Trimble Cty CT 5	240	45.00	-5.00	3.21	45-R2.5	25.30
37	0471 Trimble Cty CT 6	239	45.00	-5.00	3.21	45-R2.5	25.30
38	0473 Trmbl Cty CT PipL	4,850	45.00	-5.00	3.23	45-R2.5	25.30
39	0474 Trimble Cty CT 7	578	45.00	-5.00	3.42	45-R2.5	25.30
40	0475 Trimble Cty CT 8	576	45.00	-5.00	3.42	45-R2.5	25.40
41	0476 Trimble Cty CT 9	594	45.00	-5.00	3.42	45-R2.5	25.30
42	0477 Trimble Cty CT 10	623	45.00	-5.00	3.42	45-R2.5	25.30
43	5696 Haeflg Unts 1,2,3	578	45.00	-5.00		45-R2.5	
44							
45	343 Prime Movers						
46	5697 Paddys Run Gen 13	17,803	35.00	-5.00	3.62	35-R1	19.20
47	5635 Brown CT 5	13,183	35.00	-5.00	3.65	35-R1	18.90
48	5636 Brown CT 6	34,404	35.00	-5.00	3.55	35-R1	18.60
49	5637 Brown CT 7	34,936	35.00	-5.00	3.58	35-R1	18.60
50	5638 Brown CT 8	26,344	35.00	-5.00	3.30	35-R1	18.50

Name of Respondent		This Report Is:		Date of Report		Year/Period of Report	
Kentucky Utilities Company		(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		12/31/2009		End of 2009/Q4	
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	5639 Brown CT 9	23,335	35.00	-5.00	3.23	35-R1	18.60
13	5640 Brown CT 10	19,671	35.00	-5.00	3.26	35-R1	18.60
14	5641 Brown CT 11	34,926	35.00	-5.00	3.41	35-R1	19.20
15	0470 Trimble Cty CT 5	30,564	35.00	-5.00	3.72	35-R1	19.10
16	0471 Trimble Cty CT 6	30,459	35.00	-5.00	3.72	35-R1	19.10
17	0474 Trimble Cty CT 7	22,774	35.00	-5.00	3.91	35-R1	18.40
18	0475 Trimble Cty CT 8	22,568	35.00	-5.00	3.91	35-R1	18.40
19	0476 Trimble Cty CT 9	22,436	35.00	-5.00	3.91	35-R1	18.40
20	0477 Trimble Cty CT 10	22,401	35.00	-5.00	3.91	35-R1	18.40
21							
22	344 Generators						
23	5697 Paddys Run Gen 13	5,186	55.00	-5.00	2.94	55-S3	29.00
24	5635 Brown CT 5	2,832	55.00	-5.00	2.94	55-S3	29.00
25	5636 Brown CT 6	3,713	55.00	-5.00	2.76	55-S3	28.70
26	5637 Brown CT 7	3,723	55.00	-5.00	2.76	55-S3	28.70
27	5638 Brown CT 8	4,954	55.00	-5.00	2.46	55-S3	28.00
28	5639 Brown CT 9	5,452	55.00	-5.00	2.31	55-S3	27.80
29	5640 Brown CT 10	4,944	55.00	-5.00	2.46	55-S3	28.00
30	5641 Brown CT 11	5,187	55.00	-5.00	2.53	55-S3	28.30
31	0470 Trimble Cty CT 5	3,763	55.00	-5.00	3.04	55-S3	29.10
32	0471 Trimble Cty CT 6	3,758	55.00	-5.00	3.04	55-S3	29.10
33	0474 Trimble Cty CT 7	2,950	55.00	-5.00	3.26	55-S3	29.20
34	0475 Trimble Cty CT 8	2,938	55.00	-5.00	3.26	55-S3	29.20
35	0476 Trimble Cty CT 9	2,958	55.00	-5.00	3.26	55-S3	29.20
36	0477 Trimble Cty CT 10	2,954	55.00	-5.00	3.26	55-S3	29.20
37	5696 Haeflg Unts 1,2,3	4,023	55.00	-5.00		55-S3	
38							
39	345 Assesry Elec Eqpm1						
40	5697 Paddys Run Gen 13	2,456	45.00		2.88	45-R3	26.40
41	5635 Brown CT 5	2,265	45.00		2.89	45-R3	26.40
42	5636 Brown CT 6	1,930	45.00		2.71	45-R3	25.90
43	5637 Brown CT 7	1,920	45.00		2.71	45-R3	25.90
44	5638 Brown CT 8	2,721	45.00		2.41	45-R3	24.80
45	5639 Brown CT 9	4,102	45.00		2.32	45-R3	24.80
46	5640 Brown CT 10	2,744	45.00		2.44	45-R3	25.00
47	5641 Brown CT 11	1,863	45.00		2.48	45-R3	25.10
48	0470 Trimble Cty CT 5	1,677	45.00		2.98	45-R3	26.60
49	0471 Trimble Cty CT 6	4,325	45.00		2.98	45-R3	26.60
50	0474 Trimble Cty CT 7	3,148	45.00		3.19	45-R3	26.90

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	0475 Trimble Cty CT 8	3,139	45.00		3.19	45-R3	26.90
13	0476 Trimble Cty CT 9	3,234	45.00		3.19	45-R3	26.90
14	0477 Trimble Cty CT 10	7,147	45.00		3.19	45-R3	26.90
15	5696 Haeflg Unts 1,2,3	623	45.00			45-R3	
16							
17	346 Misc Plant Equipmt						
18	5697 Paddys Run Gen 13	1,090	35.00		3.20	35-R2	21.40
19	5635 Brown CT 5	2,139	35.00		3.20	35-R2	21.40
20	5636 Brown CT 6	165	35.00		3.33	35-R2	21.30
21	5637 Brown CT 7	36	35.00		3.23	35-R2	21.30
22	5638 Brown CT 8	230	35.00		2.77	35-R2	19.60
23	5639 Brown CT 9	760	35.00		2.77	35-R2	19.60
24	5640 Brown CT 10	274	35.00		2.85	35-R2	19.90
25	5641 Brown CT 11	549	35.00		3.22	35-R2	21.10
26	0470 Trimble Cty CT 5	29	35.00		3.73	35-R2	20.30
27	0474 Trimble Cty CT 7	9	35.00		3.50	35-R2	21.70
28	0475 Trimble Cty CT 8	9	35.00		3.50	35-R2	21.70
29	0476 Trimble Cty CT 9	9	35.00		3.50	35-R2	21.60
30	0477 Trimble Cty CT 10	9	35.00		3.49	35-R2	21.70
31	5696 Haeflg Unts 1,2,3	36	35.00			35-R2	
32							
33	347 Asset Rtrmt Oblg	71					
34							
35	Transmission Plant						
36	350.1 Land Rights	23,237	60.00		0.98	60-R3	31.70
37	350.2 Land	2,199					
38	352.1 Strct Impr Non S	12,926	65.00	-25.00	1.54	65-S2.5	40.20
39	352.2 Strct Impr Sys C	1,155	60.00	-25.00	1.43	60-R3	34.00
40	353.1 Station Equipmnt	163,005	60.00	-20.00	1.98	60-R2	34.80
41	353.2 Sys Cntrl Mcrww	14,745	30.00	-20.00	0.46	30-R2.5	20.50
42	354 Towers & Fixtures	64,745	70.00	-25.00	1.21	70-R4	43.80
43	355 Poles & Fixtures	109,905	50.00	-60.00	2.28	50-R2	30.70
44	356 Ovrdh Cndctr Dvcs	135,517	60.00	-50.00	1.79	60-R3	35.50
45	357 Undrgmd Conduit	449	40.00		2.60	40-L2.5	21.90
46	358 Undrgmd Cndctrs D	1,169	35.00		1.26	35-R3	19.40
47	259 Transmission AROs	7					
48							
49	Distribution Plant						
50	360.1 Land Rights	2,013	65.00		0.65	65-R4	45.10

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used In Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	360.2 Land	2,474					
13	361 Strctrs & Imprvmt	5,432	60.00	-10.00	1.65	60-R2.5	38.10
14	362 Station Equipment	124,005	52.00	-15.00	2.28	52-R2	29.90
15	364 Poles Twrs Fixture	264,192	48.00	-45.00	2.30	48-S0	27.40
16	365 Ovrhd Cndctrs Dvc	254,542	48.00	-75.00	2.70	48-R2	27.60
17	366 Undrgmd Conduit	1,761	55.00		1.93	55-S4	28.80
18	367 Undrgmd Cndctrs D	126,807	44.00	-5.00	2.09	44-S0.5	27.50
19	368 Line Transformers	271,817	40.00	-20.00	3.10	40-R2	21.90
20	369 Services	85,277	43.00	-30.00	1.99	43-R1.5	25.80
21	370 Meters	66,967	40.00		1.76	40-R1.5	20.90
22	371 Instltns Cust Prms	18,261	20.00	-10.00	2.38	20-R0.5	10.90
23	373 St Lghng Sgnl Sys	78,442	33.00	-5.00	2.29	33-R1	19.10
24	374 Asset Rtrmnt Cost	19					
25							
26	General Plant						
27	389.2 Land	2,568					
28	390.1 Strctrs Imprvmt	38,212	60.00	-5.00	1.66	60-S0	33.90
29	390.2 Imprvmt Lesd Prp	532	30.00	-5.00	1.56	30-R1	17.20
30	391.1 Ofc Fumitur Eqp	7,327	20.00		4.19	20-SQ	13.60
31	391.2 Non PC Cmplr Eqp	8,218	5.00		10.14	5-SQ	3.30
32	391.3 Cash Processing	448	10.00		23.26	10-SQ	1.50
33	391.31 Prsnl Cmplr Eq	4,508	4.00		15.47	4-SQ	2.80
34	392 Transportation Eqp	18,796	5.00		20.00	5-SQ	
35	393 Stores Equipment	778	25.00		5.25	25-SQ	11.60
36	394 Tool Shop Garage E	6,587	25.00		4.75	25-SQ	14.70
37	395 Laboratory Equipmt	3,160	15.00		27.42	15-SQ	1.80
38	396 Pwr Operated Eqp	483	17.00		6.37	17-R5	9.60
39	397 Communication Eqpm	20,821	15.00		7.13	15-SQ	10.90
40	398 Misc Equipment	374	10.00		20.54	10-SQ	1.80
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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
REGULATORY COMMISSION EXPENSES					
1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.					
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.					
Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	Federal Energy Regulatory Commission				
2	Annual Charge	307,358		307,358	
3	2008 Rate Case		255,755	255,755	
4					
5	Tennessee Regulatory Authority				
6	2008 Rate Filing		36,112	36,112	
7					
8	State Corporation Commission of Virginia				
9	2008 Rate Case		217,931	217,931	
10					
11	Kentucky Public Service Commission				
12	2008 Rate Case		383,799	383,799	
13					
14					
15	2009 Rate Case				
16					
17					
18					
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46	TOTAL	307,358	893,597	1,200,955	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4		
REGULATORY COMMISSION EXPENSES (Continued)							
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.							
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.							
5. Minor items (less than \$25,000) may be grouped.							
EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR			
CURRENTLY CHARGED TO			Deferred to Account 182.3 (f)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)					
							1
Electric	928	307,358					2
Electric	928	255,755					3
							4
							5
Electric	928	36,112					6
							7
							8
Electric	928	217,931					9
							10
							11
Electric	928	383,799	1,381,676	928	383,799	997,877	12
Electric	186	130,230					13
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Electric	186	92,370					15
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		1,423,555	1,381,676		383,799	997,877	46

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES			
<p>1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).</p> <p>2. Indicate in column (a) the applicable classification, as shown below:</p>			
<p>Classifications:</p> <p>A. Electric R, D & D Performed Internally:</p> <p style="margin-left: 20px;">(1) Generation</p> <p style="margin-left: 40px;">a. hydroelectric</p> <p style="margin-left: 40px;">i. Recreation fish and wildlife</p> <p style="margin-left: 40px;">ii Other hydroelectric</p> <p style="margin-left: 40px;">b. Fossil-fuel steam</p> <p style="margin-left: 40px;">c. Internal combustion or gas turbine</p> <p style="margin-left: 40px;">d. Nuclear</p> <p style="margin-left: 40px;">e. Unconventional generation</p> <p style="margin-left: 40px;">f. Siting and heat rejection</p> <p style="margin-left: 20px;">(2) Transmission</p> <p style="margin-left: 20px;">a. Overhead</p> <p style="margin-left: 20px;">b. Underground</p> <p style="margin-left: 20px;">(3) Distribution</p> <p style="margin-left: 20px;">(4) Regional Transmission and Market Operation</p> <p style="margin-left: 20px;">(5) Environment (other than equipment)</p> <p style="margin-left: 20px;">(6) Other (Classify and include items in excess of \$50,000.)</p> <p style="margin-left: 20px;">(7) Total Cost Incurred</p> <p>B. Electric, R, D & D Performed Externally:</p> <p style="margin-left: 20px;">(1) Research Support to the electrical Research Council or the Electric Power Research Institute</p>			
Line No.	Classification (a)	Description (b)	
1	Austin J. Cooper (4)	Transportation and Meals	
2	E.ON Engineering Limited (4)	Engineering Study of the CO2 Capture Technology	
3	EPRI (1)	Tailored Collaboration	
4	EPRI (1)	Annual Membership and Tailored Collaboration	
5	EPRI (1)	Tailored Collaboration	
6	EPRI (1)	Annual Membership	
7	EPRI (1)	Annual Membership and Tailored Collaboration	
8	Fredrik Karl Akesson (4)	Transportation and Meals	
9	Futuregen Industrial Alliance Inc. (4)	Assessment	
10	Kentucky Consortium for Carbon Storage (4)	Carbon Storage Project	
11	University of Kentucky Research Foundation (4)	Annual Membership and Carbon Capturing Research	
12	University of Kentucky Research Foundation (4)	Generator and Power Supply Analysis	
13	University of Kentucky Research Foundation (4)	Power Flow and Stability Analysis	
14	University of Kentucky Research Foundation (4)	Power Course Development	
15	University of Kentucky Research Foundation (4)	Power Flow and Stability Analysis	
16	University of Kentucky Research Foundation (4)	Power Flow and Stability Analysis	
17	University of Kentucky Research Foundation (4)	Power Course Development	
18	University of Louisville (4)	Collaborative Research	
19	UofL Center for Infrastructure Research (4)	Annual Membership	
20	UofL Research Foundation Inc. (4)	Forecasting Agreement	
21	UofL Research Foundation Inc. (4)	Safety and Ergonomics Contract	
22	Total Cost		
23			
24			
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37			

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4		
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)					
<p>(2) Research Support to Edison Electric Institute (3) Research Support to Nuclear Power Groups (4) Research Support to Others (Classify) (5) Total Cost Incurred</p> <p>3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.</p> <p>4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)</p> <p>5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.</p> <p>6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."</p> <p>7. Report separately research and related testing facilities operated by the respondent.</p>					
Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
	256	930	256		1
	4,108	930	4,108		2
	9,375	183	9,375		3
	13,981	186	13,981		4
	1,625	566	1,625		5
	48,192	908	48,192		6
	1,247,237	930	1,247,237		7
	98	930	98		8
	32,678	426	32,678		9
	791,946	182	791,946		10
	216,500	182	216,500		11
	2,060	184	2,060		12
	12,605	184	12,605		13
	10,233	184	10,233		14
	1,880	560	1,880		15
	6,473	561	6,473		16
	3,588	561	3,588		17
	12,500	165	12,500		18
	12,500	930	12,500		19
	12,912	923	12,912		20
	15,003	923	15,003		21
	2,455,750		2,455,750		22
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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
DISTRIBUTION OF SALARIES AND WAGES					
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)	
1	Electric				
2	Operation				
3	Production	17,500,521			
4	Transmission	2,367,803			
5	Regional Market				
6	Distribution	10,070,516			
7	Customer Accounts	8,670,255			
8	Customer Service and Informational	1,016,373			
9	Sales				
10	Administrative and General	14,106,180			
11	TOTAL Operation (Enter Total of lines 3 thru 10)	53,731,648			
12	Maintenance				
13	Production	12,282,281			
14	Transmission	641,062			
15	Regional Market				
16	Distribution	9,095,722			
17	Administrative and General	3,723,684			
18	TOTAL Maintenance (Total of lines 13 thru 17)	25,742,749			
19	Total Operation and Maintenance				
20	Production (Enter Total of lines 3 and 13)	29,782,802			
21	Transmission (Enter Total of lines 4 and 14)	3,008,865			
22	Regional Market (Enter Total of Lines 5 and 15)				
23	Distribution (Enter Total of lines 6 and 16)	19,166,238			
24	Customer Accounts (Transcribe from line 7)	8,670,255			
25	Customer Service and Informational (Transcribe from line 8)	1,016,373			
26	Sales (Transcribe from line 9)				
27	Administrative and General (Enter Total of lines 10 and 17)	17,829,864			
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	79,474,397	17,948,658		97,423,055
29	Gas				
30	Operation				
31	Production-Manufactured Gas				
32	Production-Nat. Gas (Including Expl. and Dev.)				
33	Other Gas Supply				
34	Storage, LNG Terminaling and Processing				
35	Transmission				
36	Distribution				
37	Customer Accounts				
38	Customer Service and Informational				
39	Sales				
40	Administrative and General				
41	TOTAL Operation (Enter Total of lines 31 thru 40)				
42	Maintenance				
43	Production-Manufactured Gas				
44	Production-Natural Gas (Including Exploration and Development)				
45	Other Gas Supply				
46	Storage, LNG Terminaling and Processing				
47	Transmission				

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
DISTRIBUTION OF SALARIES AND WAGES (Continued)					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)	
48	Distribution				
49	Administrative and General				
50	TOTAL Maint. (Enter Total of lines 43 thru 49)				
51	Total Operation and Maintenance				
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)				
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,				
54	Other Gas Supply (Enter Total of lines 33 and 45)				
55	Storage, LNG Terminaling and Processing (Total of lines 31 thru				
56	Transmission (Lines 35 and 47)				
57	Distribution (Lines 36 and 48)				
58	Customer Accounts (Line 37)				
59	Customer Service and Informational (Line 38)				
60	Sales (Line 39)				
61	Administrative and General (Lines 40 and 49)				
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)				
63	Other Utility Departments				
64	Operation and Maintenance				
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	79,474,397	17,948,658	97,423,055	
66	Utility Plant				
67	Construction (By Utility Departments)				
68	Electric Plant	20,043,010	12,632,608	32,675,618	
69	Gas Plant				
70	Other (provide details in footnote):				
71	TOTAL Construction (Total of lines 68 thru 70)	20,043,010	12,632,608	32,675,618	
72	Plant Removal (By Utility Departments)				
73	Electric Plant	1,409,771	854,779	2,264,550	
74	Gas Plant				
75	Other (provide details in footnote):				
76	TOTAL Plant Removal (Total of lines 73 thru 75)	1,409,771	854,779	2,264,550	
77	Other Accounts (Specify, provide details in footnote):				
78	Accounts Receivable (work done for others)	993,656	214,483	1,208,139	
79	Materials & Supplies	1,003	-2	1,001	
80	Miscellaneous Deferred Debits & Preliminary Survey	50,430	10,339	60,769	
81	Certain Civic, Political and Related Activities and Other	871,506	109,235	980,741	
82					
83					
84					
85					
86					
87					
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89					
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91					
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93					
94					
95	TOTAL Other Accounts	1,916,595	334,055	2,250,650	
96	TOTAL SALARIES AND WAGES	102,843,773	31,770,100	134,613,873	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS					
1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.					
Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)	6,542,077	8,386,661	10,517,586	11,388,399
3	Net Sales (Account 447)	94,945	121,229	123,237	213,807
4	Transmission Rights				
5	Ancillary Services				
6	Other Items (list separately)				
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43					
44					
45					
46	TOTAL	6,637,022	8,507,890	10,640,823	11,602,206

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 397 Line No.: 2 Column: b

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the purchase amount recorded in accordance with FERC Order No. 668-A would have been \$6,524,438.

Schedule Page: 397 Line No.: 2 Column: c

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the purchase amount recorded in accordance with FERC Order No. 668-A would have been \$8,365,266.

Schedule Page: 397 Line No.: 2 Column: d

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the purchase amount recorded in accordance with FERC Order No. 668-A would have been \$10,495,446.

Schedule Page: 397 Line No.: 2 Column: e

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the purchase amount recorded in accordance with FERC Order No. 668-A would have been \$11,363,821.

Schedule Page: 397 Line No.: 3 Column: b

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the sale amount recorded in accordance with FERC Order No. 668-A would have been \$94,934.

Schedule Page: 397 Line No.: 3 Column: c

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the sale amount recorded in accordance with FERC Order No. 668-A would have been \$121,207.

Schedule Page: 397 Line No.: 3 Column: d

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the sale amount recorded in accordance with FERC Order No. 668-A would have been \$123,215.

Schedule Page: 397 Line No.: 3 Column: e

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the sale amount recorded in accordance with FERC Order No. 668-A would have been \$213,417.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4		
PURCHASES AND SALES OF ANCILLARY SERVICES							
Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.							
In columns for usage, report usage-related billing determinant and the unit of measure.							
(1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.							
(2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.							
(3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.							
(4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.							
(5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.							
(6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.							
		Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
Line No.	Type of Ancillary Service (a)	Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch	827,634	MWH	159,610	2,435,863	MWH	-74,159
2	Reactive Supply and Voltage	827,634	MWH	105,589	2,435,863	MWH	-19,062
3	Regulation and Frequency Response						
4	Energy Imbalance						
5	Operating Reserve - Spinning						
6	Operating Reserve - Supplement						
7	Other			36,551			
8	Total (Lines 1 thru 7)	1,655,268		301,750	4,871,726		-93,221

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <u> </u> An Original (2) <u>X</u> A Resubmission	(Mo, Da, Yr) 12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 398 Line No.: 1 Column: d

The total consists of Schedule 1 expense for various counterparties and a true-up of the pass-through of a reduction in Schedule 1 expense for the MISO for the period of August 2002 - March 2005, as per FERC orders ER05-63 and ER05-55.

Schedule 1 expense:	\$230,162
MISO Pass-through expense refund:	<u>(70,552)</u>
	\$159,610

Schedule Page: 398 Line No.: 1 Column: g

The total consists of Schedule 1 revenue for various counterparties and a true-up of the pass-through of a reduction in Schedule 1 revenue for the MISO for the period of August 2002 - March 2005, as per FERC orders ER05-63 and ER05-55.

Schedule 1 revenue:	\$144,834
MISO Pass-through revenue refund:	<u>(218,993)</u>
	\$ (74,159)

Schedule Page: 398 Line No.: 2 Column: d

The total consists of Schedule 2 expense for various counterparties and a true-up of the pass-through of a reduction in Schedule 2 expense for the MISO for the period of August 2002 - March 2005, as per FERC orders ER05-63 and ER05-55.

Schedule 2 expense:	\$140,403
MISO Pass-through expense refund:	<u>(34,814)</u>
	\$105,589

Schedule Page: 398 Line No.: 2 Column: g

The total consists of Schedule 2 revenue for various counterparties and a true-up of the pass-through of a reduction in Schedule 2 revenue for the MISO for the period of August 2002 - March 2005, as per FERC orders ER05-63 and ER05-55.

Schedule 2 revenue:	\$ 95,955
MISO Pass-through revenue refund:	<u>(115,017)</u>
	\$ (19,062)

Schedule Page: 398 Line No.: 7 Column: b

The Other charges amounts are not associated with a number of units or a unit of measure.

Schedule Page: 398 Line No.: 7 Column: d

This amount consists of PJM non-energy related charges related to non-firm point-to-point transmission services and Black Start Charges. This amount also includes the Midwest ISO's Schedule 26 Charges (Network Upgrade Charge from Transmission Expansion Plan).

PJM Other Charges	\$23,410
MISO Schedule 26	<u>13,141</u>
	\$36,551

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009		Year/Period of Report End of 2009/Q4				
MONTHLY TRANSMISSION SYSTEM PEAK LOAD										
<p>(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.</p> <p>(2) Report on Column (b) by month the transmission system's peak load.</p> <p>(3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).</p> <p>(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.</p>										
NAME OF SYSTEM:										
Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	5,352	16	9	4,640	368	89	60	35	160
2	February	5,385	5	8	4,240	346	89	37	524	149
3	March	4,829	3	8	4,081	317	89	56	140	146
4	Total for Quarter 1	15,566			12,961	1,031	267	153	699	455
5	April	3,512	27	16	2,875	167	89	42	189	150
6	May	3,544	26	16	3,050	177	89	39	46	143
7	June	4,459	25	15	3,795	324	89	56		195
8	Total for Quarter 2	11,515			9,720	668	267	137	235	488
9	July	4,015	10	15	3,393	287	89	53		193
10	August	4,572	10	16	3,888	328	89	57		210
11	September	3,827	22	16	3,265	271	89	42		159
12	Total for Quarter 3	12,414			10,546	886	267	152		562
13	October	3,573	19	8	2,959	318	89	41	35	131
14	November	3,570	30	20	2,932	313	89	45	70	121
15	December	4,518	11	8	3,859	377	89	58		135
16	Total for Quarter 4	11,661			9,750	1,008	267	144	105	387
17	Total Year to Date/Year	51,156			42,977	3,593	1,058	586	1,039	1,892

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 400 Line No.: 11 Column: h

Value previously reported was an estimate using telemetered value for network load. The actual meter readings have now been reported by EKPC. Previously reported amount was 43 MW.

Schedule Page: 400 Line No.: 12 Column: h

Total changed as a result of change in the September 2009 Other Long-Term Firm Service (column h). Previously reported amount was 153 MW.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
ELECTRIC ENERGY ACCOUNT					
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.					
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	18,412,507
3	Steam	14,499,861	23	Requirements Sales for Resale (See instruction 4, page 311.)	1,847,641
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	660,124
5	Hydro-Conventional	68,871	25	Energy Furnished Without Charge	52
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	24,695
7	Other	184,870	27	Total Energy Losses	1,218,655
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	22,163,674
9	Net Generation (Enter Total of lines 3 through 8)	14,753,602			
10	Purchases	7,352,923			
11	Power Exchanges:				
12	Received	19,680			
13	Delivered	36,225			
14	Net Exchanges (Line 12 minus line 13)	-16,545			
15	Transmission For Other (Wheeling)				
16	Received	2,435,863			
17	Delivered	2,362,169			
18	Net Transmission for Other (Line 16 minus line 17)	73,694			
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	22,163,674			

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
MONTHLY PEAKS AND OUTPUT						
<p>1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non-integrated system.</p> <p>2. Report in column (b) by month the system's output in Megawatt hours for each month.</p> <p>3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.</p> <p>4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.</p> <p>5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).</p>						
NAME OF SYSTEM: KU						
Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	2,265,152	132,533	4,640	16	900
30	February	1,859,360	62,767	4,240	5	800
31	March	1,791,452	71,052	4,081	3	800
32	April	1,580,296	39,834	3,070	7	900
33	May	1,698,319	103,544	3,073	26	1500
34	June	1,891,268	20,606	3,795	25	1500
35	July	1,836,796	7,927	3,436	27	1600
36	August	1,983,405	9,249	3,888	10	1600
37	September	1,714,876	10,790	3,265	22	1600
38	October	1,678,493	76,271	2,959	19	800
39	November	1,673,553	49,637	2,990	6	800
40	December	2,190,704	75,914	3,859	11	800
41	TOTAL	22,163,674	660,124			

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 401 Line No.: 13 Column: b

Resubmission due to the value previously reported including an inaccurate meter reading. The previously reported amount was 26,299.

Schedule Page: 401 Line No.: 14 Column: b

Resubmission due to the value previously reported including an inaccurate meter reading. The previously reported amount was -6,619.

Schedule Page: 401 Line No.: 20 Column: b

Resubmission due to the value previously reported including an inaccurate meter reading. The previously reported amount was 22,173,600.

Schedule Page: 401 Line No.: 27 Column: b

Resubmission due to the value previously reported including an inaccurate meter reading. The previously reported amount was 1,228,581.

Schedule Page: 401 Line No.: 28 Column: b

Resubmission due to the value previously reported including an inaccurate meter reading. The previously reported amount was 22,173,600.

Schedule Page: 401 Line No.: 38 Column: b

Resubmission due to the value previously reported including an inaccurate meter reading. The previously reported amount was 1,679,371.

Schedule Page: 401 Line No.: 39 Column: b

Resubmission due to the value previously reported including an inaccurate meter reading. The previously reported amount was 1,677,214.

Schedule Page: 401 Line No.: 40 Column: b

Resubmission due to the value previously reported including an inaccurate meter reading. The previously reported amount was 2,196,091.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009		Year/Period of Report End of 2009/Q4	
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)							
1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.							
Line No.	Item (a)	Plant Name: Tyrone (b)		Plant Name: Green River (c)			
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Steam		Steam			
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional		Conventional			
3	Year Originally Constructed	1947		1950			
4	Year Last Unit was Installed	1971		1959			
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	75.00		189.00			
6	Net Peak Demand on Plant - MW (60 minutes)	73		176			
7	Plant Hours Connected to Load	456		5358			
8	Net Continuous Plant Capability (Megawatts)	73		173			
9	When Not Limited by Condenser Water	73		173			
10	When Limited by Condenser Water	0		0			
11	Average Number of Employees	14		63			
12	Net Generation, Exclusive of Plant Use - KWh	23524000		625461000			
13	Cost of Plant: Land and Land Rights	53142		30764			
14	Structures and Improvements	6175001		10212115			
15	Equipment Costs	22048832		57629751			
16	Asset Retirement Costs	245136		1074297			
17	Total Cost	28522111		68946927			
18	Cost per KW of Installed Capacity (line 17/5) Including	380.2948		364.7986			
19	Production Expenses: Oper, Supv, & Engr	194983		294161			
20	Fuel	1131202		19949149			
21	Coolants and Water (Nuclear Plants Only)	0		0			
22	Steam Expenses	125508		1318825			
23	Steam From Other Sources	0		0			
24	Steam Transferred (Cr)	0		0			
25	Electric Expenses	36970		1042639			
26	Misc Steam (or Nuclear) Power Expenses	519411		990063			
27	Rents	0		0			
28	Allowances	0		302561			
29	Maintenance Supervision and Engineering	83863		1292014			
30	Maintenance of Structures	128463		589842			
31	Maintenance of Boiler (or reactor) Plant	79316		2330135			
32	Maintenance of Electric Plant	50410		1385369			
33	Maintenance of Misc Steam (or Nuclear) Plant	8093		117739			
34	Total Production Expenses	2358219		29612497			
35	Expenses per Net KWh	0.1002		0.0473			
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Coal	Oil	Coal	Oil		
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	tons	barrels	tons	barrels		
38	Quantity (Units) of Fuel Burned	12092	531	0	303105	5052	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	12797	3333	0	11712	3333	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	80.850	143.172	0.000	57.960	73.992	0.000
41	Average Cost of Fuel per Unit Burned	87.267	143.172	0.000	64.583	73.992	0.000
42	Average Cost of Fuel Burned per Million BTU	3.410	24.349	0.000	2.757	12.584	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.045	0.000	0.000	0.031	0.000	0.000
44	Average BTU per KWh Net Generation	13156.000	0.000	0.000	11352.000	0.000	0.000

Name of Respondent Kentucky Utilities Company			This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission			Date of Report (Mo, Da, Yr) 12/31/2009			Year/Period of Report End of 2009/Q4		
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)											
<p>9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.</p>											
Plant Name: <i>EW Brown</i> (d)			Plant Name: <i>Ghent</i> (e)			Plant Name: <i>Haefling</i> (f)			Line No.		
Steam			Steam			Combustion Turbine			1		
Conventional			Conventional			Outdoor			2		
1957			1973			1970			3		
1971			1984			1970			4		
740.00			2226.00			62.00			5		
708			1945			22			6		
5102			7346			2			7		
704			1918			42			8		
704			1918			42			9		
0			0			0			10		
150			219			0			11		
2505295000			11345581000			-449000			12		
899869			9842885			0			13		
27750273			131492606			434853			14		
245768495			1718107217			5260717			15		
3247130			4659727			0			16		
277665767			1864102435			5695570			17		
375.2240			837.4225			91.8640			18		
1317964			2005107			0			19		
87459338			306917307			84320			20		
0			0			0			21		
2388775			8850673			0			22		
0			0			0			23		
0			0			0			24		
1583593			2812035			4380			25		
1610490			14041117			0			26		
0			0			0			27		
600431			173450			0			28		
3754991			2901634			0			29		
1245173			3502214			111335			30		
5866368			21809765			0			31		
4230322			4364349			97111			32		
539359			521481			0			33		
110596804			367899132			297146			34		
0.0441			0.0324			-0.6618			35		
Coal	Oil		Coal	Oil		Gas	Oil		36		
tons	barrels		tons	barrels		mcf	barrels		37		
1092651	11364	0	5331887	38162	0	1270	2611	0	38		
12186	3333	0	11578	3333	0	1025	3333	0	39		
78.550	101.456	0.000	54.930	70.840	0.000	9.467	27.686	0.000	40		
78.988	101.456	0.000	57.056	70.840	0.000	9.467	27.686	0.000	41		
3.241	17.254	0.000	2.464	12.048	0.000	9.234	4.709	0.000	42		
0.034	0.000	0.000	0.027	0.000	0.000	-0.027	0.000	0.000	43		
10630.000	0.000	0.000	10882.000	0.000	0.000	-2900.000	0.000	0.000	44		

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009		Year/Period of Report End of 2009/Q4	
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)							
1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a them basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.							
Line No.	Item (a)	Plant Name: <i>Brown CT</i> (b)			Plant Name: <i>Peddy's Run 13 CT</i> (c)		
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Combustion Turbine			Combustion Turbine		
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional			Conventional		
3	Year Originally Constructed	1994			2001		
4	Year Last Unit was Installed	2001			2001		
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	781.00			84.00		
6	Net Peak Demand on Plant - MW (60 minutes)	564			56		
7	Plant Hours Connected to Load	165			6		
8	Net Continuous Plant Capability (Megawatts)	836			82		
9	When Not Limited by Condenser Water	836			82		
10	When Limited by Condenser Water	0			0		
11	Average Number of Employees	0			0		
12	Net Generation, Exclusive of Plant Use - KWh	55896000			593000		
13	Cost of Plant: Land and Land Rights	275012			0		
14	Structures and Improvements	11891043			1910328		
15	Equipment Costs	252102582			28529972		
16	Asset Retirement Costs	70990			0		
17	Total Cost	264339627			30440300		
18	Cost per KW of Installed Capacity (line 17/5) Including	338.4630			362.3845		
19	Production Expenses: Oper, Supv, & Engr	151335			0		
20	Fuel	5039047			530831		
21	Coolants and Water (Nuclear Plants Only)	0			0		
22	Steam Expenses	0			0		
23	Steam From Other Sources	0			0		
24	Steam Transferred (Cr)	0			0		
25	Electric Expenses	110779			5461		
26	Misc Steam (or Nuclear) Power Expenses	0			0		
27	Rents	0			0		
28	Allowances	0			0		
29	Maintenance Supervision and Engineering	91989			165		
30	Maintenance of Structures	162099			0		
31	Maintenance of Boiler (or reactor) Plant	0			0		
32	Maintenance of Electric Plant	747674			82852		
33	Maintenance of Misc Steam (or Nuclear) Plant	0			0		
34	Total Production Expenses	6302923			619309		
35	Expenses per Net KWh	0.1128			1.0444		
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Gas	Oil		Gas		
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	mcf	barrels		mcf		
38	Quantity (Units) of Fuel Burned	820872	3824	0	6802	0	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	1025	3333	0	1025	0	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	5.731	87.582	0.000	78.040	0.000	0.000
41	Average Cost of Fuel per Unit Burned	5.731	87.582	0.000	78.040	0.000	0.000
42	Average Cost of Fuel Burned per Million BTU	5.591	14.895	0.000	76.137	0.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.086	0.249	0.000	0.895	0.000	0.000
44	Average BTU per KWh Net Generation	15424.000	16731.000	0.000	11757.000	0.000	0.000

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)									
<p>9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.</p>									
Plant Name: <i>Trimble County CT</i> (d)	Plant Name: (e)	Plant Name: (f)			Line No.				
Combustion Turbine						1			
Conventional						2			
2002						3			
2004						4			
784.00	0.00			0.00		5			
577	0			0		6			
280	0			0		7			
709	0			0		8			
709	0			0		9			
0	0			0		10			
0	0			0		11			
128830000	0			0		12			
19912	0			0		13			
21745929	0			0		14			
200958498	0			0		15			
0	0			0		16			
222724339	0			0		17			
284.0872	0.0000			0.0000		18			
0	0			0		19			
12586120	0			0		20			
0	0			0		21			
0	0			0		22			
0	0			0		23			
0	0			0		24			
240019	0			0		25			
0	0			0		26			
0	0			0		27			
0	0			0		28			
2723	0			0		29			
0	0			0		30			
0	0			0		31			
953548	0			0		32			
0	0			0		33			
13782410	0			0		34			
0.1070	0.0000			0.0000		35			
Gas						36			
mcf						37			
1458364	0	0	0	0	0	0	0	0	38
1025	0	0	0	0	0	0	0	0	39
8.630	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	40
8.630	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	41
8.420	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	42
0.098	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	43
11603.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	44

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)							
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Line No.	Item (a)	Plant Name: (b)	Plant Name: (c)				
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)						
2	Type of Constr (Conventional, Outdoor, Boiler, etc)						
3	Year Originally Constructed						
4	Year Last Unit was Installed						
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)			0.00	0.00		
6	Net Peak Demand on Plant - MW (60 minutes)			0	0		
7	Plant Hours Connected to Load			0	0		
8	Net Continuous Plant Capability (Megawatts)			0	0		
9	When Not Limited by Condenser Water			0	0		
10	When Limited by Condenser Water			0	0		
11	Average Number of Employees			0	0		
12	Net Generation, Exclusive of Plant Use - KWh			0	0		
13	Cost of Plant: Land and Land Rights			0	0		
14	Structures and Improvements			0	0		
15	Equipment Costs			0	0		
16	Asset Retirement Costs			0	0		
17	Total Cost			0	0		
18	Cost per KW of Installed Capacity (line 17/5) Including			0.0000	0.0000		
19	Production Expenses: Oper, Supv, & Engr			0	0		
20	Fuel			0	0		
21	Coolants and Water (Nuclear Plants Only)			0	0		
22	Steam Expenses			0	0		
23	Steam From Other Sources			0	0		
24	Steam Transferred (Cr)			0	0		
25	Electric Expenses			0	0		
26	Misc Steam (or Nuclear) Power Expenses			0	0		
27	Rents			0	0		
28	Allowances			0	0		
29	Maintenance Supervision and Engineering			0	0		
30	Maintenance of Structures			0	0		
31	Maintenance of Boiler (or reactor) Plant			0	0		
32	Maintenance of Electric Plant			0	0		
33	Maintenance of Misc Steam (or Nuclear) Plant			0	0		
34	Total Production Expenses			0	0		
35	Expenses per Net KWh			0.0000	0.0000		
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)						
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)						
38	Quantity (Units) of Fuel Burned	0	0	0	0	0	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	0	0	0	0	0	0
40	Avg Cost of Fuel/unit, as Delv'd f.o.b. during year	0.000	0.000	0.000	0.000	0.000	0.000
41	Average Cost of Fuel per Unit Burned	0.000	0.000	0.000	0.000	0.000	0.000
42	Average Cost of Fuel Burned per Million BTU	0.000	0.000	0.000	0.000	0.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.000	0.000	0.000	0.000	0.000	0.000
44	Average BTU per KWh Net Generation	0.000	0.000	0.000	0.000	0.000	0.000

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)										
<p>9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.</p>										
Plant Name:	(d)	Plant Name:	(e)	Plant Name:	(f)	Line No.				
						1				
						2				
						3				
						4				
	0.00		0.00		0.00	5				
	0		0		0	6				
	0		0		0	7				
	0		0		0	8				
	0		0		0	9				
	0		0		0	10				
	0		0		0	11				
	0		0		0	12				
	0		0		0	13				
	0		0		0	14				
	0		0		0	15				
	0		0		0	16				
	0		0		0	17				
	0.0000		0.0000		0.0000	18				
	0		0		0	19				
	0		0		0	20				
	0		0		0	21				
	0		0		0	22				
	0		0		0	23				
	0		0		0	24				
	0		0		0	25				
	0		0		0	26				
	0		0		0	27				
	0		0		0	28				
	0		0		0	29				
	0		0		0	30				
	0		0		0	31				
	0		0		0	32				
	0		0		0	33				
	0		0		0	34				
	0.0000		0.0000		0.0000	35				
						36				
						37				
0	0	0	0	0	0	0	0	0	0	38
0	0	0	0	0	0	0	0	0	0	39
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	40
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	41
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	42
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	43
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	44

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009		Year/Period of Report End of 2009/Q4	
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)							
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Line No.	Item (a)	Plant Name: (b)	Plant Name: (c)				
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)						
2	Type of Constr (Conventional, Outdoor, Boiler, etc)						
3	Year Originally Constructed						
4	Year Last Unit was Installed						
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)		0.00	0.00			
6	Net Peak Demand on Plant - MW (60 minutes)		0	0			
7	Plant Hours Connected to Load		0	0			
8	Net Continuous Plant Capability (Megawatts)		0	0			
9	When Not Limited by Condenser Water		0	0			
10	When Limited by Condenser Water		0	0			
11	Average Number of Employees		0	0			
12	Net Generation, Exclusive of Plant Use - KWh		0	0			
13	Cost of Plant: Land and Land Rights		0	0			
14	Structures and Improvements		0	0			
15	Equipment Costs		0	0			
16	Asset Retirement Costs		0	0			
17	Total Cost		0	0			
18	Cost per KW of Installed Capacity (line 17/5) Including		0.0000	0.0000			
19	Production Expenses: Oper, Supv, & Engr		0	0			
20	Fuel		0	0			
21	Coolants and Water (Nuclear Plants Only)		0	0			
22	Steam Expenses		0	0			
23	Steam From Other Sources		0	0			
24	Steam Transferred (Cr)		0	0			
25	Electric Expenses		0	0			
26	Misc Steam (or Nuclear) Power Expenses		0	0			
27	Rents		0	0			
28	Allowances		0	0			
29	Maintenance Supervision and Engineering		0	0			
30	Maintenance of Structures		0	0			
31	Maintenance of Boiler (or reactor) Plant		0	0			
32	Maintenance of Electric Plant		0	0			
33	Maintenance of Misc Steam (or Nuclear) Plant		0	0			
34	Total Production Expenses		0	0			
35	Expenses per Net KWh		0.0000	0.0000			
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)						
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)						
38	Quantity (Units) of Fuel Burned	0	0	0	0	0	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	0	0	0	0	0	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	0.000	0.000	0.000	0.000	0.000	0.000
41	Average Cost of Fuel per Unit Burned	0.000	0.000	0.000	0.000	0.000	0.000
42	Average Cost of Fuel Burned per Million BTU	0.000	0.000	0.000	0.000	0.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.000	0.000	0.000	0.000	0.000	0.000
44	Average BTU per KWh Net Generation	0.000	0.000	0.000	0.000	0.000	0.000

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4					
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)										
<p>9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.</p>										
Plant Name:	(d)	Plant Name:	(e)	Plant Name:	(f)	Line No.				
						1				
						2				
						3				
						4				
	0.00		0.00		0.00	5				
	0		0		0	6				
	0		0		0	7				
	0		0		0	8				
	0		0		0	9				
	0		0		0	10				
	0		0		0	11				
	0		0		0	12				
	0		0		0	13				
	0		0		0	14				
	0		0		0	15				
	0		0		0	16				
	0		0		0	17				
	0.0000		0.0000		0.0000	18				
	0		0		0	19				
	0		0		0	20				
	0		0		0	21				
	0		0		0	22				
	0		0		0	23				
	0		0		0	24				
	0		0		0	25				
	0		0		0	26				
	0		0		0	27				
	0		0		0	28				
	0		0		0	29				
	0		0		0	30				
	0		0		0	31				
	0		0		0	32				
	0		0		0	33				
	0		0		0	34				
	0.0000		0.0000		0.0000	35				
						36				
						37				
0	0	0	0	0	0	0	0	0	0	38
0	0	0	0	0	0	0	0	0	0	39
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	40
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	41
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	42
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	43
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	44

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 402 Line No.: 11 Column: f

No production/operation employees are directly assigned to Haefling turbines. Employees from the Brown Plant operate and maintain the Haefling turbines.

Schedule Page: 402 Line No.: 20 Column: f

Resubmission due to amounts included in Line 25 (Electric Expenses) that should have been in Line 20 (Fuel).
 Prior December 31, 2009 Balance \$ -
 Reclassification from Line 25 84,320
 Current December 31, 2009 Balance \$ 84,320

Schedule Page: 402 Line No.: 25 Column: f

Resubmission due to amounts included in Line 25 (Electric Expenses) that should have been in Line 20 (Fuel).
 Prior December 31, 2009 Balance \$ 88,700
 Reclassification to Line 20 (84,320)
 Current December 31, 2009 Balance \$ 4,380

Schedule Page: 402.1 Line No.: -1 Column: e

Pineville Generating Station is fully retired. However, land and ashpond assets amounting to \$312,711 remain on the books.

Schedule Page: 402.1 Line No.: 5 Column: b

The Nameplate Rating for Brown CT represents a 47% ownership of unit 5, a 123 MW unit, and 62% ownership of units 6 and 7, which are 177 MW each, for KU. The remaining percentages of units 5, 6 and 7 are owned by LG&E.

Schedule Page: 402.1 Line No.: 5 Column: c

The Nameplate Rating for Paddy's Run 13 CT represents a 47% ownership for KU. Total Nameplate Rating for the unit is 178 MW. The remaining percentage is owned by LG&E.

Schedule Page: 402.1 Line No.: 5 Column: d

The Nameplate Rating for Trimble County CT represents 71% ownership of units 5 and 6 and 63% of units 7, 8, 9 and 10 for KU. The remaining percentages for units 5, 6, 7, 8, 9 and 10 are owned by LG&E. Total Nameplate Ratings for these units are 199 MW per unit.

Schedule Page: 402.1 Line No.: 11 Column: b

Employees at the Brown Plant include those assigned to the steam plant and the Brown CT site and are reflected in the Brown Steam Plant statistics.

Schedule Page: 402.1 Line No.: 11 Column: c

No production/operation employees are directly assigned to Paddy's Run turbines. Employees from the LG&E Cane Run Plant operate and maintain the Paddy's Run turbines.

Schedule Page: 402.1 Line No.: 11 Column: d

Employees at the Trimble County Plant include those assigned to the steam plant and the Trimble County CT site and are reflected in the Trimble County steam plant statistics.

Schedule Page: 402.1 Line No.: 20 Column: b

Resubmission due to amounts included in Line 25 (Electric Expenses) that should have been in Line 20 (Fuel).
 Prior December 31, 2009 Balance \$ -
 Reclassification from Line 25 5,039,047
 Current December 31, 2009 Balance \$ 5,039,047

Schedule Page: 402.1 Line No.: 20 Column: c

Resubmission due to amounts included in Line 25 (Electric Expenses) that should have been in Line 20 (Fuel).
 Prior December 31, 2009 Balance \$ -
 Reclassification from Line 25 530,831
 Current December 31, 2009 Balance \$ 530,831

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 402.1 Line No.: 20 Column: d

Resubmission due to amounts included in Line 25 (Electric Expenses) that should have been in Line 20 (Fuel).	
Prior December 31, 2009 Balance	\$ -
Reclassification from Line 25	12,586,120
Current December 31, 2009 Balance	<u>\$12,586,120</u>

Schedule Page: 402.1 Line No.: 22 Column: b

Resubmission due to amounts included in Line 22 (Steam Expenses) that should have been in Line 25 (Electric Expenses).	
Prior December 31, 2009 Balance	\$ 5,394
Reclassification to Line 25	(5,394)
Current December 31, 2009 Balance	<u>\$ -</u>

Schedule Page: 402.1 Line No.: 22 Column: d

Resubmission due to amounts included in Line 22 (Steam Expenses) that should have been in Line 25 (Electric Expenses).	
Prior December 31, 2009 Balance	\$ 240,011
Reclassification to Line 25	(240,011)
Current December 31, 2009 Balance	<u>\$ -</u>

Schedule Page: 402.1 Line No.: 25 Column: b

Resubmission due to amounts included in Line 25 (Electric Expenses) that should have been in Line 20 (Fuel) and amounts in Line 22 (Steam Expenses) that should have been in Line 25 (Electric Expenses).	
Prior December 31, 2009 Balance	\$ 5,144,432
Reclassification to Line 20	(5,039,047)
Reclassification from Line 22	5,394
Current December 31, 2009 Balance	<u>\$ 110,779</u>

Schedule Page: 402.1 Line No.: 25 Column: c

Resubmission due to amounts included in Line 25 (Electric Expenses) that should have been in Line 20 (Fuel).	
Prior December 31, 2009 Balance	\$ 536,292
Reclassification to Line 20	(530,831)
Current December 31, 2009 Balance	<u>\$ 5,461</u>

Schedule Page: 402.1 Line No.: 25 Column: d

Resubmission due to amounts included in Line 25 (Electric Expenses) that should have been in Line 20 (Fuel), amounts in Line 22 (Steam Expenses) that should have been in Line 25 (Electric Expenses), and a small additional amount.	
Prior December 31, 2009 Balance	\$ 12,586,120
Reclassification to Line 20	(12,586,120)
Reclassification from Line 22	240,011
Adjustment for Account 549	8
Current December 31, 2009 Balance	<u>\$ 240,019</u>

Schedule Page: 402 Line No.: 36 Column: b2

Oil is used for start-up and stabilization of this unit only. No energy is generated from

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

oil burned.

Schedule Page: 402 Line No.: 36 Column: c2

Oil is used for start-up and stabilization of this unit only. No energy is generated from oil burned.

Schedule Page: 402 Line No.: 36 Column: d2

Oil is used for start-up and stabilization of this unit only. No energy is generated from oil burned.

Schedule Page: 402 Line No.: 36 Column: e2

Oil is used for start-up and stabilization of this unit only. No energy is generated from oil burned.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of <u>2009/Q4</u>
HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)					
<p>1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)</p> <p>2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.</p> <p>3. If net peak demand for 60 minutes is not available, give that which is available specifying period.</p> <p>4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.</p>					
Line No.	Item (a)	FERC Licensed Project No. 0 Plant Name: Dix Dam (b)	FERC Licensed Project No. 0 Plant Name: (c)		
1	Kind of Plant (Run-of-River or Storage)		Storage		
2	Plant Construction type (Conventional or Outdoor)		Conventional		
3	Year Originally Constructed		1923		
4	Year Last Unit was Installed		1924		
5	Total installed cap (Gen name plate Rating in MW)		28.00		0.00
6	Net Peak Demand on Plant-Megawatts (60 minutes)		25		0
7	Plant Hours Connect to Load		4,900		0
8	Net Plant Capability (in megawatts)				
9	(a) Under Most Favorable Oper Conditions		24		0
10	(b) Under the Most Adverse Oper Conditions		0		0
11	Average Number of Employees		10		0
12	Net Generation, Exclusive of Plant Use - Kwh		68,871,000		0
13	Cost of Plant				
14	Land and Land Rights		879,312		0
15	Structures and Improvements		606,213		0
16	Reservoirs, Dams, and Waterways		0		0
17	Equipment Costs		11,368,013		0
18	Roads, Railroads, and Bridges		0		0
19	Asset Retirement Costs		4,970		0
20	TOTAL cost (Total of 14 thru 19)		12,858,508		0
21	Cost per KW of Installed Capacity (line 20 / 5)		459.2324		0.0000
22	Production Expenses				
23	Operation Supervision and Engineering		7,472		0
24	Water for Power		0		0
25	Hydraulic Expenses		0		0
26	Electric Expenses		0		0
27	Misc Hydraulic Power Generation Expenses		66,166		0
28	Rents		0		0
29	Maintenance Supervision and Engineering		102,893		0
30	Maintenance of Structures		304,520		0
31	Maintenance of Reservoirs, Dams, and Waterways		204,843		0
32	Maintenance of Electric Plant		90,818		0
33	Maintenance of Misc Hydraulic Plant		4,890		0
34	Total Production Expenses (total 23 thru 33)		781,602		0
35	Expenses per net KWh		0.0113		0.0000

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)					
5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."					
6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine, or gas turbine equipment.					
FERC Licensed Project No. 0 Plant Name: (d)	FERC Licensed Project No. 0 Plant Name: (e)	FERC Licensed Project No. 0 Plant Name: (f)	Line No.		
					1
					2
					3
					4
	0.00	0.00		0.00	5
	0	0		0	6
	0	0		0	7
					8
	0	0		0	9
	0	0		0	10
	0	0		0	11
	0	0		0	12
					13
	0	0		0	14
	0	0		0	15
	0	0		0	16
	0	0		0	17
	0	0		0	18
	0	0		0	19
	0	0		0	20
	0.0000	0.0000		0.0000	21
					22
	0	0		0	23
	0	0		0	24
	0	0		0	25
	0	0		0	26
	0	0		0	27
	0	0		0	28
	0	0		0	29
	0	0		0	30
	0	0		0	31
	0	0		0	32
	0	0		0	33
	0	0		0	34
	0.0000	0.0000		0.0000	35

Name of Respondent		This Report Is:		Date of Report	Year/Period of Report			
Kentucky Utilities Company		(1) <input type="checkbox"/> An Original	(2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2009	End of 2009/Q4			
TRANSMISSION LINE STATISTICS								
<p>1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.</p> <p>2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.</p> <p>3. Report data by individual lines for all voltages if so required by a State commission.</p> <p>4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.</p> <p>5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.</p> <p>6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.</p>								
Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	Pocket	Pineville	500.00	500.00	ST	35.48		
2	Pocket	Phipps Bend	500.00	500.00	ST	21.39		
3								
4	Ghent Plant	Brown North	345.00	345.00	ST	113.87		
5	Ghent Plant	Batesville	345.00	345.00	ST	7.80		
6	Brown Plant	Elmer Smith	345.00	345.00	HF & ST	135.31		
7	Brown North	K.U. Park	345.00	345.00	ST	102.47		2
8								
9	Green River	AEC Buss	161.00	161.00	HF,ST & WP	181.40		
10	Green River	Morganfield	161.00	161.00	HF & WP	55.38		
11	Elihu	Dorchester	161.00	161.00	HF & ST	86.06		
12	Lake Reba	Dorchester	161.00	161.00	HF & ST	99.15		1
13	Pineville	Hartan	161.00	161.00	HF & WP	48.34		
14	Pineville 149	Pineville 192	161.00	161.00	HF	0.12		1
15	East Ky. Power	Taylor County	161.00	161.00	SP	3.97		1
16	Imboden	Harlan	161.00	161.00	HF,SP,WP,ST	43.82		
17								
18	Ghent Plant	Brown Plant	138.00	138.00	ST	90.47		
19	Brown Plant	Green River	138.00	138.00	HF,SP & ST	169.18		
20	Kenton	Rodburn	138.00	138.00	HF	45.74		1
21	Green River	Brown North	138.00	138.00	HF & ST	166.58		
22	Fawkes	Rodburn	138.00	138.00	HF,ST & WP	64.52		1
23	Clifty Creek	Carrollton	138.00	138.00	HF,SP,ST,WP	144.71		
24	Brown Plant	Lake Reba	138.00	138.00	HF	28.60		1
25	Brown Plant	Haefling	138.00	138.00	HF,SP,ST,WP	29.32		
26	Ghent Plant	Kenton Station	138.00	138.00	HF & WF	72.78		1
27	Ghent Plant	Adams	138.00	138.00	HF,SP & ST	56.77		
28	Hardin County	Rogersville	138.00	138.00	HF	10.24		1
29	Virginia City	Clinch River (AEP Int. Pt)	138.00	138.00	HF	7.89		1
30	69KV Lines		69.00	69.00	Various	2,218.38		
31								
32								
33								
34								
35	Exp Applicable to All Lines							
36					TOTAL	4,039.74		11

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
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TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
954mcm	1,385,561	15,459,178	16,844,739					1
954mcm	280,371	7,950,524	8,230,895					2
								3
795mcm	2,495,681	16,990,017	19,485,698					4
954mcm	437,159	6,003,194	6,440,353					5
954mcm	1,615,764	17,554,202	19,169,966					6
954mcm	1,111,580	21,490,808	22,602,388					7
								8
556mcm	1,284,447	11,110,368	12,394,815					9
556mcm	268,660	2,057,629	2,326,289					10
556mcm	270,147	4,095,554	4,365,701					11
556mcm	559,988	4,177,950	4,737,938					12
795mcm	300,849	6,187,626	6,488,475					13
954mcm		14,306	14,306					14
556mcm	261,988	307,188	569,176					15
795mcm	84,143	4,698,723	4,782,866					16
								17
954mcm	419,701	5,837,035	6,256,736					18
556mcm	381,153	6,802,123	7,183,276					19
397mcm	98,119	1,298,430	1,396,549					20
795mcm	732,412	8,439,569	9,171,981					21
556mcm	579,168	2,124,890	2,704,058					22
795mcm	824,816	10,174,200	10,999,016					23
556mcm	80,240	1,215,187	1,295,427					24
795mcm	191,989	4,327,940	4,519,929					25
795mcm	446,861	4,986,782	5,433,643					26
795mcm	245,501	5,166,525	5,412,026					27
795mcm	245,093	953,484	1,198,577					28
795mcm	341,895	4,089,327	4,431,222					29
Various	8,214,252	138,210,332	146,424,584					30
								31
								32
								33
								34
				382,898	4,955,410	151,270	5,489,578	35
	23,157,538	311,723,091	334,880,629	382,898	4,955,410	151,270	5,489,578	36

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	12/31/2009	2009/Q4
FOOTNOTE DATA			

Schedule Page: 422 Line No.: 1 Column: h
Contains both single and double circuitry.
Schedule Page: 422 Line No.: 2 Column: h
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Schedule Page: 422 Line No.: 4 Column: h
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Schedule Page: 422 Line No.: 21 Column: h
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Schedule Page: 422 Line No.: 23 Column: h
Contains both single and double circuitry.
Schedule Page: 422 Line No.: 25 Column: h
Contains both single and double circuitry.
Schedule Page: 422 Line No.: 27 Column: h
Contains both single and double circuitry.
Schedule Page: 422 Line No.: 30 Column: h
Contains both single and double circuitry.

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	A. O. Smith - Mt. Sterling	Transmission*	69.00	12.47	
2	Adams - Georgetown	Transmission*	138.00	69.00	13.20
3	Alcade - Somerset	Transmission*	345.00	161.00	13.20
4	American Ave. - Lexington	Transmission*	138.00	69.00	13.20
5	Arnold - Cumberland	Transmission*	161.00	69.00	13.20
6	Artemus - Pineville	Transmission*	161.00	69.00	13.20
7	Bardstown- Campbellsville	Transmission*	138.00	69.00	13.20
8	Bardstown City- Campbellsville	Transmission*	69.00	12.47	
9	Barlow	Transmission*	69.00	12.47	
10	Beattyville - Richmond	Transmission*	161.00	69.00	13.20
11	Bimble	Transmission*	69.00		
12	Blackwell	Transmission*	138.00		
13	Bond-Coeburn	Transmission*	69.00	12.47	
14	Bonds Mill	Transmission*	69.00		
15	Bonnieville - Horse Cave	Transmission*	138.00	69.00	13.20
16	Boone Ave. - Winchester	Transmission*	69.00	12.47	
17	Boonesboro North - Winchester	Transmission*	138.00	69.00	13.20
18	Boyle County	Transmission*	69.00		
19	Broadhead SW	Transmission*	69.00		
20	Bromley	Transmission*	69.00	12.47	
21	Brown North - Harrodsburg	Transmission*	345.00	138.00	13.20
22	Brown North - Harrodsburg	Transmission*	144.00	24.00	
23	Brown Plant - Harrodsburg	Transmission*	138.00	13.20	
24	Brown Plant - Harrodsburg	Transmission*	138.00	17.10	
25	Carntown - Augusta	Transmission*	138.00	69.00	13.20
26	Carrollton - Carrollton	Transmission*	138.00	69.00	13.20
27	Cary SW	Transmission*	69.00		
28	Clark County - Winchester	Transmission*	138.00	69.00	13.20
29	Clinton	Transmission*	69.00		
30	Corydon - Henderson	Transmission*	161.00	69.00	13.20
31	Crittendon County - Marion	Transmission*	161.00	69.00	13.20
32	Cynthiana SW	Transmission*	69.00		
33	Danville North - Danville	Transmission*	138.00	69.00	13.20
34	Daviess County	Transmission*	345.00		
35	Delvinta	Transmission*	161.00		
36	Dix Dam Plant - Harrodsburg	Transmission*	69.00	13.20	
37	Dow Corning West	Transmission*	138.00		
38	Dorchester - Norton	Transmission*	161.00	69.00	13.20
39	Earlington North - Earlington	Transmission*	161.00	69.00	13.20
40	East Frankfort - Frankfort	Transmission*	138.00	69.00	13.20

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SUBSTATIONS (Continued)						
5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.						
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.						
Capacity of Substation (In Service) (In MVa) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVa) (k)	
			NONE			1
94	1		NONE			2
448	1		NONE			3
150	1		NONE			4
56	1		NONE			5
56	1		NONE			6
94	1		NONE			7
			NONE			8
			NONE			9
56	1		NONE			10
			NONE			11
			NONE			12
			NONE			13
			NONE			14
34	1		NONE			15
			NONE			16
150	1		NONE			17
			NONE			18
			NONE			19
			NONE			20
448	1		NONE			21
			NONE			22
			NONE			23
			NONE			24
50	1		NONE			25
187	2		NONE			26
			NONE			27
93	1		NONE			28
			NONE			29
112	1		NONE			30
112	1		NONE			31
			NONE			32
112	1		NONE			33
			NONE			34
			NONE			35
			NONE			36
			NONE			37
187	2		NONE			38
224	1	1	NONE			39
224	2		NONE			40

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Elihu - Somerset	Transmission*	161.00	69.00	13.20
2	Elizabethtown - Elizabethtown	Transmission*	138.00	69.00	13.20
3	Eminence	Transmission*	69.00		
4	Everts	Transmission*	69.00		
5	Farley - Corbin	Transmission*	161.00	69.00	13.20
6	Farmers - Morehead	Transmission*	80.00	40.00	13.20
7	Fawkes - Richmond	Transmission*	138.00	69.00	13.20
8	Finchville	Transmission*	69.00		
9	Ghent Plant - Carrollton	Transmission*	345.00	138.00	
10	Ghent Plant - Carrollton	Transmission*	345.00	138.00	25.00
11	Goddard	Transmission*	138.00		
12	Gorge SW	Transmission*	69.00		
13	Grahamville - Barlow	Transmission*	161.00	69.00	13.20
14	Green River Plant - Greenville	Transmission*	138.00	69.00	13.20
15	Green River Plant - Greenville	Transmission*	154.00	138.00	13.20
16	Green River Plant - Greenville	Transmission*	161.00	138.00	13.20
17	Green River Steel - Greenville	Transmission*	138.00	69.00	13.20
18	Haefling - Lexington	Transmission*	138.00	69.00	13.20
19	Hardin County - Elizabethtown	Transmission*	345.00	138.00	13.20
20	Hardin County - Elizabethtown	Transmission*	138.00	69.00	13.20
21	Hardinsburg - Hardinsburg	Transmission*	138.00		
22	Harlan "Y" - Harlan	Transmission*	161.00	69.00	13.20
23	Higby Mill - Lexington	Transmission*	138.00	69.00	13.20
24	Hillside	Transmission*	69.00		
25	Howards Branch	Transmission*	161.00		
26	Hughes Lane - Lexington	Transmission*	69.00	12.47	
27	Imboden - Big Stone Gap	Transmission*	161.00	69.00	13.20
28	Indian Hill	Transmission*	69.00		
29	Kenton - Maysville	Transmission*	132.00	69.00	13.20
30	Kenton - Maysville	Transmission*	138.00	69.00	13.20
31	KU Park - Pineville	Transmission*	69.00		
32	LaGrange East	Transmission*	69.00	12.47	
33	Lake Reba - Richmond	Transmission*	138.00	69.00	13.20
34	Lake Reba Tap - Richmond	Transmission*	161.00	138.00	6.60
35	Lancaster	Transmission*	69.00		
36	Lansdowne - Lexington	Transmission*	138.00	69.00	13.20
37	Lebanon - Lebanon	Transmission*	80.00	40.00	13.20
38	Lebanon City	Transmission*	69.00	12.47	
39	Leitchfield - Leitchfield	Transmission*	138.00	69.00	13.20
40	Leitchfield East	Transmission*	69.00	12.47	

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SUBSTATIONS (Continued)						
5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.						
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.						
Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
187	2		NONE			1
149	1		NONE			2
			NONE			3
			NONE			4
149	1		NONE			5
40	3		NONE			6
299	2		NONE			7
			NONE			8
450	1	1	NONE			9
448	1		NONE			10
			NONE			11
			NONE			12
93	1		NONE			13
295	3		NONE			14
200	2		NONE			15
112	1		NONE			16
93	1		NONE			17
149	1		NONE			18
448	1		NONE			19
149	1		NONE			20
			NONE			21
94	1		NONE			22
224	2	1	NONE			23
			NONE			24
			NONE			25
			NONE			26
149	1		NONE			27
			NONE			28
33	1	1	NONE			29
112	1		NONE			30
		1	NONE			31
			NONE			32
149	1		NONE			33
200	1		NONE			34
			NONE			35
112	1		NONE			36
100	6		NONE			37
			NONE			38
93	1		NONE			39
			NONE			40

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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)			
			Primary (c)	Secondary (d)	Tertiary (e)	
1	Lexington Plant - Lexington	Transmission*	69.00			
2	Livingston County	Transmission*	161.00			
3	London - London	Transmission*	69.00			
4	Loudon Ave - Lexington	Transmission*	138.00	69.00	13.20	
5	Lynch - Harlan	Transmission*	69.00			
6	Manchester	Transmission*	69.00	12.47		
7	Marion	Transmission*	69.00			
8	Meldrum SW	Transmission*	69.00			
9	Middlesboro - Middlesboro	Transmission*	69.00			
10	Millersburg - Millersburg	Transmission*	69.00			
11	Morganfield - Morganfield	Transmission*	161.00	69.00	13.20	
12	N.A.S.	Transmission*	345.00	138.00		
13	Nebo - Nebo	Transmission*	69.00			
14	North London - London	Transmission*	69.00			
15	Ohio County - Beaver Dam	Transmission*	138.00	69.00	13.20	
16	Paris	Transmission*	138.00	69.00	13.20	
17	Pineville - Pineville	Transmission*	345.00	161.00	13.20	
18	Pineville - Pineville	Transmission*	500.00	345.00	34.50	
19	Pineville - Pineville	Transmission*	161.00	69.00	13.20	
20	Pineville SW - Pineville	Transmission*	161.00			
21	Pisgah - Lexington	Transmission*	138.00	69.00	13.20	
22	Pittsburg - London	Transmission*	161.00	69.00	13.20	
23	Pocket - Pennington Gap	Transmission*	161.00	69.00	13.20	
24	Pocket North - Pennington Gap	Transmission*	500.00	161.00		
25	Princeton - Princeton	Transmission*	69.00			
26	Richmond - Richmond	Transmission*	69.00			
27	River Queen - Muhlenberg	Transmission*	161.00	69.00	13.20	
28	Rocky Branch	Transmission*	69.00			
29	Rodburn - Morehead	Transmission*	138.00	69.00	13.20	
30	Rogersville - Radcliff	Transmission*	138.00	69.00	13.20	
31	Scott County	Transmission*	138.00	69.00	13.20	
32	Shelbyville - Shelbyville	Transmission*	69.00			
33	Simmons	Transmission*	69.00			
34	Somerset N - Somerset	Transmission*	69.00			
35	South Paducah	Transmission*	161.00	69.00	13.20	
36	Spears SW	Transmission*	69.00			
37	Spencer Road - Mt. Sterling	Transmission*	138.00	69.00	13.20	
38	St. Paul	Transmission*	69.00	12.47		
39	Sweet Hollow	Transmission*	69.00			
40	Taylor County - Campsville	Transmission*	161.00	69.00	13.20	

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Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
			NONE			1
			NONE			2
			NONE			3
262	2	1	NONE			4
			NONE			5
			NONE			6
			NONE			7
			NONE			8
			NONE			9
			NONE			10
112	1		NONE			11
450	1		NONE			12
			NONE			13
			NONE			14
93	1	3	NONE			15
150	1		NONE			16
560	1		NONE			17
504	1		NONE			18
243	2		NONE			19
			NONE			20
112	1		NONE			21
112	1		NONE			22
187	1		NONE			23
448	1		NONE			24
			NONE			25
			NONE			26
			NONE			27
			NONE			28
61	1		NONE			29
93	1		NONE			30
93	1		NONE			31
			NONE			32
			NONE			33
			NONE			34
50	1		NONE			35
			NONE			36
89	2		NONE			37
			NONE			38
			NONE			39
90	1		NONE			40

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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Tyrone - Versailles	Transmission*	138.00	69.00	13.20
2	UK Medical Center - Lexington	Transmission*	69.00		
3	Virginia City - Norton	Transmission*	138.00	69.00	13.20
4	Walker - Earlington	Transmission*	161.00	69.00	13.20
5	West Cliff - Harrodsburg	Transmission*	138.00	69.00	13.20
6	West Frankfort - Shelbyville	Transmission*	345.00	138.00	13.20
7	West Frankfort - Shelbyville	Transmission*	138.00	69.00	13.20
8	West Irvine - Irvine	Transmission*	161.00	69.00	13.20
9	West Lexington - Lexington	Transmission*	345.00	138.00	13.20
10	Wheatcroft	Transmission*	69.00		
11	Wickliffe - Barlow	Transmission*	161.00	69.00	13.20
12	Williamsburg SW	Transmission*	69.00		
13	Winchester City	Transmission*	69.00		
14	Wofford	Transmission*	69.00		
15	Total Transmission		18380.00	6369.14	937.30
16					
17	A.O. Smith - Mt. Sterling	Distribution*	69.00	12.47	
18	Adams 12KV	Distribution*	69.00	34.50	
19	Airgas 13.8KV	Distribution*	138.00	13.80	
20	Aisin 12KV	Distribution*	69.00	12.47	
21	Alexander - Versailles	Distribution*	69.00	12.47	
22	American Ave. - Lexington	Distribution*	69.00	4.16	
23	Andover - Norton	Distribution*	69.00	34.50	
24	Ashland Ave. - Lexington	Distribution*	69.00	4.16	
25	Ashland Pipe - Lexington	Distribution*	69.00	12.47	
26	Augusta 12KV	Distribution*	69.00	12.47	
27	Bardstown City 12KV	Distribution*	69.00	12.47	
28	Bardstown Ind. 12KV	Distribution*	69.00	12.47	
29	Beaver Dam - Beaver Dam	Distribution*	69.00	12.47	
30	Beaver Dam North - Beaver Dam	Distribution*	69.00	12.47	
31	Belt Line - Lexington	Distribution*	69.00	12.47	
32	Bevier - Earlington	Distribution*	69.00	34.50	
33	Big Stone Gap - Big Stone Gap	Distribution*	69.00	12.47	
34	Bond - Coeburn	Distribution*	69.00	12.47	
35	Boone Ave. - Winchester	Distribution*	69.00	12.47	
36	Borg Warner - Earlington	Distribution*	69.00	12.47	
37	Bryant Road - Lexington	Distribution*	69.00	12.47	
38	Buchanan - Lexington	Distribution*	69.00	4.16	
39	Buena Vista 12KV	Distribution*	69.00	12.47	
40	Burnside - Somerset	Distribution*	69.00	12.47	

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Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
112	1		NONE			1
			NONE			2
120	1		NONE			3
112	1		NONE			4
392	3		NONE			5
448	1		NONE			6
112	1		NONE			7
56	1		NONE			8
448	1		NONE			9
			NONE			10
93	1		NONE			11
			NONE			12
			NONE			13
			NONE			14
13016	92	9				15
						16
14	1		NONE			17
34	2		NONE			18
22	1		NONE			19
14	1		NONE			20
22	1		NONE			21
14	1		NONE			22
37	1		NONE			23
28	2		NONE			24
20	2		NONE			25
14	1		NONE			26
23	1		NONE			27
45	2		NONE			28
14	1		NONE			29
14	1		NONE			30
22	1		NONE			31
13	1		NONE			32
42	3		NONE			33
67	3		NONE			34
23	1		NONE			35
23	1		NONE			36
67	3		NONE			37
14	1		NONE			38
14	1		NONE			39
14	1		NONE			40

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Camargo - Mt. Sterling	Distribution*	69.00	12.47	
2	Camp Breckinridge	Distribution*	69.00	12.47	
3	Campbellsville 1 - Campbellsville	Distribution*	69.00	12.47	
4	Campbellsville 2 - Campbellsville	Distribution*	69.00	12.47	
5	Camtown - Augusta	Distribution*	69.00	12.47	
6	Caron - London	Distribution*	69.00	12.47	
7	Carrollton - Carrollton	Distribution*	69.00	12.47	
8	Cawood - Harlan	Distribution*	69.00	12.47	
9	Clay Mills - Lexington	Distribution*	138.00	12.47	
10	Clinch Valley - Norton	Distribution*	69.00	12.47	
11	Columbia - Columbia	Distribution*	69.00	12.47	
12	Columbia South - Columbia	Distribution*	69.00	12.47	
13	Corbin East - Corbin	Distribution*	69.00	12.47	
14	Corning 12KV	Distribution*	69.00	12.47	
15	Corporate Drive 2 - 12KV	Distribution*	69.00	12.47	
16	Cynthiana 12KV	Distribution*	69.00	12.47	
17	Cynthiana South 12KV	Distribution*	67.00	12.47	
18	Danville 1 - Danville	Distribution*	69.00	12.47	
19	Danville East - Danville	Distribution*	69.00	12.47	
20	Danville Ind. - Danville	Distribution*	69.00	12.47	
21	Danville North - Danville	Distribution*	69.00	12.47	
22	Danville West - Danville	Distribution*	69.00	12.47	
23	Dark Hollow - Richmond	Distribution*	69.00	12.47	
24	Dawson Ind. - Earlington	Distribution*	69.00	4.16	
25	Days Branch 12KV	Distribution*	69.00	12.47	
26	Dayton - Walther - Carrollton	Distribution*	138.00	12.47	
27	Delaplain - Georgetown	Distribution*	69.00	13.80	
28	Denham Street - Somerset	Distribution*	69.00	12.47	
29	Detroit Harvester - Paris	Distribution*	69.00	12.47	
30	Donerali - Lexington	Distribution*	69.00	12.47	
31	Dorchester - Norton	Distribution*	69.00	22.00	
32	Dow Corning - Carrollton	Distribution*	69.00	12.47	
33	Dozier Heights 12KV	Distribution*	69.00	12.47	
34	Earlington - Earlington	Distribution*	69.00	34.50	
35	East Bernstadt - London	Distribution*	69.00	12.47	
36	East Stone - Big Stone Gap	Distribution*	69.00	12.47	
37	Eastland - Lexington	Distribution*	69.00	12.47	
38	Elizabethtown Industrial - Elizabethtown	Distribution*	69.00	12.47	
39	Eminence - Shelbyville	Distribution*	69.00	12.47	
40	Esserville - Norton	Distribution*	69.00	12.47	

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SUBSTATIONS (Continued)						
5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.						
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.						
Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
28	2		NONE			1
14	1		NONE			2
45	2		NONE			3
23	1		NONE			4
14	1		NONE			5
23	1		NONE			6
14	1		NONE			7
14	1		NONE			8
37	1		NONE			9
23	1		NONE			10
14	1		NONE			11
14	1		NONE			12
37	2		NONE			13
34	5		NONE			14
30	2		NONE			15
20	2		NONE			16
14	1		NONE			17
23	1		NONE			18
23	1		NONE			19
45	2		NONE			20
14	1		NONE			21
23	1		NONE			22
14	1		NONE			23
14	1		NONE			24
14	1		NONE			25
14	1		NONE			26
37	2		NONE			27
14	1		NONE			28
23	1		NONE			29
14	1		NONE			30
56	3		NONE			31
14	1		NONE			32
14	1		NONE			33
34	2		NONE			34
14	1		NONE			35
25	2		NONE			36
23	1		NONE			37
23	1		NONE			38
14	1		NONE			39
23	1		NONE			40

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Etown #2 - Elizabethtown	Distribution*	69.00	12.47	
2	Etown #3 - Elizabethtown	Distribution*	69.00	12.47	
3	Etown #4 - Elizabethtown	Distribution*	69.00	12.47	
4	Etown #5 East - Elizabethtown	Distribution*	69.00	12.47	
5	Etown West - Elizabethtown	Distribution*	69.00	12.47	
6	Ewington - Mt. Sterling	Distribution*	69.00	12.47	
7	Ferguson South - Somerset	Distribution*	69.00	12.47	
8	Florida Tile - Lawrenceburg	Distribution*	69.00	12.47	
9	FMC - Lexington	Distribution*	69.00	12.47	
10	Forks of Elkhorn - Georgetown	Distribution*	34.50	12.47	
11	Frankfort - Frankfort	Distribution*	69.00	34.50	
12	GE Lamp Works - Lexington	Distribution*	69.00	4.16	
13	Georgetown - Georgetown	Distribution*	69.00	12.47	
14	Ghent Scrubbers 12KV	Distribution*	138.00	13.20	
15	Green River Steel 2 12KV	Distribution*	69.00	12.47	
16	Green River 34KV	Distribution*	69.00	34.50	
17	Greensburg - Campsville	Distribution*	69.00	12.47	
18	Greenville 12KV - Muhlenburg	Distribution*	69.00	12.47	
19	Greenville North - Muhlenburg	Distribution*	69.00	12.47	
20	Haefling - Lexington	Distribution*	138.00	12.47	
21	Haley - Lexington	Distribution*	69.00	12.47	
22	Hamblin - Pennington Gap	Distribution*	69.00	12.47	
23	Hanson - Earlington	Distribution*	69.00	12.47	
24	Hardesty - Earlington	Distribution*	69.00	34.50	
25	Harlan - Harlan	Distribution*	69.00	12.47	
26	Harlan Wye - Harlan	Distribution*	69.00	12.47	
27	Harrodsburg #2 - Harrodsburg	Distribution*	69.00	12.47	
28	Harrodsburg #3 - Harrodsburg	Distribution*	69.00	12.47	
29	Harrodsburg North 12KV	Distribution*	69.00	12.47	
30	Higby Mill 12KV - Lexington	Distribution*	138.00	12.47	
31	Highsplint - Harlan	Distribution*	69.00	12.47	
32	Hodgenville 12KV	Distribution*	69.00	12.47	
33	Hoover 12KV - Georgetown	Distribution*	69.00	12.47	
34	Hopewell - Corbin	Distribution*	69.00	12.47	
35	Horse Cave 12KV	Distribution*	69.00	12.47	
36	Horse Cave Industrial - Horse Cave	Distribution*	69.00	12.47	
37	Hughes Lane - Lexington	Distribution*	69.00	12.47	
38	IBM - Lexington	Distribution*	69.00	12.47	
39	IBM North 12KV	Distribution*	138.00	12.47	
40	Imboden - Norton	Distribution*	69.00	34.50	

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SUBSTATIONS (Continued)						
<p>5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.</p> <p>6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.</p>						
Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
45	2		NONE			1
33	2		NONE			2
23	1		NONE			3
14	1		NONE			4
23	1		NONE			5
37	2		NONE			6
14	1		NONE			7
14	1		NONE			8
23	1		NONE			9
14	1		NONE			10
20	1		NONE			11
14	1		NONE			12
14	1		NONE			13
56	2		NONE			14
14	1		NONE			15
17	1		NONE			16
14	1		NONE			17
14	1		NONE			18
14	1		NONE			19
39	1		NONE			20
14	1		NONE			21
14	1		NONE			22
14	1		NONE			23
13	1		NONE			24
14	1		NONE			25
14	1		NONE			26
14	1		NONE			27
14	1		NONE			28
14	1		NONE			29
60	2		NONE			30
14	1		NONE			31
14	1		NONE			32
23	1		NONE			33
28	2		NONE			34
28	2		NONE			35
45	2		NONE			36
14	1		NONE			37
75	2		NONE			38
34	1		NONE			39
37	1		NONE			40

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SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Innovation Drive	Distribution*	138.00	12.47	
2	Irvine - Richmond	Distribution*	69.00	12.47	
3	Joyland - Lexington	Distribution*	69.00	12.47	
4	Kawneer - Cynthia	Distribution*	69.00	12.47	
5	Kenton - Maysville	Distribution*	69.00	12.47	
6	Kentucky River 4KV	Distribution*	69.00	4.16	
7	LaGrange East	Distribution*	69.00	12.47	
8	LaGrange - Penal - LaGrange	Distribution*	69.00	12.47	
9	Lakeshore - Lexington	Distribution*	69.00	12.47	
10	Lancaster - Danville	Distribution*	69.00	4.16	
11	Lansdowne - Lexington	Distribution*	69.00	12.47	
12	Lawrenceburg - Lawrenceburg	Distribution*	69.00	12.47	
13	Lebanon - Lebanon	Distribution*	69.00	12.47	
14	Lebanon East	Distribution*	69.00	12.47	
15	Lebanon South 12KV - Lebanon	Distribution*	69.00	12.47	
16	Lebanon Junction 12KV	Distribution*	69.00	12.47	
17	Lebanon West 12KV	Distribution*	138.00	12.47	
18	Leitchfield 12KV - Leitchfield	Distribution*	69.00	12.47	
19	Leitchfield East - Leitchfield	Distribution*	69.00	12.47	
20	Lemons Mill - Georgetown	Distribution*	69.00	12.47	
21	Lexington Water Company	Distribution*	69.00	12.47	
22	Lexington 4KV - Lexington	Distribution*	69.00	4.16	
23	Liberty - Liberty	Distribution*	69.00	12.47	
24	Liberty Road - Lexington	Distribution*	69.00	12.47	
25	London - London	Distribution*	69.00	12.47	
26	Loudon Ave. - Lexington	Distribution*	138.00	12.47	
27	Madisonville GE 12KV	Distribution*	69.00	12.47	
28	Madisonville HP 12KV	Distribution*	69.00	12.47	
29	Madisonville North 4KV	Distribution*	69.00	4.16	
30	Madisonville West 12KV	Distribution*	69.00	12.47	
31	Madisonville East 12KV	Distribution*	69.00	12.47	
32	Manchester South	Distribution*	69.00	12.47	
33	Marion South - Marion	Distribution*	69.00	12.47	
34	Maysville Mid - Maysville	Distribution*	69.00	4.16	
35	McCoy Avenue 12KV	Distribution*	69.00	12.47	
36	McKee Road 12KV	Distribution*	69.00	12.47	
37	Meldrum - Middlesboro	Distribution*	69.00	12.47	
38	Metal & Thermit - Carrollton	Distribution*	69.00	12.47	
39	Middlesboro #1 12KV	Distribution*	69.00	12.47	
40	Middlesboro #2 12KV	Distribution*	69.00	12.47	

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SUBSTATIONS (Continued)						
5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.						
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.						
Capacity of Substation (In Service) (In MVa) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVa) (k)	
37	1		NONE			1
14	1		NONE			2
37	2		NONE			3
14	1		NONE			4
28	2		NONE			5
28	2		NONE			6
37	2		NONE			7
23	1		NONE			8
37	1		NONE			9
14	1		NONE			10
75	2		NONE			11
45	2		NONE			12
14	1		NONE			13
14	3		NONE			14
14	1		NONE			15
23	1		NONE			16
14	1		NONE			17
14	1		NONE			18
14	1		NONE			19
45	2		NONE			20
45	2		NONE			21
28	2		NONE			22
14	1		NONE			23
37	1		NONE			24
45	2		NONE			25
37	1		NONE			26
23	1		NONE			27
14	1		NONE			28
23	1		NONE			29
23	1		NONE			30
14	1		NONE			31
14	1		NONE			32
14	1		NONE			33
14	1		NONE			34
14	1		NONE			35
14	1		NONE			36
14	1		NONE			37
14	1		NONE			38
28	2		NONE			39
28	2		NONE			40

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SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Mldway - Versailles	Distribution*	138.00	12.47	
2	Minor Farm 12KV	Distribution*	69.00	12.47	
3	Morehead - Morehead	Distribution*	69.00	12.47	
4	Morganfield Industrial - Morganfield	Distribution*	69.00	12.47	
5	Mt. Sterling - Mt. Sterling	Distribution*	69.00	12.47	
6	Mt. Vernon - Mt. Vernon	Distribution*	69.00	12.47	
7	Muhlenburg Prison - Muhlenburg	Distribution*	69.00	12.47	
8	Newtown 12KV	Distribution*	69.00	12.47	
9	Norton East - Norton	Distribution*	69.00	12.47	
10	Oakhill - Earlington	Distribution*	69.00	34.50	
11	Okonite - Richmond	Distribution*	69.00	12.47	
12	Owingsville 12KV	Distribution*	69.00	12.47	
13	Oxford - Georgetown	Distribution*	69.00	12.47	
14	Paris - Paris	Distribution*	69.00	12.47	
15	Parker Seal 12KV - Winchester	Distribution*	69.00	12.47	
16	Parkers Mill 12KV	Distribution*	69.00	12.47	
17	Pepper Pike 12KV - Georgetown	Distribution*	34.50	12.47	
18	Picadome 12KV - Lexington	Distribution*	69.00	12.47	
19	Pineville 12KV	Distribution*	69.00	12.47	
20	Pocket - Norton	Distribution*	69.00	34.50	
21	Poor Valley - Pennington Gap	Distribution*	69.00	12.47	
22	Powderly - Muhlenburg	Distribution*	69.00	12.47	
23	Princeton - Princeton	Distribution*	69.00	34.50	
24	Proctor/Gamble 4KV	Distribution*	69.00	4.16	
25	Race Street - Lexington	Distribution*	69.00	12.47	
26	Radcliff - Radcliff	Distribution*	69.00	12.47	
27	Red House 12KV	Distribution*	69.00	12.47	
28	Reynolds - Lexington	Distribution*	138.00	12.47	
29	Richmond 12KV	Distribution*	69.00	12.47	
30	Richmond #3 12KV (EKU)	Distribution*	69.00	12.47	
31	Richmond East	Distribution*	69.00	12.47	
32	Richmond Industrial	Distribution*	69.00	12.47	
33	Richmond South	Distribution*	69.00	12.47	
34	Rockwell - Winchester	Distribution*	69.00	12.47	
35	Rogers Gap 12KV	Distribution*	69.00	12.47	
36	Rogersville - Radcliff	Distribution*	69.00	12.47	
37	Rumsey - Earlington	Distribution*	34.50	34.50	
38	Salem - Earlington	Distribution*	69.00	34.50	
39	Shannon Run 12KV	Distribution*	69.00	12.47	
40	Sharon - Augusta	Distribution*	69.00	12.47	

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STATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

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Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
14	1		NONE			1
14	1		NONE			2
14	1		NONE			3
14	1		NONE			4
14	1		NONE			5
14	1		NONE			6
14	1		NONE			7
14	1		NONE			8
14	1		NONE			9
20	1		NONE			10
14	1		NONE			11
14	1		NONE			12
14	1		NONE			13
14	1		NONE			14
23	1		NONE			15
45	2		NONE			16
14	1		NONE			17
23	1		NONE			18
28	2		NONE			19
20	1		NONE			20
14	1		NONE			21
14	1		NONE			22
13	1		NONE			23
14	1		NONE			24
14	1		NONE			25
23	1		NONE			26
14	1		NONE			27
77	2		NONE			28
45	2		NONE			29
37	2		NONE			30
23	1		NONE			31
23	1		NONE			32
23	1		NONE			33
23	1		NONE			34
23	1		NONE			35
23	1		NONE			36
13	1		NONE			37
14	1		NONE			38
14	1		NONE			39
14	1		NONE			40

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Shavers Chap 12KV	Distribution*	69.00	12.47	
2	Shelbyville North 12KV	Distribution*	69.00	12.47	
3	Shelbyville East	Distribution*	69.00	12.47	
4	Shelbyville South	Distribution*	69.00	12.47	
5	Shun Pike 12KV	Distribution*	69.00	12.47	
6	Simpsonville - Shelbyville	Distribution*	69.00	12.47	
7	Somerset #2 4KV	Distribution*	69.00	4.16	
8	Somerset #3 12KV	Distribution*	69.00	12.47	
9	Somerset South	Distribution*	69.00	12.47	
10	Springfield - Campbellsville	Distribution*	69.00	12.47	
11	St. Paul 12KV	Distribution*	69.00	12.47	
12	Stamping Ground 12KV	Distribution*	34.50	12.47	
13	Stanford 12KV	Distribution*	69.00	12.47	
14	Stanford North 12KV	Distribution*	69.00	12.47	
15	Stonewall 12KV - Lexington	Distribution*	69.00	12.47	
16	Sylvania 12KV - Winchester	Distribution*	69.00	12.47	
17	Taylorsville - Shelbyville	Distribution*	69.00	12.47	
18	Toyota North	Distribution*	138.00	13.20	
19	Toyota South	Distribution*	138.00	13.20	
20	Traffon Ave. 12KV - Lexington	Distribution*	69.00	12.47	
21	Traffon Ave. 4KV - Lexington	Distribution*	69.00	4.16	
22	UK Scott 12KV	Distribution*	69.00	12.47	
23	UK Medical Center - Lexington	Distribution*	69.00	12.47	
24	UK West - Lexington	Distribution*	69.00	13.09	
25	Union Underwear - Russell Springs	Distribution*	69.00	12.47	
26	Vaksdahl Avenue 12KV	Distribution*	69.00	12.47	
27	Verda - Harlan	Distribution*	69.00	12.47	
28	Versailles West 12KV - Versailles	Distribution*	69.00	12.47	
29	Versailles Bypass - Versailles	Distribution*	69.00	12.47	
30	Viley Road - Lexington	Distribution*	138.00	12.47	
31	Vine Street 12KV - Lexington	Distribution*	69.00	12.47	
32	Waitsboro - Somerset	Distribution*	69.00	12.47	
33	Warsaw East - Owenton	Distribution*	69.00	12.47	
34	West Hickman - Lexington	Distribution*	69.00	12.47	
35	West High Street 12KV - Lexington	Distribution*	69.00	12.47	
36	Westvaco 13.8KV	Distribution*	69.00	13.80	
37	Wickliffe 13.8KV	Distribution*	69.00	13.80	
38	Wilson Downing - Lexington	Distribution*	69.00	12.47	
39	Williamsburg South - Williamsburg	Distribution*	69.00	12.47	
40	Wilmore - Versailles	Distribution*	69.00	12.47	

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4	
SUBSTATIONS (Continued)						
5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.						
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.						
Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
14	1		NONE			1
23	1		NONE			2
23	1		NONE			3
37	2		NONE			4
14	1		NONE			5
14	1		NONE			6
14	1		NONE			7
14	1		NONE			8
14	1		NONE			9
14	1		NONE			10
45	2		NONE			11
14	1		NONE			12
14	1		NONE			13
14	1		NONE			14
37	1		NONE			15
23	1		NONE			16
14	1		NONE			17
84	3		NONE			18
84	3		NONE			19
23	1		NONE			20
14	1		NONE			21
37	1		NONE			22
65	2		NONE			23
14	1		NONE			24
28	2		NONE			25
14	1		NONE			26
14	1		NONE			27
23	1		NONE			28
45	2		NONE			29
39	1		NONE			30
14	1		NONE			31
14	1		NONE			32
14	1		NONE			33
23	1		NONE			34
28	2		NONE			35
67	3		NONE			36
14	1		NONE			37
45	2		NONE			38
14	1		NONE			39
14	1		NONE			40

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Winchester Industrial 12KV - Winchester	Distribution*	69.00	12.47	
2	Winchester WW 12KV	Distribution*	69.00	12.47	
3	Wise - Norton	Distribution*	69.00	12.47	
4	Woodlawn 12KV	Distribution*	69.00	12.47	
5	250 Stations Less Than 10,000 KVA				
6					
7	Total Distribution		16627.00	3039.18	
8					
9	* Unattended				
10					
11					
12	Summary				
13	Transmission 130				
14	Distribution 478				
15	Total 608				
16					
17					
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39					
40					

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4			
SUBSTATIONS (Continued)						
<p>5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.</p> <p>6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.</p>						
Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
23	1		NONE			1
14	1		NONE			2
23	1		NONE			3
14	1		NONE			4
1538	378		NONE			5
						6
6973	672					7
						8
						9
						10
						11
						12
13016	92	9				13
6973	672					14
19989	764	9				15
						16
						17
						18
						19
						20
						21
						22
						23
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						39
						40

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2009	Year/Period of Report End of 2009/Q4
TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES					
1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.					
2. The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".					
3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.					
Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)	
1	Non-power Goods or Services Provided by Affiliated				
2	Capital Expenditures	Louisville Gas and Elec.	see footnote	19,890,086	
3	Direct-Indirect Labor	Louisville Gas and Elec.	see footnote	5,002,341	
4	Equipment and Facilities	Louisville Gas and Elec.	see footnote	2,407,136	
5	Office and Administrative Services	Louisville Gas and Elec.	see footnote	50,828	
6	Materials and Fuels	Louisville Gas and Elec.	see footnote	9,520,971	
7	Outside Services	Louisville Gas and Elec.	see footnote	2,250,226	
8					
9	Capital Expenditures	E.ON U.S. Services, Inc.	see footnote	28,806,489	
10	Direct-Indirect Labor	E.ON U.S. Services, Inc.	see footnote	82,994,842	
11	Equipment and Facilities	E.ON U.S. Services, Inc.	see footnote	18,188,994	
12	Office and Administrative Services	E.ON U.S. Services, Inc.	see footnote	11,453,228	
13	Materials and Fuels	E.ON U.S. Services, Inc.	see footnote	439,683,672	
14	Outside Services	E.ON U.S. Services, Inc.	see footnote	24,814,640	
15					
16					
17					
18					
19					
20	Non-power Goods or Services Provided for Affiliate				
21	Capital Expenditures	Louisville Gas and Elec.	see footnote	2,465,546	
22	Direct-Indirect Labor	Louisville Gas and Elec.	see footnote	316,132	
23	Equipment and Facilities	Louisville Gas and Elec.	see footnote	229,884	
24	Office and Administrative Services	Louisville Gas and Elec.	see footnote	186,614	
25	Materials and Fuels	Louisville Gas and Elec.	see footnote	10,350,787	
26	Outside Services	Louisville Gas and Elec.	see footnote	4,365,873	
27					
28	Capital Expenditures	E.ON U.S. Services, Inc.	see footnote	9,243	
29	Direct-Indirect Labor	E.ON U.S. Services, Inc.	see footnote	498,212	
30	Office and Administrative Services	E.ON U.S. Services, Inc.	see footnote	3,723	
31	Outside Services	E.ON U.S. Services, Inc.	see footnote	248,896	
32					
33	Direct-Indirect Labor	E.ON U.S. Capital Corp.	see footnote	87,364	
34	Equipment and Facilities	E.ON U.S. Capital Corp.	see footnote	2,987	
35	Office and Administrative Services	E.ON U.S. Capital Corp.	see footnote	13,878	
36	Outside Services	E.ON U.S. Capital Corp.	see footnote	183,313	
37					
38					
39					
40					
41					
42	see footnote for allocation process				

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FOOTNOTE DATA			

Schedule Page: 429 Line No.: 2 Column:

Accounts charged include: 107 and 108

Schedule Page: 429 Line No.: 3 Column:

Accounts charged include: 143, 163, 184, 186, 228, 232, 236, 241, 408, 426, 500, 510-514, 539, 541, 542, 544-546, 548, 551-554, 556, 560, 562, 566, 570, 571, 573, 580, 582-584, 586-588, 590, 592-595, 598, 901-903, 905, 910, 920, 925, 926 and 935

Schedule Page: 429 Line No.: 4 Column:

Accounts charged include: 143, 151, 163, 183, 184, 186, 236, 426, 500, 510-514, 541, 548, 551, 553, 554, 556, 560-563, 566, 570, 571, 580, 583, 584, 586, 588, 590, 593, 594, 595, 901-903, 905, 910, 921, 925, 931 and 935

Schedule Page: 429 Line No.: 5 Column:

Accounts charged include: 186, 426, 500, 510-514, 551, 562, 580, 583, 586, 588, 590, 593, 595, 598, 901, 903, 908, 910, 921, 930 and 935

Schedule Page: 429 Line No.: 6 Column:

Accounts charged include: 143, 151, 154, 163, 184, 186, 232, 236, 500, 510-514, 542, 545-548, 552-554, 560, 566, 570, 573, 580, 583, 586, 588, 592, 593, 594, 598, 902, 903 and 921

Schedule Page: 429 Line No.: 7 Column:

Accounts charged include: 143, 163, 184, 232, 426, 456, 510-514, 541-545, 548, 549, 552-554, 556, 560, 566, 570, 571, 583, 586, 588, 592, 593, 598, 902, 903, 921, 923 and 935

Schedule Page: 429 Line No.: 9 Column:

Accounts charged include: 107 and 108

Schedule Page: 429 Line No.: 10 Column:

Accounts charged include: 143, 163, 183, 184, 186, 228, 232, 241, 242, 408, 426, 500, 510-513, 541, 551-553, 556, 560-563, 566, 570, 571, 573, 580-583, 586, 588, 590, 592, 593, 598, 901-903, 905, 907, 908, 910, 920, 921, 925, 926 and 935

Schedule Page: 429 Line No.: 11 Column:

Accounts charged include: 163, 165, 184, 186, 236, 426, 500, 510-512, 546, 548, 556, 560, 561, 566, 570, 580, 583, 586, 588, 592, 901, 903, 905, 908, 910, 921, 925 and 935

Schedule Page: 429 Line No.: 12 Column:

Accounts charged include: 182, 183, 186, 242, 426, 500, 510-514, 541, 546, 560-563, 566, 571, 573, 580, 581, 583, 586, 588, 590, 593, 598, 901-903, 905, 907-910, 913, 921, 928, 930 and 935

Schedule Page: 429 Line No.: 13 Column:

Accounts charged include: 163, 184, 186, 232, 236, 426, 500, 511, 513, 563, 566, 571, 573, 580, 586, 588, 593, 598, 901, 903, 905, 908, 909, 921 and 935

Schedule Page: 429 Line No.: 14 Column:

Accounts charged include: 163, 183, 184, 186, 232, 242, 253, 426, 456, 500, 510-512, 554, 556, 560, 561, 563, 566, 570, 571, 573, 580, 581, 583, 586, 588, 592, 593, 595, 598, 901-903, 905, 907-910, 912, 921, 923, 925, 928, 930 and 935

Schedule Page: 429 Line No.: 21 Column:

Accounts charged include: 107 and 108

Schedule Page: 429 Line No.: 22 Column:

Accounts charged include: 143, 163, 184, 186, 232, 236, 241, 253, 408, 426, 500, 510-513, 535, 538, 539, 542-544, 546, 548, 549, 551-554, 560, 562, 566, 570, 573, 580, 582-584, 586, 588, 590, 592-596, 598, 902, 903, 905, 908, 910, 920, 922, 925, 926 and 935

Schedule Page: 429 Line No.: 23 Column:

Accounts charged include: 143, 163, 183, 184, 186, 426, 500, 510, 512, 514, 541, 546, 548, 549, 551-554, 560-563, 566, 567, 570, 571, 573, 580, 583, 586, 588, 592, 593, 595, 598, 901-903, 905, 907, 908, 910, 921, 925 and 935

Schedule Page: 429 Line No.: 24 Column:

Accounts charged include: 142, 242, 426, 430, 500, 510, 546, 555, 561, 566, 570, 573, 580, 586, 588, 593, 598, 903, 908, 910 and 921

Schedule Page: 429 Line No.: 25 Column:

Accounts charged include: 151, 154, 163, 232, 236, 512-514, 546, 547, 549, 552-554, 583,

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FOOTNOTE DATA

584, 588, 593, 594, 596, 598 and 921

Schedule Page: 429 Line No.: 26 Column:

Accounts charged include: 151, 154, 183, 184, 186, 232, 253, 416, 426, 500, 511-513, 549, 552-554, 563, 566, 570, 571, 583, 586, 588, 590, 593-596, 598, 903, 921 and 923

Schedule Page: 429 Line No.: 28 Column:

Accounts charged include: 107

Schedule Page: 429 Line No.: 29 Column:

Accounts charged include: 143, 146, 184, 228, 232 and 253

Schedule Page: 429 Line No.: 30 Column:

Accounts charged include: 426

Schedule Page: 429 Line No.: 31 Column:

Accounts charged include: 232

Schedule Page: 429 Line No.: 33 Column:

Accounts charged include: 408, 426, 920, 921, 925, 926, 930 and 935

Schedule Page: 429 Line No.: 34 Column:

Accounts charged include; 921 and 935

Schedule Page: 429 Line No.: 35 Column:

Accounts charged include: 426, 908, 921 and 930

Schedule Page: 429 Line No.: 36 Column:

Accounts charged include: 923

Schedule Page: 429 Line No.: 42 Column:

Costs between Kentucky Utilities Company and Louisville Gas and Electric Company are charged directly and are not allocated.

E.ON U.S. Services, Inc. (SERVCO) will allocate the costs of service among the affiliated companies using one of several methods that most accurately distributes the costs. The method of cost allocation varies based on the department rendering the service. Any of the methods may be adjusted for any known and reasonably quantifiable events, or at such time as may be required due to significant changes in the business, but are generally determined annually. The allocation methods used by SERVCO are as follows:

Contract Ratio – Based on the sum of the physical amount (i.e. tons of coal, cubic feet of natural gas) of the contract for both coal and natural gas for the immediately preceding twelve consecutive calendar months, the numerator of which is for an operating company or an affected affiliate company and the denominator of which is for all operating companies and affected affiliate companies.

Departmental Charge Ratio – A specific SERVCO department ratio based upon various factors such as labor hours, labor dollars, departmental or entity headcount, etc. The departmental charge ratio typically applies to indirectly attributable costs such as departmental administrative, support, and/or material and supply costs that benefit more than one affiliate and that require allocation using general measures of cost causation. Methods for assignment are department-specific depending on the type of product or service being performed and are documented and monitored by the Budget Coordinators for each department.

Electric Peak Load Ratio – Based on the sum of the monthly electric maximum system demands for the immediately preceding twelve consecutive calendar months, the numerator of which is for an operating company and the denominator of which is for all operating companies.

Energy Marketing Ratio – Based on the absolute value of equivalent megawatt hours purchased or sold for the immediate preceding twelve consecutive calendar months, the numerator of which is for an operating company or an

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FOOTNOTE DATA			

affiliate and the denominator of which is for all operating companies and affected affiliate companies.

Information Systems Chargeback Rates – Rates for services, including but not limited to software, consulting, mainframe and personal computer services, are based on the costs of labor, materials and information services overheads related to the provision of each service. Such rates are applied based on the specific equipment employed and the measured usage of services by client entities.

Non-Fuel Material and Services Expenditures – A ratio based on non-fuel material and services expenditures, net of reimbursements, for the immediately preceding twelve consecutive calendar months. The numerator is equal to such expenditures for a specific entity and/or line-of-business as appropriate and the denominator is equal to such expenditures for all applicable entities.

Number of Customers Ratio – A ratio based on the number of retail electric and/or gas customers. This ratio will be determined based on the actual number of customers at the end of the previous calendar year. In some cases, the ratio may be calculated based on the type of customer class being served (i.e. Residential, Commercial or Industrial).

Number of Employees Ratio – A ratio based on the number of employees benefiting from the performance of a service. This ratio will be determined based on actual counts of applicable employees at the end of the previous calendar year. A two-step assignment methodology is utilized to properly allocate SERVCO employee costs to the proper legal entity.

Number of Meters Ratio – Ratio based on the number or types of meters being utilized by all levels of customer classes within the system for the immediately preceding twelve consecutive calendar months. The numerator is equal to the number of meters for each utility and the denominator is equal to the total meters for KU and LG&E.

Number of Transactions Ratio – Based on the sum of transactions occurring in the immediately preceding twelve consecutive calendar months, the numerator of which is for an operating company or an affected affiliate company and the denominator of which is for all operating companies and affected affiliate companies. For example, services with regard to Procurement and Major Contracts would define a transaction as the number of contracts negotiated. Services pertaining to Materials Logistics would define the transaction as the number of items ordered, picked and disbursed out of the warehouse. Services pertaining to Accounts Payable would define the transaction as the number of invoices processed. The Regulatory Accounting and Reporting Department is responsible for maintaining and monitoring specific product/service methodology documentation for actual transactions related to SERVCO billings.

Payroll Ratio – Based on the sum of the payroll costs for the immediately preceding twelve consecutive calendar months, the numerator of which is for an operating company or an affected affiliate company and the denominator of which is for all operating companies and affected affiliate companies.

Project Ratio – Based on the total costs for any departmental or affiliate project for the immediately preceding twelve consecutive calendar months, the numerator of which is for an operating company or an affected affiliate company and the denominator of which is for all operating companies and affected affiliate companies.

Regulatory Mandate Ratios – Based on federal or state mandated percentage allocations based on regulatory proceedings and requirements. These ratios are typically developed in concert with regulatory authorities representing the results of merger or joint asset ownership negotiations and are supported by specific contracts regarding legal entity

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allocation requirements. Contract terms are maintained by the Regulatory Accounting and Reporting Department.

Retail Revenue Ratio – Based on utility revenues, excluding energy marketing revenues, for the immediate preceding twelve consecutive calendar months, the numerator of which is for an operating company or an affiliate and the denominator of which is for all operating companies and affected affiliate companies.

Revenue Ratio – Based on the sum of the revenue for the immediately preceding twelve consecutive calendar months, the numerator of which is for an operating company or an affected affiliate company and the denominator of which is for all operating companies and affected affiliate companies.

Total Assets Ratio – Based on the total assets at year end for the preceding year, the numerator of which is for an operating company or affected affiliate company and the denominator of which is for all operating companies and affected affiliate companies. In the event of joint ownership of a specific asset, asset ownership percentages will be utilized to assign costs.

Transportation Resource Management System Chargeback Rate – Rates for use of transportation equipment are based on the costs associated with providing and operating transportation fleet for all affiliated companies including developing fleet policy, administering regulatory compliance programs, managing repair and maintenance of vehicles and procuring vehicles. Such rates are applied based on the specific equipment employment and the measured usage of services by the various company entities.

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THIS FILING IS	
Item 1: <input checked="" type="checkbox"/> An Initial (Original) Submission	OR <input type="checkbox"/> Resubmission No. _____

Form 1 Approved
OMB No. 1902-0021
(Expires 2/29/2009)
Form 1-F Approved
OMB No. 1902-0029
(Expires 2/28/2009)
Form 3-Q Approved
OMB No. 1902-0205
(Expires 2/28/2009)



**FERC FINANCIAL REPORT
FERC FORM No. 1: Annual Report of
Major Electric Utilities, Licensees
and Others and Supplemental
Form 3-Q: Quarterly Financial Report**

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company) Kentucky Utilities Company	Year/Period of Report End of <u>2008/Q4</u>
--	--



PricewaterhouseCoopers LLP
500 West Main Street
Suite 1800
Louisville KY 40202-4264
Telephone (502) 589 6100
Facsimile (502) 585 7875

Report of Independent Auditors

To the Board of Directors and Management of Kentucky Utilities Company:

We have audited the accompanying balance sheets of Kentucky Utilities Company (the "Company") as of December 31, 2008 and 2007 and the related statements of income, retained earnings and cash flows for the years then ended, included on pages 110 through 123.44 of the accompanying Federal Energy Regulatory Commission Form 1. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kentucky Utilities Company as of December 31, 2008 and 2007, and the results of its operations and its cash flows for the years then ended in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

This report is intended solely for the information and use of the board of directors and management of Kentucky Utilities Company and for filing with the Federal Energy Regulatory Commission and should not be used for any other purpose.

PricewaterhouseCoopers LLP

March 24, 2009

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

GENERAL INFORMATION

I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: <http://www.ferc.gov/docs-filing/eforms/form-1/elec-subm-soft.asp>. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

- a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

<u>Reference Schedules</u>	<u>Pages</u>
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Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

- a) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of _____, we have also reviewed schedules

_____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at <http://www.ferc.gov/help/how-to.asp>.

- (g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <http://www.ferc.gov/docs-filing/eforms/form-1/form-1.pdf> and <http://www.ferc.gov/docs-filing/eforms.asp#3Q-gas>.

IV. When to Submit:

FERC Forms 1 and 3-Q must be filed by the following schedule:

- a) FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and
- b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 150 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below).**
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the

termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

DEFINITIONS

I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

(3) 'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power;

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special* reports as the Commission may by rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports shall be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies* .10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

General Penalties

The Commission may assess up to \$1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

BLANK

**FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION		
01 Exact Legal Name of Respondent Kentucky Utilities Company	02 Year/Period of Report End of 2008/Q4	
03 Previous Name and Date of Change (if name changed during year) / /		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 220 West Main Street, P.O. Box 32010, Louisville, KY 40232		
05 Name of Contact Person Mimi Kelly	06 Title of Contact Person Mgr - Regulatory Acct & Reprt	
07 Address of Contact Person (Street, City, State, Zip Code) P.O. Box 32010, Louisville, KY 40232		
08 Telephone of Contact Person, Including Area Code (502) 627-2482	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) / /
ANNUAL CORPORATE OFFICER CERTIFICATION		
The undersigned officer certifies that: I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.		
01 Name S. Bradford Rives	03 Signature S. Bradford Rives	04 Date Signed (Mo, Da, Yr) 03/24/2009
02 Title Chief Financial Officer	Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.	

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
LIST OF SCHEDULES (Electric Utility)				
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".				
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
1	General Information	101		
2	Control Over Respondent	102		
3	Corporations Controlled by Respondent	103	None	
4	Officers	104		
5	Directors	105		
6	Important Changes During the Year	108-109		
7	Comparative Balance Sheet	110-113		
8	Statement of Income for the Year	114-117		
9	Statement of Retained Earnings for the Year	118-119		
10	Statement of Cash Flows	120-121		
11	Notes to Financial Statements	122-123		
12	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	None	
13	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201		
14	Nuclear Fuel Materials	202-203	None	
15	Electric Plant in Service	204-207		
16	Electric Plant Leased to Others	213	None	
17	Electric Plant Held for Future Use	214		
18	Construction Work in Progress-Electric	216		
19	Accumulated Provision for Depreciation of Electric Utility Plant	219		
20	Investment of Subsidiary Companies	224-225	None	
21	Materials and Supplies	227		
22	Allowances	228-229		
23	Extraordinary Property Losses	230	None	
24	Unrecovered Plant and Regulatory Study Costs	230	None	
25	Transmission Service and Generation Interconnection Study Costs	231	None	
26	Other Regulatory Assets	232		
27	Miscellaneous Deferred Debits	233		
28	Accumulated Deferred Income Taxes	234		
29	Capital Stock	250-251		
30	Other Paid-in Capital	253		
31	Capital Stock Expense	254		
32	Long-Term Debt	256-257		
33	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261		
34	Taxes Accrued, Prepaid and Charged During the Year	262-263		
35	Accumulated Deferred Investment Tax Credits	266-267		
36	Other Deferred Credits	269		

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
LIST OF SCHEDULES (Electric Utility) (continued)					
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".					
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)		
37	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	None		
38	Accumulated Deferred Income Taxes-Other Property	274-275			
39	Accumulated Deferred Income Taxes-Other	276-277			
40	Other Regulatory Liabilities	278			
41	Electric Operating Revenues	300-301			
42	Sales of Electricity by Rate Schedules	304			
43	Sales for Resale	310-311			
44	Electric Operation and Maintenance Expenses	320-323			
45	Purchased Power	326-327			
46	Transmission of Electricity for Others	328-330			
47	Transmission of Electricity by ISO/RTOs	331	None		
48	Transmission of Electricity by Others	332			
49	Miscellaneous General Expenses-Electric	335			
50	Depreciation and Amortization of Electric Plant	336-337			
51	Regulatory Commission Expenses	350-351			
52	Research, Development and Demonstration Activities	352-353			
53	Distribution of Salaries and Wages	354-355			
54	Common Utility Plant and Expenses	356	None		
55	Amounts Included in ISO/RTO Settlement Statements	397			
56	Purchase and Sale of Ancillary Services	398			
57	Monthly Transmission System Peak Load	400			
58	Monthly ISO/RTO Transmission System Peak Load	400a	None		
59	Electric Energy Account	401			
60	Monthly Peaks and Output	401			
61	Steam Electric Generating Plant Statistics	402-403			
62	Hydroelectric Generating Plant Statistics	406-407			
63	Pumped Storage Generating Plant Statistics	408-409	None		
64	Generating Plant Statistics Pages	410-411	None		
65	Transmission Line Statistics Pages	422-423			
66	Transmission Lines Added During the Year	424-425			

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
LIST OF SCHEDULES (Electric Utility) (continued)				
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".				
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
67	Substations	426-427		
68	Footnote Data	450		
	<p>Stockholders' Reports Check appropriate box:</p> <p><input type="checkbox"/> Four copies will be submitted</p> <p><input checked="" type="checkbox"/> No annual report to stockholders is prepared</p>			

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2008/Q4</u>
GENERAL INFORMATION			
<p>1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.</p> <p>S. Bradford Rives, Chief Financial Officer 220 West Main Street Louisville, KY 40202</p>			
<p>2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.</p> <p>Kentucky August 17, 1912 Virginia December 1, 1991</p>			
<p>3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.</p> <p>Not Applicable</p>			
<p>4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.</p> <p>Respondent furnishes electric services in Kentucky, Tennessee, and Virginia.</p>			
<p>5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?</p> <p>(1) <input type="checkbox"/> Yes...Enter the date when such independent accountant was initially engaged: (2) <input checked="" type="checkbox"/> No</p>			

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2008/Q4</u>
CONTROL OVER RESPONDENT			
<p>1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.</p>			
<p>Kentucky Utilities Company (KU) is a wholly-owned subsidiary of E.ON U.S. LLC. E.ON U.S. LLC is an indirect wholly-owned subsidiary of E.ON AG, a German corporation, making KU an indirect wholly-owned subsidiary of E.ON AG,</p>			

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Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
OFFICERS					
<p>1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.</p> <p>2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.</p>					
Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)		
1	CURRENT OFFICERS AT DECEMBER 31, 2008				
2	Chairman of the Board, President and				
3	Chief Executive Officer	Victor A. Staffieri			
4	Executive Vice President, General Counsel,				
5	Corporate Secretary and Chief Compliance Officer	John R. McCall			
6	Chief Financial Officer	S. Bradford Rives			
7	Senior Vice President - Energy Delivery	Chris Hermann			
8	Senior Vice President - Human Resources	Paula H. Pottinger			
9	Senior Vice President - Energy Services	Paul W. Thompson			
10	Senior Vice President - Information Technology	Wendy C. Welsh			
11	Vice President - Federal Regulation and Policy	Michael S. Beer			
12	Vice President - State Regulation and Rates	Lonn E. Bellar			
13	Vice President - Corporate Planning and Development	Kent W. Blake			
14	Vice President - Power Production	D. Ralph Bowling			
15	Vice President - Corporate Responsibility				
16	and Community Affairs	Laura G. Douglas			
17	Vice President - Communications	R. W. Chip Keeling			
18	Vice President - Energy Delivery - Retail Business	John P. Malloy			
19	Vice President and Deputy General Counsel - Legal				
20	and Environmental Affairs	Dorothy E. O'Brien			
21	Vice President - External Affairs	George R. Siemens			
22	Vice President - Energy Marketing	David S. Sinclair			
23	Vice President - Energy Delivery - Distribution				
24	Operations	P. Greg Thomas			
25	Vice President - Transmission and Generation Services	John N. Voyles, Jr.			
26	Treasurer	Daniel K. Arbough			
27	Controller	Valerie L. Scott			
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Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 104 Line No.: 1 Column: c
Salary information for all officers is on file in the office of the respondent.

Schedule Page: 104 Line No.: 14 Column: b
Effective June 16, 2008, D. Ralph Bowling was appointed Vice President – Power Production.

Schedule Page: 104 Line No.: 22 Column: b
Effective January 31, 2008, David S. Sinclair was appointed Vice President – Energy Marketing.

Schedule Page: 104 Line No.: 25 Column: b
Effective June 16, 2008, John N. Voyles, Jr. was appointed Vice President – Transmission and Generation Services.

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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
DIRECTORS					
1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.					
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.					
Line No.	Name (and Title) of Director (a)	Principal Business Address (b)			
1	CURRENT BOARD OF DIRECTORS AT DECEMBER 31, 2008				
2					
3	Victor A. Staffieri, Chairman of the Board, President	220 West Main Street, Louisville, KY 40202			
4	and Chief Executive Officer				
5	John R. McCall, EVP General Counsel, Corporate	220 West Main Street, Louisville, KY 40202			
6	Secretary and Chief Compliance Officer				
7	S. Bradford Rives, Chief Financial Officer	220 West Main Street, Louisville, KY 40202			
8	Chris Hermann, SVP Energy Delivery	220 West Main Street, Louisville, KY 40202			
9	Paul W. Thompson, SVP Energy Services	220 West Main Street, Louisville, KY 40202			
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Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report //	Year/Period of Report End of 2008/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR			
<p>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.</p> <ol style="list-style-type: none"> 1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact. 2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization. 3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission. 4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization. 5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc. 6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee. 7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments. 8. State the estimated annual effect and nature of any important wage scale changes during the year. 9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year. 10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest. 11. (Reserved.) 12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page. 13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period. 14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio. 			
PAGE 108 INTENTIONALLY LEFT BLANK SEE PAGE 109 FOR REQUIRED INFORMATION.			

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
Kentucky Utilities Company			
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. None.
2. None.
3. None.
4. None of a material nature.
5. None of a material nature.
6. The Company had obtained authorization from the SEC under the Public Utility Holding Company Act of 1935 (PUHCA 1935) SEC File No. 70-10282 for the issuance of short-term debt up to \$400 million through May 31, 2008. The Federal Power Act contained an exemption from FERC approval for securities issuances approved by the SEC under PUHCA 2005. In connection with the repeal of the PUHCA of 1935, the Company also received FERC authorization under the FPA Docket No. ES07-60-000 for up to \$400 million in short-term debt through November 30, 2009. The Company's money pool balance decreased from \$116 million at September 30, 2008 to \$16 million at December 31, 2008. During the fourth quarter of 2008, the Company entered into a new long-term loan agreement with an affiliate for \$75 million which matures in 2018, as authorized by the Kentucky Public Service Commission in its February 13, 2008 Order in Case No. 2007-00548, the Commonwealth of Virginia State Corporation Commission in its January 16, 2008 Order in Case No. PUE-2007-00118, and the Tennessee Regulatory Authority in its February 22, 2008 Order in Case No. 08-00009. In addition, the Company issued new bonds totaling \$78 million with a maturity date of February 1, 2032 as authorized by the Kentucky Public Service Commission in its orders dated September 16, 2008 in Case No. 2008-00309 and June 17, 2008 in Case No. 2008-00132, the Commonwealth of Virginia State Corporation Commission in its orders dated August 29, 2008 in Case No. PUE-2008-00077 and June 19, 2008 in Case No. PUE 2008-00034, and the Tennessee Regulatory Authority in its orders dated September 15, 2008 in Case No. 08-00144 and July 15, 2008 in Case No. 08-00070. This transaction involved the refinancing of \$60 million of previously issued bonds and \$18 million of new funding.
7. None.
8. During the year, routine wage increases became effective for union employees in accordance with a collective bargaining agreement. Non-union employees received routine wage increases in accordance with annual salary reviews and job rotations.
9. See Notes 2 and 7 of Notes to Financial Statements.
10. None.
11. N/A
12. N/A
13. Martyn Gallus, formerly Senior Vice President, Energy Marketing, is serving in a position with an international affiliate, effective January 2008. Effective during January 2008, David S. Sinclair was appointed Vice President – Energy Marketing. Effective during June 2008, John N. Voyles, Jr. was appointed Vice President – Transmission and Generation Services. Additionally, during June 2008, D. Ralph Bowling was appointed Vice President – Power Production.
14. The Company is a participant in a cash pooling arrangement, but its proprietary capital ratio is above 30 percent.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	4,446,017,779	3,867,960,512
3	Construction Work in Progress (107)	200-201	1,176,440,172	1,071,388,626
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		5,622,457,951	4,939,349,138
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	2,052,492,181	1,931,454,524
6	Net Utility Plant (Enter Total of line 4 less 5)		3,569,965,790	3,007,894,614
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		3,569,965,790	3,007,894,614
15	Utility Plant Adjustments (116)	122	0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		179,121	180,296
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		22,051,387	22,502,868
21	Investment in Subsidiary Companies (123.1)	224-225	0	0
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		661,140	661,140
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		5,997,831	5,915,884
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		28,889,479	29,260,188
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		2,413,346	321,021
36	Special Deposits (132-134)		9,510,009	10,985,556
37	Working Fund (135)		32,367	38,680
38	Temporary Cash Investments (136)		13	17,490
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		94,911,406	93,443,216
41	Other Accounts Receivable (143)		12,623,606	21,261,831
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		2,878,505	1,939,209
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		12,376,152	16,983,062
45	Fuel Stock (151)	227	72,708,035	41,770,628
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	29,561,889	27,370,026
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	74,419	382,894

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)Continued)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	6,202,308	6,454,808
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		5,833,903	5,293,879
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		140,086	95,727
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		60,007,000	58,867,000
62	Miscellaneous Current and Accrued Assets (174)		0	16,145
63	Derivative Instrument Assets (175)		1,261,246	537,979
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		304,777,080	281,900,733
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		4,671,224	7,281,131
70	Extraordinary Property Losses (182.1)	230	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0
72	Other Regulatory Assets (182.3)	232	189,030,419	82,165,251
73	Prelim. Survey and Investigation Charges (Electric) (183)		4,492,923	1,667,653
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		621,641	-2,368,433
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	72,026,830	67,276,079
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		13,356,279	10,173,667
82	Accumulated Deferred Income Taxes (190)	234	50,686,900	50,753,516
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		334,886,216	216,948,864
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		4,238,518,565	3,536,004,399

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Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original	(Mo, Da, Yr)	
	(2) <input type="checkbox"/> A Resubmission	/ /	2008/Q4
FOOTNOTE DATA			

Schedule Page: 110 Line No.: 76 Column:
 The negative balance resulted from a higher level of capital additions in 2007.

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Rresubmission	Date of Report (mo, da, yr) / /	Year/Period of Report end of 2008/Q4
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	308,139,978	308,139,978
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	0	0
7	Other Paid-In Capital (208-211)	253	240,711,597	90,000,000
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	321,289	321,289
11	Retained Earnings (215, 215.1, 216)	118-119	1,174,207,030	1,016,489,982
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	20,755,587	21,207,068
13	(Less) Reaquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	0	0
16	Total Proprietary Capital (lines 2 through 15)		1,743,492,903	1,435,515,739
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	350,779,405	332,753,140
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	1,181,000,000	931,000,000
21	Other Long-Term Debt (224)	256-257	0	0
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0
24	Total Long-Term Debt (lines 18 through 23)		1,531,779,405	1,263,753,140
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		0	0
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		2,592,340	3,098,519
29	Accumulated Provision for Pensions and Benefits (228.3)		192,048,802	87,925,008
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		32,566,110	30,315,059
35	Total Other Noncurrent Liabilities (lines 26 through 34)		227,207,252	121,338,586
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		162,946,480	161,858,433
39	Notes Payable to Associated Companies (233)		16,247,454	23,219,454
40	Accounts Payable to Associated Companies (234)		38,142,962	48,442,227
41	Customer Deposits (235)		21,057,048	19,573,318
42	Taxes Accrued (236)	262-263	8,558,560	4,089,209
43	Interest Accrued (237)		1,223,212	1,532,755
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (mo, da, yr) / /	Year/Period of Report end of 2008/Q4
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)	
46	Matured Interest (240)		0	0	
47	Tax Collections Payable (241)		3,824,617	3,515,457	
48	Miscellaneous Current and Accrued Liabilities (242)		12,215,206	10,756,715	
49	Obligations Under Capital Leases-Current (243)		0	0	
50	Derivative Instrument Liabilities (244)		43,078	152,956	
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0	
52	Derivative Instrument Liabilities - Hedges (245)		0	0	
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0	
54	Total Current and Accrued Liabilities (lines 37 through 53)		264,258,598	273,140,524	
55	DEFERRED CREDITS				
56	Customer Advances for Construction (252)		2,430,316	2,803,337	
57	Accumulated Deferred Investment Tax Credits (255)	266-267	79,951,702	54,999,112	
58	Deferred Gains from Disposition of Utility Plant (256)		0	0	
59	Other Deferred Credits (253)	269	21,709,079	13,436,144	
60	Other Regulatory Liabilities (254)	278	40,483,283	37,721,036	
61	Unamortized Gain on Required Debt (257)		0	0	
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0	
63	Accum. Deferred Income Taxes-Other Property (282)		283,619,495	291,507,115	
64	Accum. Deferred Income Taxes-Other (283)		43,386,532	41,789,666	
65	Total Deferred Credits (lines 56 through 64)		471,780,407	442,256,410	
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		4,238,518,565	3,536,004,399	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 11	Year/Period of Report End of 2008/Q4	
STATEMENT OF INCOME						
Quarterly						
1. Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.						
2. Report in column (f) the quarter to date amounts for electric utility function; in column (h) the quarter to date amounts for gas utility, and in (j) the quarter to date amounts for other utility function for the current year quarter.						
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.						
4. If additional columns are needed place them in a footnote.						
Annual or Quarterly if applicable						
5. Do not report fourth quarter data in columns (e) and (f)						
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.						
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.						
8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.						
Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	1,404,042,053	1,272,548,899		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	900,488,467	781,485,127		
5	Maintenance Expenses (402)	320-323	88,778,792	85,242,194		
6	Depreciation Expense (403)	336-337	130,780,795	115,064,736		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337	334,214	199,429		
8	Amort. & Depl. of Utility Plant (404-405)	336-337	5,229,656	5,420,545		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)		2,276,549	2,101,203		
14	Taxes Other Than Income Taxes (408.1)	262-263	20,661,094	18,439,077		
15	Income Taxes - Federal (409.1)	262-263	43,184,629	27,762,416		
16	- Other (409.1)	262-263	10,053,734	13,060,218		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	48,036,598	40,957,117		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	61,388,975	47,805,346		
19	Investment Tax Credit Adj. - Net (411.4)	266	25,266,898	42,566,647		
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)		583,107	706,852		
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)		1,981,576	1,861,363		
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		1,210,547,822	1,081,445,468		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27		193,494,231	191,103,431		

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
STATEMENT OF INCOME FOR THE YEAR (Continued)						
<p>9. Use page 122 for important notes regarding the statement of income for any account thereof.</p> <p>10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.</p> <p>11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.</p> <p>12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.</p> <p>13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.</p> <p>14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.</p> <p>15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.</p>						
ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
1,404,042,053	1,272,548,899					1
						2
						3
900,488,467	781,485,127					4
88,778,792	85,242,194					5
130,780,795	115,064,736					6
334,214	199,429					7
5,229,656	5,420,545					8
						9
						10
						11
						12
2,276,549	2,101,203					13
20,661,094	18,439,077					14
43,184,629	27,762,416					15
10,053,734	13,060,218					16
48,036,598	40,957,117					17
61,388,975	47,805,348					18
25,266,898	42,566,647					19
						20
						21
583,107	706,852					22
						23
1,981,576	1,861,363					24
1,210,547,822	1,081,445,468					25
193,494,231	191,103,431					26

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4		
STATEMENT OF INCOME FOR THE YEAR (continued)						
Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		193,494,231	191,103,431		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)					
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)					
33	Revenues From Nonutility Operations (417)		1,355,192	1,542,843		
34	(Less) Expenses of Nonutility Operations (417.1)					
35	Nonoperating Rental Income (418)		25	6,550		
36	Equity in Earnings of Subsidiary Companies (418.1)	119	29,548,519	26,358,781		
37	Interest and Dividend Income (419)		1,483,141	2,954,429		
38	Allowance for Other Funds Used During Construction (419.1)		6,040,969	3,327,705		
39	Miscellaneous Nonoperating Income (421)		803,603	3,121,445		
40	Gain on Disposition of Property (421.1)		3,206	1,156,882		
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		39,234,655	38,468,645		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)			480,236		
44	Miscellaneous Amortization (425)	340				
45	Donations (426.1)	340	428,207	478,457		
46	Life Insurance (426.2)		-1,854,761	707,185		
47	Penalties (426.3)		-304,992	2,004,094		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		769,559	965,125		
49	Other Deductions (426.5)		1,976,917	1,208,224		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		1,014,930	5,843,321		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	9,625	11,004		
53	Income Taxes-Federal (409.2)	262-263	2,295,770	88,667		
54	Income Taxes-Other (409.2)	262-263	224,373	-183,585		
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	1,116,549	2,026,463		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	534,443	504,303		
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)		314,308	591,310		
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		2,797,566	846,936		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		35,422,159	31,778,388		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		12,778,173	13,677,837		
63	Amort. of Debt Disc. and Expense (428)		250,311	334,935		
64	Amortization of Loss on Required Debt (428.1)		493,259	518,566		
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Required Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)	340	57,859,639	41,244,367		
68	Other Interest Expense (431)	340	2,317,909	1,099,347		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		2,048,468	955,807		
70	Net Interest Charges (Total of lines 62 thru 69)		71,850,823	55,919,245		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		157,265,567	166,962,574		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		157,265,567	166,962,574		

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 114 Line No.: 46 Column: c

The 2008 balance represents the annual premium net of amortization of the cash value of the policy. The 2007 balance represents only the annual premium. In 2007, the amortization of the cash value of the policy was recorded to account 421003.

Schedule Page: 114 Line No.: 47 Column: c

The balance is a credit due to an adjustment of (\$600,000) in 2008 to reduce a 2007 estimated penalty liability to actual.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 11	Year/Period of Report End of 2009/Q4
STATEMENT OF RETAINED EARNINGS				
<p>1. Do not report Lines 49-53 on the quarterly version.</p> <p>2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.</p> <p>3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)</p> <p>4. State the purpose and amount of each reservation or appropriation of retained earnings.</p> <p>5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.</p> <p>6. Show dividends for each class and series of capital stock.</p> <p>7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.</p> <p>8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.</p> <p>9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.</p>				
Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		1,016,489,982	854,131,028
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4	FIN 48 Adjustment			355,161
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			355,161
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		127,717,048	140,603,793
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31				
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)			
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings		30,000,000	21,400,000
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		1,174,207,030	1,016,489,982
	APPROPRIATED RETAINED EARNINGS (Account 215)			

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STATEMENT OF RETAINED EARNINGS					
<p>1. Do not report Lines 49-53 on the quarterly version.</p> <p>2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.</p> <p>3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)</p> <p>4. State the purpose and amount of each reservation or appropriation of retained earnings.</p> <p>5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.</p> <p>6. Show dividends for each class and series of capital stock.</p> <p>7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.</p> <p>8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.</p> <p>9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.</p>					
Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)	
39					
40					
41					
42					
43					
44					
45	TOTAL Appropriated Retained Earnings (Account 215)				
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)				
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)				
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)				
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		1,174,207,030	1,016,489,982	
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account				
	Report only on an Annual Basis, no Quarterly				
49	Balance-Beginning of Year (Debit or Credit)		21,207,068	16,248,287	
50	Equity in Earnings for Year (Credit) (Account 418.1)		29,548,519	26,358,781	
51	(Less) Dividends Received (Debit)		30,000,000	21,400,000	
52					
53	Balance-End of Year (Total lines 49 thru 52)		20,755,587	21,207,068	

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
STATEMENT OF CASH FLOWS				
<p>(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.</p> <p>(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</p> <p>(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</p> <p>(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>				
Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)	
1	Net Cash Flow from Operating Activities:			
2	Net Income (Line 78(c) on page 117)	157,265,567	166,962,574	
3	Noncash Charges (Credits) to Income:			
4	Depreciation and Depletion	131,115,009	115,264,165	
5	Amortization of Plant	5,229,656	5,420,545	
6				
7				
8	Deferred Income Taxes (Net)	-13,352,377	-1,604,551	
9	Investment Tax Credit Adjustment (Net)	25,266,898	41,975,337	
10	Net (Increase) Decrease in Receivables	11,538,195	-15,534,506	
11	Net (Increase) Decrease in Inventory	-32,876,570	20,963,985	
12	Net (Increase) Decrease in Allowances Inventory	308,475	1,287,644	
13	Net Increase (Decrease) in Payables and Accrued Expenses	16,490,659	-77,626,160	
14	Net (Increase) Decrease in Other Regulatory Assets	-106,865,168	32,851,592	
15	Net Increase (Decrease) in Other Regulatory Liabilities	2,762,247	1,781,663	
16	(Less) Allowance for Other Funds Used During Construction	8,089,437	4,283,511	
17	(Less) Undistributed Earnings from Subsidiary Companies	-451,481	4,958,781	
18	Other (provide details in footnote):	100,440,140	18,256,233	
19	Change in Other Deferred Debits	-4,750,751	-3,188,768	
20	Change in Other Deferred Credits	3,800,402	6,153,002	
21				
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	288,734,426	303,720,443	
23				
24	Cash Flows from Investment Activities:			
25	Construction and Acquisition of Plant (including land):			
26	Gross Additions to Utility Plant (less nuclear fuel)	-700,047,459	-744,355,547	
27	Gross Additions to Nuclear Fuel			
28	Gross Additions to Common Utility Plant			
29	Gross Additions to Nonutility Plant			
30	(Less) Allowance for Other Funds Used During Construction	-8,089,437	-4,283,511	
31	Other (provide details in footnote):			
32				
33				
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-691,958,022	-740,072,036	
35				
36	Acquisition of Other Noncurrent Assets (d)			
37	Proceeds from Disposal of Noncurrent Assets (d)			
38	Loss from Disposal of Fixed Assets (d)		-741,720	
39	Investments in and Advances to Assoc. and Subsidiary Companies			
40	Contributions and Advances from Assoc. and Subsidiary Companies			
41	Disposition of Investments in (and Advances to)			
42	Associated and Subsidiary Companies			
43				
44	Purchase of Investment Securities (a)			
45	Proceeds from Sales of Investment Securities (a)			

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
STATEMENT OF CASH FLOWS				
<p>(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) include commercial paper; and (d) identify separately such items as investments, fixed assets, intangibles, etc.</p> <p>(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</p> <p>(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</p> <p>(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>				
Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)	
46	Loans Made or Purchased			
47	Collections on Loans			
48	Change in Long-Term Investments (d)	-81,947	-196,190	
49	Net (Increase) Decrease in Receivables			
50	Net (Increase) Decrease in Inventory			
51	Net (Increase) Decrease in Allowances Held for Speculation			
52	Net Increase (Decrease) in Payables and Accrued Expenses			
53	Other (provide details in footnote):			
54	Change in Restricted Cash	1,475,547	11,821,428	
55	Change in Long-Term Non-Hedging Derivative Liability	-833,145		
56	Net Cash Provided by (Used in) Investing Activities			
57	Total of lines 34 thru 55)	-691,397,567	-729,188,518	
58				
59	Cash Flows from Financing Activities:			
60	Proceeds from Issuance of:			
61	Long-Term Debt (b)	326,631,129	526,750,683	
62	Preferred Stock			
63	Common Stock			
64	Other (provide details in footnote):			
65	Change in Derivative Liabilities		-433,540	
66	Net Increase in Short-Term Debt (c)			
67	Other (provide details in footnote):			
68	Reissuance of Reacquired Long-Term Debt (b)	82,900,000		
69	Retirement of Reacquired Long-Term Debt (b)	16,693,620		
70	Cash Provided by Outside Sources (Total 61 thru 69)	408,224,749	526,317,143	
71				
72	Payments for Retirement of:			
73	Long-term Debt (b)	-59,921,140	-107,000,000	
74	Preferred Stock			
75	Common Stock			
76	Other (provide details in footnote):			
77	Contributed Capital	145,000,000	75,000,000	
78	Net Decrease in Short-Term Debt (c)	-6,972,000	-73,823,600	
79	Payments for Reacquisition of Long-Term Debt (b)	-79,593,620		
80	Dividends on Preferred Stock			
81	Dividends on Common Stock			
82	Net Cash Provided by (Used in) Financing Activities			
83	(Total of lines 70 thru 81)	404,737,989	420,493,543	
84				
85	Net Increase (Decrease) in Cash and Cash Equivalents			
86	(Total of lines 22,57 and 83)	2,074,848	-4,974,532	
87				
88	Cash and Cash Equivalents at Beginning of Period	338,511	5,313,043	
89				
90	Cash and Cash Equivalents at End of period	2,413,359	338,511	

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Kentucky Utilities Company			2008/Q4
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 13 Column:

Restatement due to account reclassifications:

Previous Year to Date, as originally filed	\$ (78,888,022)
Plus: Adjustment to Capital Expenditure Accrual	1,261,862

Restated Previous Year to Date	\$ (77,626,160)

Schedule Page: 120 Line No.: 18 Column: b

Other operating cash flows:

Depreciation charged to balance sheet accounts	\$ 726,899
Other changes in Net Utility Plant	(7,706,861)
Amortization of Debt Expenses and Loss on Bonds	743,571
Net increase in Prepayments	(540,025)
Net decrease in Land Options	16,145
Net increase in Preliminary Survey	(2,825,270)
Net increase in Clearing Accounts	(2,990,074)
Net decrease in Customer Advances for Construction	(373,020)
Net increase in Asset Retirement Obligations	2,251,051
Net increase in Provision for Postretirement Benefits	104,123,794
Deferred income taxes charged to balance sheet accounts	7,328,239
Investment tax credit charged to balance sheet accounts	(314,308)
Rounding	(1)

Total	\$ 100,440,140

Schedule Page: 120 Line No.: 18 Column:

Other operating cash flows:

Depreciation charged to balance sheet accounts	\$ 597,905
Other changes in Net Utility Plant	(2,308,564)
Amortization of Debt Expenses and Loss on Bonds	798,930
Net decrease in Prepayments	584,608
Net decrease in Derivative Assets	341,503
Net increase in Preliminary Survey	(1,373,637)
Net decrease in Clearing Accounts	5,121,080
Net increase in Customer Advances for Construction	830,470
Net increase in Asset Retirement Obligations	1,833,853
Net increase in Provision for Postretirement Benefits	11,474,924
Net adjustment to Retained Earnings (Effect of FIN 48)	355,161

Total	\$ 18,256,233

Schedule Page: 120 Line No.: 26 Column:

Restatement due to account reclassifications:

Previous Year to Date, as originally filed	\$ (743,093,685)
Less: Adjustment to Capital Expenditure Accrual	(1,261,862)

Restated Previous Year to Date	\$ (744,355,547)

Schedule Page: 120 Line No.: 31 Column:

Restatement due to account reclassifications:

Previous Year to Date, as originally filed	\$ (433,540)
Plus: Reclassification of Long-term Debt Mark-to-Market	433,540

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FOOTNOTE DATA			

Restated Previous Year to Date \$ -

Schedule Page: 120 Line No.: 48 Column: b
Other special funds

Schedule Page: 120 Line No.: 48 Column:
Change in Long-Term Investments:

Other Investments	\$ 15,000
Other Special Funds	(211,190)
Total Change in Long-Term Investments	\$ (196,190)

Schedule Page: 120 Line No.: 65 Column:
Restatement due to account reclassifications:

Previous Year to Date, as originally filed	\$ -
Less: Reclassification of Long-term Debt Mark-to-Market	(433,540)
Restated Previous Year to Date	\$ (433,540)
Long-term Debt Mark-to-Market	\$ (433,540)

In 2007, \$53,000,000 of bonds were extinguished. This amount represents the fair value hedge adjustments on those bonds, as prescribed by SFAS No. 133, as amended.

Schedule Page: 120 Line No.: 90 Column: b
Cash and cash equivalents is comprised of the following amounts:

Cash (Acct 131)	\$ 2,413,346
Temporary Cash Investments (Acct 136)	13
Total Cash and Cash Equivalents at End of Period	\$ 2,413,359

Schedule Page: 120 Line No.: 90 Column:
Cash and cash equivalents is comprised of the following amounts:

Cash (Acct 131)	\$ 321,021
Temporary Cash Investments (Acct 136)	17,490
Total Cash and Cash Equivalents at End of Period	\$ 338,511

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report / /	Year/Period of Report End of 2008/Q4
NOTES TO FINANCIAL STATEMENTS			
<p>1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.</p> <p>7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.</p> <p>8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.</p> <p>9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.</p>			
<p>PAGE 122 INTENTIONALLY LEFT BLANK SEE PAGE 123 FOR REQUIRED INFORMATION.</p>			

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INDEX OF ABBREVIATIONS

AG	Attorney General of Kentucky
ARO	Asset Retirement Obligation
BART	Best Available Retrofit Technology
CAIR	Clean Air Interstate Rule
CAMR	Clean Air Mercury Rule
CAVR	Clean Air Visibility Rule
CCN	Certificate of Public Convenience and Necessity
Clean Air Act	The Clean Air Act, as amended in 1990
CMRG	Carbon Management Research Group
Company	KU
CT	Combustion Turbines
DSM	Demand Side Management
ECR	Environmental Cost Recovery
EEl	Electric Energy, Inc.
E.ON	E.ON AG
E.ON U.S.	E.ON U.S. LLC (formerly LG&E Energy LLC and LG&E Energy Corp.)
E.ON U.S. Services	E.ON U.S. Services Inc. (formerly LG&E Energy Services Inc.)
EPA	U.S. Environmental Protection Agency
EPAAct 2005	Energy Policy Act of 2005
FAC	Fuel Adjustment Clause
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
FGD	Flue Gas Desulfurization
Fidelia	Fidelia Corporation (an E.ON affiliate)
FIN	FASB Interpretation No.
GHG	Greenhouse Gas
IBEW	International Brotherhood of Electrical Workers
IMEA	Illinois Municipal Electric Agency
IMPA	Indiana Municipal Power Agency
IRP	Integrated Resource Plan
IRS	Internal Revenue Service
KCCS	Kentucky Consortium for Carbon Storage
KDAQ	Kentucky Division for Air Quality
Kentucky Commission	Kentucky Public Service Commission
KIUC	Kentucky Industrial Utility Consumers, Inc.
KU	Kentucky Utilities Company
Kwh	Kilowatt hours
LG&E	Louisville Gas and Electric Company
LG&E Energy	LG&E Energy LLC (now E.ON U.S. LLC)
MISO	Midwest Independent Transmission System Operator, Inc.
MMBtu	Million British thermal units
Moody's	Moody's Investor Services, Inc.

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Mw	Megawatts
Mwh	Megawatt hours
NAAQS	National Ambient Air Quality Standards
NERC	North American Electric Reliability Corporation
NOV	Notice of Violation
NOx	Nitrogen Oxide
OMU	Owensboro Municipal Utilities
OVEC	Ohio Valley Electric Corporation
PCB	Polychlorinated Biphenyl
PUHCA 2005	Public Utility Holding Company Act of 2005
RRO	Regional Reliability Organization
RSG	Revenue Sufficiency Guarantee
S&P	Standard & Poor's Rating Services
SCR	Selective Catalytic Reduction
SERC	SERC Reliability Corporation
SFAS	Statement of Financial Accounting Standards
SIP	State Implementation Plan
SO ₂	Sulfur Dioxide
TC2	Trimble County Unit 2
VDT	Value Delivery Team Process
Virginia Commission	Virginia State Corporation Commission

Note 1 - Summary of Significant Accounting Policies

KU, incorporated in Kentucky in 1912 and in Virginia in 1991, is a regulated public utility engaged in the generation, transmission, distribution and sale of electric energy in Kentucky, Virginia and Tennessee. KU provides electric service to approximately 508,000 customers in 77 counties in central, southeastern and western Kentucky, to approximately 30,000 customers in 5 counties in southwestern Virginia and 5 customers in Tennessee. KU's service area covers approximately 6,600 square miles. Approximately 99% of the electricity generated by KU is produced by its coal-fired electric generating stations. The remainder is generated by a hydroelectric power plant and natural gas and oil fueled CTs. In Virginia, KU operates under the name Old Dominion Power Company. KU also sells wholesale electric energy to 12 municipalities.

KU is a wholly-owned subsidiary of E.ON U.S., an indirect wholly-owned subsidiary of E.ON, a German corporation. KU's affiliate, LG&E, is a regulated public utility engaged in the generation, transmission, distribution and sale of electric energy and the distribution and sale of natural gas in Kentucky.

Certain reclassification entries have been made to the previous years' financial statements to conform to the 2008 presentation with no impact on net assets, liabilities and capitalization or previously reported net income and net cash flows.

Presentation. The accompanying financial statements are prepared on the regulatory basis of accounting in accordance with the requirements of the FERC, which is a comprehensive basis of accounting other than

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Generally Accepted Accounting Principles ("GAAP"). The significant differences between GAAP and FERC reporting are as follows:

- Restricted cash is recorded in cash on the balance sheet for FERC reporting and presented as a separate line item for GAAP statements;
- Certain costs of removal obligations are recorded in accumulated depreciation for FERC reporting and recorded in regulatory liabilities for GAAP reporting;
- Long-term and short-term bonds are recorded in total in the long-term debt section for FERC reporting and are presented separately in current liabilities for the short-term portion and in long-term debt for the long-term portion for GAAP reporting; and
- Deferred taxes are shown gross for FERC reporting in the balance sheet (a deferred asset and a deferred liability are recorded), for GAAP reporting the deferred taxes are netted together and recorded as a liability.

Regulatory Accounting. KU is subject to SFAS No. 71, under which regulatory assets are created based on expected recovery from customers in future rates to defer costs that would otherwise be charged to expense. Likewise, regulatory liabilities are created based on expected return to customers in future rates to defer credits that would otherwise be reflected as income, or, in the case of costs of removal, are created to match long-term future obligations arising from the current use of assets. The accounting for regulatory assets and liabilities is based on specific ratemaking decisions or precedent for each item as prescribed by the FERC, the Kentucky Commission or the Virginia Commission. See Note 2, Rates and Regulatory Matters, for additional detail regarding regulatory assets and liabilities.

Cash and Cash Equivalents. KU considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Restricted Cash. Proceeds from bond issuances for environmental equipment (primarily related to the installation of FGDs) are held in trust pending expenditure for qualifying assets.

Allowance for Doubtful Accounts. The allowance for doubtful accounts is based on the ratio of the amounts charged-off during the last twelve months to the retail revenues billed over the same period multiplied by the retail revenues billed over the last four months. Accounts with no payment activity are charged-off after four months, although collection efforts continue thereafter.

Materials and Supplies. Fuel and other materials and supplies inventories are accounted for using the average-cost method. Emission allowances are included in other materials and supplies and are not currently traded by KU. At December 31, 2008 and 2007, the emission allowances inventory was less than \$1 million.

Other Property and Investments. Other property and investments on the balance sheets consists of KU's investment in EEI, economic development loans provided to various communities in the service territory, KU's investment in OVEC, funds related to the long-term purchased power contract with OMU and non-utility plant.

Although KU holds investment interests in OVEC and EEI, it is not the primary beneficiary, therefore, neither are consolidated into the Company's financial statements. KU and 11 other electric utilities are participating owners of OVEC, located in Piketon, Ohio. OVEC owns and operates two coal-fired power plants, Kyger Creek

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Station in Ohio and Clifty Creek Station in Indiana. Pursuant to current contractual agreements, KU's share of OVEC's output is 2.5%, approximately 55 Mw of generation capacity.

As of December 31, 2008 and 2007, KU's investment in OVEC totaled less than \$1 million and is accounted for under the cost method of accounting. The direct exposure to loss as a result of its involvement with OVEC is generally limited to the value of its investment. In the event of the inability of OVEC to fulfill its power provision requirements, KU anticipates substituting such power supply with either owned generation or market purchases and believes it would generally recover associated incremental costs through regulatory rate mechanisms. See Note 9, Commitments and Contingencies, for further discussion of developments regarding KU's ownership interests and power purchase rights.

KU owns 20% of the common stock of EEI, which owns and operates a 1,162-Mw generating station in southern Illinois. KU's investment in EEI is accounted for under the equity method of accounting and, as of December 31, 2008 and 2007, totaled \$22 million and \$23 million, respectively. KU's direct exposure to loss as a result of its involvement with EEI is generally limited to the value of its investment.

Utility Plant. Utility plant is stated at original cost, which includes payroll-related costs such as taxes, fringe benefits and administrative and general costs. Construction work in progress has been included in the rate base for determining retail customer rates in Kentucky. KU has not recorded a significant allowance for funds used during construction.

The cost of plant retired or disposed of in the normal course of business is deducted from plant accounts and such cost is charged to the reserve for depreciation. When complete operating units are disposed of, appropriate adjustments are made to the reserve for depreciation and gains and losses, if any, are recognized.

Depreciation and Amortization. Depreciation is provided on the straight-line method over the estimated service lives of depreciable plant. The amounts provided were approximately 3.0% in 2008 and 3.2% in 2007 of average depreciable plant. Of the amount provided for depreciation at December 31, 2008 and 2007, approximately 0.5% was related to the retirement, removal and disposal costs of long lived assets.

Unamortized Debt Expense. Debt expense is capitalized in deferred debits and amortized using the straight line method, which approximates the effective interest method, over the lives of the related bond issues.

Income Taxes. Income taxes are accounted for under SFAS No. 109, *Accounting for Income Taxes* and FIN 48, *Accounting for Uncertainty in Income Taxes, an Interpretation of SFAS No. 109*. In accordance with these statements, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as measured by enacted tax rates that are expected to be in effect in the periods when the deferred tax assets and liabilities are expected to be settled or realized. Significant judgment is required in determining the provision for income taxes, and there are transactions for which the ultimate tax outcome is uncertain. FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Uncertain tax positions are analyzed periodically and adjustments are made when events occur to warrant a change. See Note 6, Income Taxes.

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Deferred Income Taxes. Deferred income taxes are recognized at currently enacted tax rates for all material temporary differences between the financial reporting and income tax bases of assets and liabilities.

Investment Tax Credits. The EPAct 2005 added Section 48A to the Internal Revenue Code, which provides for an investment tax credit to promote the commercialization of advanced coal technologies that will generate electricity in an environmentally responsible manner. KU and LG&E received an investment tax credit related to TC2. See Note 6, Income Taxes. Investment tax credits prior to 2006 resulted from provisions of the tax law that permitted a reduction of KU's tax liability based on credits for construction expenditures. Deferred investment tax credits are being amortized to income over the estimated lives of the related property that gave rise to the credits.

Revenue Recognition. Revenues are recorded based on service rendered to customers through month-end. KU accrues an estimate for unbilled revenues from each meter reading date to the end of the accounting period based on allocating the daily system net deliveries between billed volumes and unbilled volumes. The allocation is based on a daily ratio of the number of meter reading cycles remaining in the month to the total number of meter reading cycles in each month. Each day's ratio is then multiplied by each day's system net deliveries to determine an estimated billed and unbilled volume for each day of the accounting period. The unbilled revenue estimates included in accounts receivable were \$60 million and \$59 million at December 31, 2008 and 2007, respectively.

Fuel Costs. The cost of fuel for generation is charged to expense as used.

Management's Use of Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accrued liabilities, including legal and environmental, are recorded when they are probable and estimable. Actual results could differ from those estimates.

Recent Accounting Pronouncements. The following are recent accounting pronouncements affecting KU:

SFAS No. 161

In March 2008, the FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133*, which is effective for fiscal years, and interim periods within those fiscal years, beginning on or after November 15, 2008. The objective of this statement is to enhance the current disclosure framework in SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities, as amended*. The adoption of SFAS No. 161 will have no impact on KU's statements of operations, financial position and cash flows, however, additional disclosures relating to derivatives will be required beginning in the first quarter of 2009.

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SFAS No. 160

In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements*, which is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. The objective of this statement is to improve the relevance, comparability and transparency of financial information in a reporting entity's consolidated financial statements. The Company expects the adoption of SFAS No. 160 to have no impact on its statements of operations, financial position and cash flows.

SFAS No. 159

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities – Including an Amendment of FASB Statement No. 115*. SFAS No. 159 permits entities to choose to measure many financial instruments and certain other assets and liabilities at fair value on an instrument-by-instrument basis (the fair value option). Unrealized gains and losses on items for which the fair value option has been elected are to be recognized in earnings at each subsequent reporting date. SFAS No. 159 was adopted effective January 1, 2008 and the Company elected not to fair value its eligible financial assets and liabilities.

SFAS No. 157

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*, which, except as described below, is effective for fiscal years beginning after November 15, 2007. This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. SFAS No. 157 does not expand the application of fair value accounting to new circumstances. In February 2008, the FASB issued FASB Staff Position 157-2, *Effective Date of FASB Statement No. 157*, which delays the effective date of SFAS No. 157 for all nonfinancial assets and liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually), to fiscal years beginning after November 15, 2008, and interim periods within those fiscal years. All other amendments related to SFAS No. 157 have been evaluated and have no impact on the Company's financial statements. SFAS No. 157 was adopted effective January 1, 2008, except as it applies to those nonfinancial assets and liabilities, and had no impact on the statements of operations, financial position and cash flows, however, additional disclosures relating to its financial derivatives and cash collateral on derivatives, as required, are now provided. Per FASB Staff Position 157-2, fair value accounting for all nonrecurring fair value measurements of nonfinancial assets and liabilities will be adopted effective January 1, 2009.

Note 2 - Rates and Regulatory Matters

The Company is subject to the jurisdiction of the Kentucky Commission, the Virginia Commission, the Tennessee Regulatory Authority and the FERC in virtually all matters related to electric utility regulation, and as such, its accounting is subject to SFAS No. 71. Given its position in the marketplace and the status of regulation in Kentucky and Virginia, there are no plans or intentions to discontinue the application of SFAS No. 71.

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Kentucky Rate Case

In July 2008, KU filed an application with the Kentucky Commission requesting an increase in base electric rates. In conjunction with the filing of the application for a change in base rates, based on previous Orders by the Kentucky Commission approving settlement agreements among all interested parties, the VDT surcredit terminated in August 2008. In January 2009, KU, the AG, KIUC and all other parties to the rate case filed a settlement agreement with the Kentucky Commission, under which KU's base electric rates will decrease by \$9 million annually. An Order approving the settlement agreement was received in February 2009. The new rates were implemented effective February 6, 2009, at which time the merger surcredit terminated.

The VDT surcredit originated in December 2001, when the Kentucky Commission issued an Order approving a settlement agreement allowing KU to set up a regulatory asset of \$54 million for workforce reduction costs and begin amortizing it over a five-year period starting in April 2001. The Order also provided for a surcredit to be included on customers' bills representing 40% of the annual savings derived from this initiative. For periods beginning January 1, 2006, the VDT surcredit had increased to \$4 million per year.

In February 2006, KU and all parties to the proceeding reached a unanimous settlement agreement on the future ratemaking treatment of the VDT surcredit. Under the terms of the settlement agreement, the VDT surcredit continued at its current level until such time as KU filed for a change in base rates. The Kentucky Commission issued an Order in March 2006, approving the settlement agreement. In accordance with the Order, the VDT surcredit terminated in August 2008, the first billing month after the July 2008 filing for a change in base rates.

The merger surcredit originated as part of the LG&E Energy merger with KU Energy Corporation in 1998. It was based on estimated non-fuel savings over a ten-year period following the merger. Costs to achieve these savings were deferred and amortized over a five-year period pursuant to regulatory orders. In approving the merger, the Kentucky Commission adopted KU's proposal to reduce its retail customers' bills based on one-half of the estimated merger-related savings, net of deferred and amortized amounts, over a five-year period. These savings were provided in the form of a surcredit mechanism on customers' bills. In October 2003, the Kentucky Commission issued an Order approving a unanimous settlement agreement reached with all parties to the case in which the merger surcredit of \$18 million per year would remain in place for another five-year term beginning July 1, 2003, and KU would file a plan for the merger surcredit six months before its expiration.

In December 2007, KU submitted its plan to allow the merger surcredit to terminate as scheduled on June 30, 2008. In June 2008, the Kentucky Commission issued an Order approving a unanimous settlement agreement reached with all parties to the case which provided for a reduction in the merger surcredit to approximately \$6 million for a 7-month period beginning July 2008, termination of the merger surcredit when new base rates went into effect on or after January 31, 2009, and that the annual merger surcredit be continued at an annual rate of \$12 million thereafter should the Company not file for a change in base rates. In accordance with the Order, the merger surcredit was terminated effective February 6, 2009, with the implementation of new base rates.

FERC Wholesale Rate Case

In September 2008, KU filed an application with the FERC for increases in base electric rates applicable to wholesale power sales contracts or interchange agreements involving, collectively, twelve Kentucky

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municipalities. The application requests a shift from current, all-in stated unit charge rates to an unbundled and formula rate. The revised rates represent varying increases of 6% to 7% from current charges and include a change from the all-in stated applicable return on equity of 11.8%. The proceeding involves data requests and hearings before the FERC, as well as data requests and filings by intervenors. In November 2008, the FERC issued an Order to suspend rates until May 1, 2009, at which time the applied for rates will become effective, subject to potential refund or adjustment commencing in October 2009, based upon the outcome of the proceedings. Concurrently with the progress of the FERC rate proceedings, KU and the municipal customers have commenced structured settlement negotiations overseen by the FERC.

Regulatory Assets and Liabilities

The following regulatory assets and liabilities were included in the balance sheets as of December 31:

(in millions)	<u>2008</u>	<u>2007</u>
ARO	\$ 28	\$ 24
MISO exit	19	20
Unamortized loss on bonds	13	10
FAC	9	17
ECR	20	11
Hurricane Ike	2	-
Other	<u>5</u>	<u>4</u>
Subtotal	96	86
Pension and postretirement benefits	<u>127</u>	<u>28</u>
Total regulatory assets	<u>\$ 223</u>	<u>\$ 114</u>
Deferred income taxes – net	\$ 16	\$ 22
Other	<u>20</u>	<u>10</u>
Total regulatory liabilities	<u>\$ 36</u>	<u>\$ 32</u>

KU does not currently earn a rate of return on the FAC regulatory asset, which is a separate recovery mechanism with recovery within twelve months. No return is earned on the pension and postretirement benefits regulatory asset that represents the changes in funded status of the plans. KU will recover this asset through the pension expense included in the calculation of base rates with the Kentucky Commission and will seek recovery of this asset in future proceedings with the Virginia Commission. No return is currently earned on the ARO asset. This regulatory asset will be offset against the associated regulatory liability, ARO asset and ARO liability at the time the underlying asset is retired. The MISO exit amount represents the costs relating to the withdrawal from MISO membership. Approval for the recovery of this asset was received from the Kentucky Commission as part of the 2008 base rate case and KU will seek recovery of this asset in future proceedings with the Virginia Commission. KU currently earns a rate of return on remaining regulatory assets, including other regulatory assets comprised of VDT costs (2007 only), merger surcredit and deferred storm costs. Other regulatory assets also include KCCS funding (see CMRG and KCCS Contributions below), FERC jurisdictional pension expense and rate case expenses. KU will seek recovery of the KCCS funding in the next base rate case and received approval for the

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recovery of the rate case expenses as part of the 2008 base rate case. Other regulatory liabilities include DSM and MISO costs included in base rates that will be netted against costs of withdrawing from the MISO as part of the settlement agreement in the 2008 base rate case.

ARO. A summary of KU's net ARO assets, regulatory assets, ARO liabilities, regulatory liabilities and cost of removal established under FIN 47, *Accounting for Conditional Asset Retirement Obligations, an Interpretation of SFAS No. 143*, and SFAS No. 143, *Accounting for Asset Retirement Obligations*, follows:

	ARO Net <u>Assets</u>	ARO <u>Liabilities</u>	Regulatory <u>Assets</u>	Regulatory <u>Liabilities</u>	Accumulated <u>Cost of Removal</u>	Cost of Removal <u>Depreciation</u>
As of December 31, 2006	\$ 5	\$ (28)	\$ 22	\$ (2)	\$ 2	\$ 1
ARO accretion	-	(2)	2	-	-	-
As of December 31, 2007	5	(30)	24	(2)	2	1
ARO accretion	-	(2)	2	-	-	-
Removal cost reclass	-	-	2	(2)	-	-
As of December 31, 2008	<u>\$ 5</u>	<u>\$ (32)</u>	<u>\$ 28</u>	<u>\$ (4)</u>	<u>\$ 2</u>	<u>\$ 1</u>

Pursuant to regulatory treatment prescribed under SFAS No. 71, an offsetting regulatory credit was recorded in depreciation and amortization in the income statement of \$2 million in 2008 and 2007 for the ARO accretion and depreciation expense. KU AROs are primarily related to the final retirement of assets associated with generating units. For assets associated with AROs, the removal cost accrued through depreciation under regulatory accounting is established as a regulatory liability pursuant to regulatory treatment prescribed under SFAS No. 71. There were no FIN 47 net asset additions during 2008 or 2007. For the years ended December 31, 2008 and 2007, KU recorded less than \$1 million of depreciation expense related to the cost of removal of ARO related assets. An offsetting regulatory liability was established pursuant to regulatory treatment prescribed under SFAS No. 71.

KU transmission and distribution lines largely operate under perpetual property easement agreements which do not generally require restoration upon removal of the property. Therefore, under SFAS No. 143, no material asset retirement obligations are recorded for transmission and distribution assets.

MISO. Following receipt of applicable FERC, Kentucky Commission and other regulatory orders, KU withdrew from the MISO effective September 1, 2006. Specific proceedings regarding the costs and benefits of the MISO and exit matters had been underway since July 2003. Since the exit from the MISO, KU has been operating under a FERC-approved open access-transmission tariff. KU now contracts with the Tennessee Valley Authority to act as its transmission Reliability Coordinator and Southwest Power Pool, Inc. to function as its Independent Transmission Organization, pursuant to FERC requirements.

KU and the MISO have agreed upon overall calculation methods for the contractual exit fee to be paid by the Company following its withdrawal. In October 2006, the Company paid \$20 million to the MISO pursuant to an invoice regarding the exit fee and made related FERC compliance filings. The Company's payment of this exit fee amount was with reservation of its rights to contest the amount, or components thereof, following a continuing review of its calculation and supporting documentation. KU and the MISO resolved their dispute regarding the calculation of the exit fee and, in November 2007, filed an application with the FERC for approval

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of a recalculation agreement. In March 2008, the FERC approved the parties' recalculation of the exit fee, and the approved agreement provided KU with an immediate recovery of \$1 million and an estimated \$3 million over the next seven years for credits realized from other payments the MISO will receive, plus interest. In accordance with Kentucky Commission Orders approving the MISO exit, KU has established a regulatory asset for the exit fee, subject to adjustment for possible future MISO credits, and a regulatory liability for certain revenues associated with former MISO administrative charges, which continue to be collected via base rates. The approved base rate case settlement provided for MISO Schedule 10 expenses collected through base rates from May 1, 2008 to February 6, 2009, and any future adjustments to the MISO exit fee, to be established as a regulatory liability until the amounts can be amortized in future base rate cases.

In November 2008, the FERC issued Orders in industry-wide proceedings relating to MISO RSG calculation and resettlement procedures. RSG charges are amounts assessed to various participants active in the MISO trading market which generally seek to compensate for uneconomic generation dispatch due to regional transmission or power market operational considerations, with some customer classes eligible for payments, while others may bear charges. The FERC Orders approved two requests for significantly altered formulas and principles, each of which the FERC applied differently to calculate RSG charges for various historical and future periods. KU and other parties have requested rehearing and a delay in any collection of RSG amounts. During January and February 2009, the FERC issued a deficiency letter in the proceeding relating to one prior Order, which delays collection of applicable RSG resettlements by the MISO pending further proceedings. Further developments in the RSG proceeding are expected to occur during 2009. Due to the numerous participants, complex principles at issue and changes from prior precedents, KU cannot predict the ultimate outcome of this matter. Based upon the recent FERC Orders, KU established a reserve during the fourth quarter of 2008, of less than \$1 million relating to potential RSG resettlement costs for the period ended December 31, 2008.

Unamortized Loss on Bonds. The costs of early extinguishment of debt, including call premiums, legal and other expenses, and any unamortized balance of debt expense are amortized using the straight line method, which approximates the effective interest method, over the life of either the replacement debt (in the case of refinancing) or the original life of the extinguished debt.

FAC. KU's retail rates contain an FAC, whereby increases and decreases in the cost of fuel for generation are reflected in the rates charged to retail customers. The FAC allows the Company to adjust customers' accounts for the difference between the fuel cost component of base rates and the actual fuel cost, including transportation costs. Refunds to customers occur if the actual costs are below the embedded cost component. Additional charges to customers occur if the actual costs exceed the embedded cost component. The amount of the regulatory asset or liability is the amount that has been under- or over-recovered due to timing or adjustments to the mechanism.

The Kentucky Commission requires public hearings at six-month intervals to examine past fuel adjustments, and at two-year intervals to review past operations of the fuel clause and transfer of the then current fuel adjustment charge or credit to the base charges.

In January 2009, the Kentucky Commission initiated a routine examination of KU's FAC for the two-year period November 1, 2006 through October 31, 2008. A public hearing is scheduled in March 2009. An order is

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anticipated in the second quarter of 2009.

In August 2008, the Kentucky Commission initiated a routine examination of KU's FAC for the six-month period November 1, 2007 through April 30, 2008. The Kentucky Commission issued an Order in January 2009, approving the charges and credits billed through the FAC during the review period.

In January 2008, the Kentucky Commission initiated a routine examination of KU's FAC for the six-month period May 1, 2007 through October 31, 2007. The Kentucky Commission issued an Order in June 2008, approving the charges and credits billed through the FAC during the review period.

In August 2007, the Kentucky Commission initiated a routine examination of KU's FAC for the six-month period of November 1, 2006 through April 30, 2007. The Kentucky Commission issued an Order in January 2008, approving the charges and credits billed through the FAC during the review period.

In December 2006, the Kentucky Commission initiated its periodic two-year review of KU's past operations of the fuel clause and transfer of fuel costs from the FAC to base rates for November 1, 2004 through October 31, 2006. In March 2007, the KIUC challenged KU's recovery of approximately \$5 million in aggregate fuel costs KU incurred during a period prior to its exit from the MISO and requested the Kentucky Commission disallow this amount. A public hearing was held in May 2007. In October 2007, the Kentucky Commission issued its Order approving the calculation and application of KU's FAC charges and fuel procurement practices and indicated that KU was in compliance with the provisions of Administrative Regulation 807 KAR 5:5056. The Kentucky Commission further approved KU's recommendation for the transfer of fuel cost from the FAC to base rates. In November 2007, the KIUC filed a petition for rehearing, claiming the Kentucky Commission misinterpreted the KIUC's arguments in the proceeding. In the same month, the Kentucky Commission issued an Order denying the KIUC's request for rehearing. An appeal was not filed by the KIUC.

In January 2003, the Kentucky Commission reviewed KU's FAC for the six-month period ended October 31, 2001. The Kentucky Commission ordered KU to reduce its fuel costs for purposes of calculating its FAC by less than \$1 million. At issue was the purchase of approximately 102,000 tons of coal from Western Kentucky Energy Corp., a non-regulated affiliate, for use at KU's Ghent facility. The Kentucky Commission further ordered that an independent audit be conducted to examine operational and management aspects of both KU's and LG&E's fuel procurement functions. The final report's recommendations, issued in February 2004, related to documentation and process improvements. Management Audit Action Plans were agreed upon by KU and the Kentucky Commission Staff in the second quarter of 2004, and resulted in Audit Progress Reports being filed by KU with the Kentucky Commission. In February 2007, the Kentucky Commission staff indicated that KU fully complied with all audit recommendations and that no further reports are required.

KU also employs an FAC mechanism for Virginia customers using an average fuel cost factor based primarily on projected fuel costs. The factor may be adjusted annually for over- or under-collections of fuel costs from the prior year. In February 2008, KU filed an application with the Virginia Commission seeking approval of a decrease in its fuel cost factor applicable during the billing period, April 2008 through March 2009. The Virginia Commission allowed the new rates to be in effect for the April 2008 customer billings. In April 2008, the Virginia Commission Staff recommended a change to the fuel factor KU filed in its application, to which KU has agreed. Following a public hearing and an Order in May 2008, the recommended change became

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effective in June 2008, resulting in a decrease of 0.482 cents/kwh from the factor in effect for the April 2007 through March 2008 period.

ECR. Kentucky law permits KU to recover the costs of complying with the Federal Clean Air Act, including a return of operating expenses, and a return of and on capital invested, through the ECR mechanism. The amount of the regulatory asset or liability is the amount that has been under- or over-recovered due to timing or adjustments to the mechanism.

In February 2009, the Kentucky Commission approved a settlement agreement in the rate case which provides for an authorized return on equity applicable to the ECR mechanism of 10.63% effective with the March 2009 expense month filing, which represents a slight increase over the current 10.50%.

In January 2009, the Kentucky Commission initiated a six-month review for the period ending October 31, 2008, of KU's environmental surcharge. An order is anticipated in the second quarter of 2009.

In June 2008, the Kentucky Commission initiated two six-month reviews for periods ending October 31, 2007 and April 30, 2008, of KU's environmental surcharge. The Kentucky Commission issued an Order in August 2008, approving the charges and credits billed through the ECR during the review period and the rate of return on capital.

In October 2007, KU met with the Kentucky Commission and other interested parties to discuss the status of the Ghent Unit 2 SCR construction. KU informed the Kentucky Commission that construction of the Ghent Unit 2 SCR was not going to commence before the CCN expired in December 2007, due to a change in the economics for the project. The CCN expired in December 2007, and KU has delayed construction of the Ghent Unit 2 SCR.

In September 2007, the Kentucky Commission initiated six-month and two-year reviews for periods ending October 31, 2006 and April 30, 2007, respectively, of KU's environmental surcharge. The Kentucky Commission issued a final Order in March 2008, approving the charges and credits billed through the ECR during the review periods, as well as approving billing adjustments, roll-in adjustments to base rates, revisions to the monthly surcharge filing and the rates of return on capital.

Hurricane Ike. In September 2008, high winds from the remnants of Hurricane Ike passed through the service territory causing significant outages and system damage. In October 2008, KU filed an application with the Kentucky Commission requesting approval to establish a regulatory asset, and defer for future recovery, approximately \$3 million of expenses related to the storm restoration. In December 2008, the Kentucky Commission issued an Order allowing the Company to establish a regulatory asset of up to \$3 million based on its actual costs for storm damages and service restoration due to Hurricane Ike.

FERC Jurisdictional Pension Costs. Pension costs of \$3 million incurred by the Company allocated to its FERC jurisdictional ratepayers. The Company will seek recovery of this asset in the next FERC rate proceeding.

Rate Case Expenses. KU incurred \$1 million in expenses related to the development and support of the 2008 Kentucky base rate case. The Kentucky Commission approved the establishment of a regulatory asset for these

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expenses and authorized amortization over three years beginning in March 2009.

CMRG and KCCS Contributions. In July 2008, KU and LG&E, along with Duke Energy Kentucky, Inc. and Kentucky Power Company, filed an application with the Kentucky Commission requesting approval to establish regulatory assets related to contributions to the CMRG for the development of technologies for reducing carbon dioxide emissions and the KCCS to study the feasibility of geologic storage of carbon dioxide. The filing companies proposed that these contributions be treated as regulatory assets to be deferred until recovery is provided in the next base rate case of each company, at which time the regulatory assets will be amortized over the life of each project: four years with respect to the KCCS and ten years with respect to the CMRG. KU and LG&E jointly agreed to provide less than \$2 million over two years to the KCCS and up to \$2 million over ten years to the CMRG. In October 2008, an Order approving the establishment of the requested regulatory assets was received and KU will seek rate recovery in the Company's next base rate case.

Deferred Storm Costs. Based on an Order from the Kentucky Commission in June 2004, KU reclassified from maintenance expense to a regulatory asset, \$4 million related to costs not reimbursed from the 2003 ice storm. These costs will be amortized through June 2009. KU earns a return of these amortized costs, which are included in jurisdictional operating expenses.

Pension and Postretirement Benefits. KU adopted SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans*, in 2006. This statement requires employers to recognize the over-funded or under-funded status of a defined benefit pension and postretirement plan as an asset or liability in the balance sheet and to recognize through other comprehensive income the changes in the funded status in the year in which the changes occur. Under SFAS No. 71, KU can defer recoverable costs that would otherwise be charged to expense or equity by non-regulated entities. Current rate recovery in Kentucky and Virginia is based on SFAS No. 87, *Employers' Accounting for Pensions*, and SFAS No. 106, *Employers' Accounting for Postretirement Benefits Other than Pensions*, both of which were amended by SFAS No. 158. Regulators have been clear and consistent with their historical treatment of such rate recovery, therefore, the Company has recorded a regulatory asset representing the change in funded status of the pension and postretirement plans that is expected to be recovered. The regulatory asset will be adjusted annually as prior service cost and actuarial gains and losses are recognized in net periodic benefit cost.

Deferred Income Taxes – Net. These regulatory assets and liabilities represent the future revenue impact from the reversal of deferred income taxes required for unamortized investment tax credits, the allowance for funds used during construction and deferred taxes provided at rates in excess of currently enacted rates.

DSM. KU's rates contain a DSM provision. The provision includes a rate mechanism that provides for concurrent recovery of DSM costs and provides an incentive for implementing DSM programs. The provision allows KU to recover revenues from lost sales associated with the DSM programs based on program plan engineering estimates and post-implementation evaluations.

In July 2007, KU and LG&E filed an application with the Kentucky Commission requesting an order approving enhanced versions of the existing DSM programs along with the addition of several new cost effective programs. The total annual budget for these programs is approximately \$26 million, an increase over the previous annual costs of approximately \$10 million. In March 2008, the Kentucky Commission issued an Order

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approving the application, with minor modifications. KU and LG&E filed revised tariffs in April 2008, under authority of this Order, which were effective in May 2008.

Other Regulatory Matters

Storm Restoration. In January 2009, a significant winter ice storm passed through KU's service territory causing approximately 199,000 customer outages, followed closely by a severe wind storm in February 2009, causing approximately 44,000 customer outages. KU currently estimates costs incurred of \$66 million of expenses and \$28 million of capital expenditures related to the restoration following the two storms. The Company expects to seek recovery of these costs from the Kentucky Commission.

Utility Competition in Virginia. The Commonwealth of Virginia passed the Virginia Electric Utility Restructuring Act in 1999. This act gave customers the ability to choose their electric supplier and capped electric rates through December 2010. KU subsequently received a legislative exemption from the customer choice requirements of this law. In April 2007, however, the Virginia General Assembly amended the Virginia Electric Utility Restructuring Act, thereby terminating this competitive market and commencing re-regulation of utility rates. The new act ended the cap on rates at the end of 2008. Pursuant to this legislation, the Virginia Commission adopted regulations revising the rules governing utility rate increase applications. As of January 2009, a hybrid model of regulation is being applied in Virginia. Under this model, utility rates are reviewed every two years. KU's exemption from the requirements of the Virginia Electric Utility Restructuring Act in 1999, however, discharges KU from the requirements of the new hybrid model of regulation. In lieu of submitting an annual information filing, KU has the option of requesting a change in base rates to recover prudently incurred costs by filing a traditional base rate case. KU is also subject to other utility regulations in Virginia, including, but not limited to, the recovery of prudently incurred fuel costs through an annual fuel factor charge and the submission of integrated resource plans.

Regional Reliability Council. KU has changed its regional reliability council membership from the Reliability First Corporation to the SERC, effective January 1, 2007. Regional reliability councils are industry consortiums that promote, coordinate and ensure the reliability of the bulk electric supply systems in North America.

TC2 CCN Application and Transmission Matters. A CCN application for construction of the new base-load, coal fired unit known as TC2, which will be jointly owned by KU and LG&E, together with the IMEA and the IMPA, was approved by the Kentucky Commission in November 2005.

CCN applications for two transmission lines associated with the TC2 unit were approved by the Kentucky Commission in September 2005 and May 2006. All regulatory approvals and rights of way for one transmission line have been obtained.

The CCN for the remaining line has been challenged by certain Hardin County, Kentucky property owners. In August 2006, KU and LG&E obtained a successful dismissal of the challenge at the Franklin County circuit court, which ruling was reversed by the Kentucky Court of Appeals in December 2007, and the proceeding reinstated. The matter is currently before the Kentucky Supreme Court on a motion for discretionary review filed by KU and LG&E in May 2008. The motion, which seeks reversal of the appellate court decision and reinstatement of the circuit court dismissal of the challenge has not yet been ruled upon.

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Completion of the transmission lines are also subject to standard construction permit, environmental authorization and real property or easement acquisition procedures and certain Hardin County landowners have raised challenges to such a transmission line in some of these forums as well. During 2008, KU and LG&E obtained various successful rulings at the Hardin County circuit court establishing their condemnation and easement rights. In August 2008, the landowners appealed such rulings to the Kentucky Court of Appeals and received a stay preventing KU and LG&E access to the properties during the appeal. KU and LG&E have petitioned the appellate court to lift the stay and otherwise sustain the lower court ruling, but such matter has not yet been ruled upon. In a separate proceeding, certain Hardin County landowners have also challenged the same transmission line in federal district court in Louisville, Kentucky, claiming that certain National Historic Preservation Act requirements were not fully complied with by the U.S. Army relating to easements for the line through Fort Knox. KU and LG&E are cooperating with the U.S. Army in its defense in this case.

KU and LG&E continue to actively engage in settlement negotiations with the Hardin County property owners involved in the appeals of the condemnation proceedings. During the fourth quarter of 2008, KU and LG&E entered into settlements with certain Meade County landowners and obtained dismissals of prior litigation they had brought challenging the same transmission line. KU and LG&E are not currently able to predict the ultimate outcome and possible effects, if any, on the construction schedule relating to these transmission line approval and land acquisition proceedings.

Ghent FGD Inquiry. In October 2006, the Kentucky Commission commenced an inquiry into elements of KU's planned construction of one of its three new FGDs at the Ghent generating station. The proceeding requested, and the Company provided, additional information regarding configuration details, expenditures and the proposed construction sequence applicable to future construction phases of the Ghent FGD project. In January 2007, the Kentucky Commission issued an Order completing its inquiry in the matter and confirming its approval of KU's construction plan. The Order also provided general guidance for jurisdictional utilities regarding applicable information and data requirements for future CCN applications and subsequent proceedings.

Market-Based Rate Authority. In July 2006, the FERC issued an Order in KU's market-based rate proceeding accepting KU's further proposal to address certain market power issues the FERC had claimed would arise upon an exit from the MISO. In particular, the Company received permission to sell power at market-based rates at the interface of control areas in which it may be deemed to have market power, subject to a restriction that such power not be collusively re-sold back into such control areas. However, restrictions exist on sales by KU of power at market-based rates in the KU/LG&E and Big Rivers Electric Corporation control areas. In June 2007, the FERC issued Order No. 697 implementing certain reforms to market-based rate regulations, including restrictions similar to those previously in place for KU's power sales at control area interfaces. In December 2008, the FERC issued Order No. 697-B potentially placing additional restrictions on certain power sales involving areas where market power is deemed to exist. The Order is subject to a FERC rehearing process during which time the FERC has delayed implementation of the provisions relating to sales at interfaces. The Company cannot determine its ultimate impact at this time. As a condition of receiving and retaining market-based rate authority, KU must comply with applicable affiliate restrictions set forth in the FERC's regulation. During September 2008, KU submitted a regular tri-annual update filing under market-based rate regulations and FERC review proceedings for such filing remain in progress.

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Mandatory Reliability Standards. As a result of the EAct 2005, certain formerly voluntary reliability standards became mandatory in June 2007, and authority was delegated to various RROs by the NERC, which was authorized by the FERC to enforce compliance with such standards, including promulgating new standards. Failure to comply with mandatory reliability standards can subject a registered entity to sanctions, including potential fines of up to \$1 million per day, as well as non-monetary penalties, depending upon the circumstances of the violation. KU is a member of the SERC, which acts as KU's RRO. During May 2008, the SERC and KU agreed to a settlement involving penalties totaling less than \$1 million related to KU's February 2008 self-report concerning possible violations of certain existing mitigation plans relating to reliability standards. The SERC and KU are currently involved in settlement negotiations concerning a June 2008 self-report by KU relating to three other standards and an October 2008 self-report of a possible violation relating to an additional standard. SERC proceedings for these June and October self-reports are in the early stages and therefore the outcome is unable to be determined. Mandatory reliability standard settlements commonly include other non-penalty elements, including compliance steps and mitigation plans. Settlements with the SERC proceed to NERC and FERC review before becoming final. In December 2008, the SERC commenced a routine, periodic audit of KU and LG&E relating to certain designated reliability standards. This audit was completed during the first quarter of 2009 with no violations identified. While KU believes itself to be in compliance with the mandatory reliability standards, the Company cannot predict the outcome of other analyses, including on-going SERC or other reviews described above.

IRP. Integrated resource planning regulations in Kentucky require major utilities to make triennial IRP filings with the Kentucky Commission. In April 2008, KU and LG&E filed their 2008 joint IRP with the Kentucky Commission. The IRP provides historical and projected demand, resource and financial data, and other operating performance and system information. The AG and the KIUC were granted intervention in the IRP proceeding. During September 2008, KU and LG&E responded to public comments and they are awaiting the Kentucky Commission staff report which will close this proceeding. KU and LG&E are not able to predict further proceedings at this time.

PUHCA 2005. E.ON, KU's ultimate parent, is a registered holding company under PUHCA 2005. E.ON, its utility subsidiaries, including KU, and certain of its non-utility subsidiaries, are subject to extensive regulation by the FERC with respect to numerous matters, including: electric utility facilities and operations, wholesale sales of power and related transactions, accounting practices, issuances and sales of securities, acquisitions and sales of utility properties, payments of dividends out of capital and surplus, financial matters and inter-system sales of non-power goods and services. KU believes that it has adequate authority (including financing authority) under existing FERC orders and regulations to conduct its business and will seek additional authorization when necessary.

EAct 2005. The EAct 2005 was enacted in August 2005. Among other matters, this comprehensive legislation contains provisions mandating improved electric reliability standards and performance; granting enhanced civil penalty authority to the FERC; providing economic and other incentives relating to transmission, pollution control and renewable generation assets; increasing funding for clean coal generation incentives; repealing the Public Utility Holding Company Act of 1935; enacting PUHCA 2005 and expanding FERC jurisdiction over public utility holding companies and related matters via the Federal Power Act and PUHCA 2005.

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In February 2006, the Kentucky Commission initiated an administrative proceeding to consider the requirements of the EPAct 2005, Subtitle E Section 1252, Smart Metering, which concerns time-based metering and demand response, and Section 1254, Interconnections. EPAct 2005 requires each state regulatory authority to conduct a formal investigation and issue a decision on whether or not it is appropriate to implement certain Section 1252, Smart Metering standards within eighteen months after the enactment of EPAct 2005 and to commence consideration of Section 1254, Interconnection standards within one year after the enactment of EPAct 2005. Following a public hearing with all Kentucky jurisdictional electric utilities, in December 2006, the Kentucky Commission issued an Order in this proceeding indicating that the EPAct 2005 Section 1252, Smart Metering and Section 1254, Interconnection standards should not be adopted. However, all five Kentucky Commission jurisdictional utilities are required to file real-time pricing pilot programs for their large commercial and industrial customers. KU developed a real-time pricing pilot for large industrial and commercial customers and filed the details of the plan with the Kentucky Commission in April 2007. Data discovery concluded in July 2007, and no parties to the case requested a hearing. In February 2008, the Kentucky Commission issued an Order approving the real-time pricing pilot program proposed by KU for implementation within approximately eight months, for its large commercial and industrial customers. The tariff was filed in October 2008, with an effective date of December 1, 2008. KU will file annual reports on the program within 90 days of each plan year-end for the 3-year pilot period.

Green Energy Riders. In February 2007, KU and LG&E filed a Joint Application and Testimony for Proposed Green Energy Riders. The AG and KIUC were granted full intervention. In May 2007, a Kentucky Commission Order was issued authorizing KU to establish Small and Large Green Energy Riders, allowing customers to contribute funds to be used for the purchase of renewable energy credits.

Home Energy Assistance Program. In July 2007, KU filed an application with the Kentucky Commission for the establishment of a new Home Energy Assistance program. During September 2007, the Kentucky Commission approved the new five-year program as filed, effective in October 2007. The program terminates in September 2012, and is funded through a \$0.10 per month meter charge. Effective February 6, 2009, as a result of the settlement agreement in the 2008 base rate case, the program is funded through a \$0.15 per month meter charge.

Collection Cycle Revision. As part of the base rate case filed on July 29, 2008, LG&E proposed to change the due date for customer bill payments from 15 days to 10 days to align its collection cycle with KU. In addition, KU proposed to include a late payment charge if payment is not received within 15 days from the bill issuance date to align with LG&E. The settlement agreement approved in the rate case in February 2009, changed the due date for customer bill payments to 12 days after bill issuance for both KU and LG&E, and KU will implement a late payment charge if payment is not received within 15 days from the bill issuance date.

Depreciation Study. In December 2007, KU filed a depreciation study with the Kentucky Commission as required by a previous Order. An adjustment to the depreciation rates is dependent on an order being received from the Kentucky Commission. In July 2008, KU filed a motion to consolidate the procedural schedule of the depreciation study with the application for a change in base rates. In August 2008, the Kentucky Commission issued an Order consolidating the depreciation study with the base rate case proceeding. The settlement agreement in the rate case established new depreciation rates effective February 2009. KU also filed the depreciation study with the Virginia Commission, but has not requested formal review and approval of the

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depreciation rates from the Virginia Commission. Such a review will take place either during KU's next base rate case in Virginia or when KU makes a formal application to the Virginia Commission for approval of the proposed rates.

Brownfield Development Rider Tariff. In March 2008, KU received Kentucky Commission approval for a Brownfield Development Rider, which offers a discounted rate to electric customers who meet certain usage and location requirements, including taking new service at a brownfield site, as certified by the appropriate Kentucky state agency. The rider would permit special contracts with such customers which provide for a series of declining partial rate discounts over an initial five-year period of a longer service arrangement. The tariff is intended to promote local economic redevelopment and efficient usage of utility resources by aiding potential reuse of vacant brownfield sites.

Interconnection and Net Metering Guidelines. In May 2008, the Kentucky Commission on its own motion initiated a proceeding to establish interconnection and net metering guidelines in accordance with amendments to existing statutory requirements for net metering of electricity. The jurisdictional electric utilities and intervenors in this case presented proposed interconnection guidelines to the Kentucky Commission in October 2008. In a January 2009 Order, the Kentucky Commission issued the Interconnection and Net Metering Guidelines – Kentucky that were developed by all parties to the proceeding. KU does not expect any impact as a result of this Order. KU shall file revised net metering tariffs and application forms within ninety days of the Order to comply with the new guidelines.

EISA 2007 Standards. In November 2008, the Kentucky Commission initiated an administrative proceeding to consider new standards as a result of the Energy Independence and Security Act of 2007 ("EISA 2007"), part of which amends the Public Utility Regulatory Policies Act of 1978 ("PURPA"). There are four new PURPA standards and one non-PURPA standard applicable to electric utilities. The proceeding also considers two new PURPA standards applicable to natural gas utilities. EISA 2007 requires state regulatory commissions and nonregulated utilities to begin consideration of the rate design and smart grid investments no later than December 19, 2008 and to complete the consideration by December 19, 2009.

Note 3 - Financial Instruments

The cost and estimated fair values of KU's non-trading financial instruments as of December 31 follow:

(in millions)	<u>2008</u>		<u>2007</u>	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term debt	\$ 351	\$ 349	\$ 333	\$ 333
Long-term debt from affiliate	\$ 1,181	\$ 1,117	\$ 931	\$ 996

The long-term debt valuations reflect prices quoted by dealers. The fair value of the long-term debt from affiliate is determined using an internal valuation model that discounts the future cash flows of each loan at current market rates. The current market rates are determined based on quotes from investment banks that are actively involved in capital markets for utilities and factor in KU's credit ratings and default risk. The fair values of cash and cash equivalents, accounts receivable, cash surrender value of key man life insurance, accounts payable and notes payable are substantially the same as their carrying values.

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KU is subject to the risk of fluctuating interest rates in the normal course of business. KU's policies allow the interest rate risk to be managed through the use of fixed rate debt, floating rate debt and interest rate swaps. At December 31, 2008, a 100 basis point change in the benchmark rate on KU's variable rate debt would impact pre-tax interest expense by \$3 million annually. Although KU's policies allow for the use of interest rate swaps, as of December 31, 2008, KU had no interest rate swaps outstanding.

Energy Trading and Risk Management Activities. KU conducts energy trading and risk management activities to maximize the value of power sales from physical assets it owns. Energy trading activities are principally forward financial transactions to manage price risk and are accounted for as non-hedging derivatives on a mark-to-market basis in accordance with SFAS No. 133, as amended.

Energy trading and risk management contracts are valued using prices based on active trades on the Intercontinental Exchange ("ICE"). In the absence of a traded price, midpoints of the best bids and offers will be the primary determinants of valuation. When sufficient trading activity is unavailable, other inputs can include prices quoted by brokers or observable inputs other than quoted prices, such as one-sided bids or offers, as of the balance sheet date. Using these valuation methodologies, these contracts are considered level 2 based on SFAS No. 157 measurement criteria. Quotes are verified quarterly using an independent pricing source of actual transactions. Quotes for combined off-peak and weekend timeframes are allocated between the two timeframes based on their historical proportional ratios to the integrated cost. No other adjustments are made to the forward prices.

No changes to valuation techniques for energy trading and risk management activities occurred during 2008 or 2007. Changes in market pricing, interest rate and volatility assumptions were made during both years. All contracts outstanding at December 31, 2008 and 2007, had a maturity of less than one year and were considered to be in a liquid market.

KU maintains policies intended to minimize credit risk and revalues credit exposures daily to monitor compliance with those policies. At December 31, 2008, 100% of the trading and risk management commitments were with counterparties rated BBB-/Baa3 equivalent or better. KU has reserved against counterparty credit risk based on the counterparty's credit rating and applying historical default rates within varying credit ratings over time provided by S&P or Moody's. At December 31, 2008 and 2007, counterparty credit reserves were less than \$1 million.

KU manages the price volatility of its forecasted electric wholesale sales with the sales of market-traded electric forward contracts. Hedge accounting treatment has not been elected for these transactions, and therefore gains and losses are shown in the statements of income. Unrealized gains and losses are included in other expense – net, whereas realized gains and losses are included in operating revenues. Unrealized losses were \$1 million and unrealized gains were less than \$1 million in 2008 and 2007, respectively. Realized gains and losses were less than \$1 million in 2008 and 2007.

Effective January 1, 2008, KU adopted the required provisions of SFAS No. 157, excluding the exceptions related to nonfinancial assets and liabilities, which will be adopted effective January 1, 2009, consistent with FASB Staff Position 157-2. KU has classified the applicable financial assets that are accounted for at fair value into the three levels of the fair value hierarchy, as defined by SFAS No. 157.

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The following table sets forth by level within the fair value hierarchy KU's financial assets that were accounted for at fair value on a recurring basis as of December 31, 2008. Cash collateral related to the energy trading and risk management contracts totals less than \$1 million, is categorized as restricted cash and is a level 1 measurement based on the funds being held in liquid accounts. Liabilities accounted for at fair value total less than \$1 million and use level 2 measurements. There are no level 3 measurements for this period.

Recurring Fair Value Measurements (in millions)	Level 1	Level 2	Total
Financial Assets:			
Energy trading and risk management contracts	\$ -	\$ 1	\$ 1
Total Financial Assets	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

Note 4 - Concentrations of Credit and Other Risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties failed to perform as contracted. Concentrations of credit risk (whether on- or off-balance sheet) relate to groups of customers or counterparties that have similar economic or industry characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

KU's customer receivables and revenues arise from deliveries of electricity to approximately 508,000 customers in over 600 communities and adjacent suburban and rural areas in 77 counties in central, southeastern and western Kentucky, to approximately 30,000 customers in 5 counties in southwestern Virginia and 5 customers in Tennessee. For the years ended December 31, 2008 and 2007, 100% of total revenue was derived from electric operations. During 2008, KU's 10 largest customers accounted for less than 10% of electric volumes.

Effective August 1, 2006, KU and its employees represented by the IBEW Local 2100 entered into a new three-year collective bargaining agreement. The new agreement provides for negotiated increases or changes to wages, benefits or other provisions and for annual wage re-openers. Wage re-openers were negotiated and agreed to in July 2007 and July 2008. KU and employees represented by the USWA Local 9447-01 entered into a three-year collective bargaining agreement in August 2008. The new agreement provides for negotiated increases or changes to wages, benefits or other provisions and for annual wage re-openers. The employees represented by these two bargaining units comprise approximately 16% of KU's workforce at December 31, 2008.

Note 5 - Pension and Other Postretirement Benefit Plans

KU employees benefit from both funded and unfunded non-contributory defined benefit pension plans and other postretirement benefit plans that together cover employees hired by December 31, 2005. Employees hired after this date participate in the Retirement Income Account ("RIA"), a defined contribution plan. The Company makes an annual lump sum contribution to the RIA, based on years of service and a percentage of covered compensation. The health care plans are contributory with participants' contributions adjusted annually. KU uses December 31 as the measurement date for its plans.

Obligations and Funded Status. The following tables provide a reconciliation of the changes in the plans' benefit obligations and fair value of assets over the two-year period ending December 31, 2008, and a statement

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of the funded status as of December 31 for KU's sponsored defined benefit plans:

(in millions)	Pension Benefits		Other Postretirement Benefits	
	2008	2007	2008	2007
Change in benefit obligation				
Benefit obligation at beginning of year	\$ 284	\$ 303	\$ 76	\$ 88
Service cost	5	6	1	2
Interest cost	18	17	5	5
Benefits paid, net of retiree contributions	(18)	(19)	(3)	(5)
Actuarial (gain)/loss and other	17	(23)	(4)	-
Benefit obligation at end of year	\$ 306	\$ 284	\$ 75	\$ 90
Change in plan assets				
Fair value of plan assets at beginning of year	\$ 264	\$ 253	\$ 13	\$ 12
Actual return on plan assets	(61)	17	(3)	-
Employer contributions	-	13	5	6
Benefits paid, net of retiree contributions	(18)	(19)	(3)	(5)
Administrative expenses and other	(2)	-	-	-
Fair value of plan assets at end of year	\$ 183	\$ 264	\$ 12	\$ 13
Funded status at end of year	\$ (123)	\$ (20)	\$ (63)	\$ (77)

Amounts Recognized in Statement of Financial Position. The following tables provide the amounts recognized in the balance sheets and information for plans with benefit obligations in excess of plan assets as of December 31;

(in millions)	Pension Benefits		Other Postretirement Benefits	
	2008	2007	2008	2007
Regulatory assets	\$ 137	\$ 37	\$ (10)	\$ (9)
Accrued benefit liability (non-current)	(123)	(20)	(63)	(63)

Additional year-end information for plans with accumulated benefit obligations in excess of plan assets:

(in millions)	Pension Benefits		Other Postretirement Benefits	
	2008	2007	2008	2007
Benefit obligation	\$ 306	\$ 284	\$ 75	\$ 76
Accumulated benefit obligation	261	243	-	-
Fair value of plan assets	183	264	12	13

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For discussion of the pension and postretirement regulatory assets, see Note 2, Rates and Regulatory Matters.

Components of Net Periodic Benefit Cost. The following tables provide the components of net periodic benefit cost for pension and other postretirement benefit plans. The tables include the costs associated with both KU employees and E.ON U.S. Services' employees, who are providing services to the utility. The E.ON U.S. Services' costs that are allocated to KU are approximately 46% and 45% of E.ON U.S. Services' total cost for 2008 and 2007, respectively.

(in millions)

	<u>Pension Benefits</u>					
	Servco Allocation to KU		Total		Servco Allocation to KU	
	KU 2008	2008	KU 2008	KU 2007	2007	KU 2007
Service cost	\$ 6	\$ 4	\$ 10	\$ 6	\$ 4	\$ 10
Interest cost	18	6	24	17	5	22
Expected return on plan assets	(21)	(5)	(26)	(21)	(5)	(26)
Amortization of prior service costs	1	1	2	1	1	2
Amortization of actuarial loss	-	-	-	2	1	3
Benefit cost at end of year	<u>\$ 4</u>	<u>\$ 6</u>	<u>\$ 10</u>	<u>\$ 5</u>	<u>\$ 6</u>	<u>\$ 11</u>

	<u>Other Postretirement Benefits</u>					
	Servco Allocation to KU		Total		Servco Allocation to KU	
	KU 2008	2008	KU 2008	KU 2007	2007	KU 2007
Service cost	\$ 1	\$ 1	\$ 2	\$ 1	\$ 1	\$ 2
Interest cost	5	-	5	5	-	5
Expected return on plan assets	(1)	-	(1)	(1)	-	(1)
Amortization of transitional obligation	1	-	1	1	-	1
Benefit cost at end of year	<u>\$ 6</u>	<u>\$ 1</u>	<u>\$ 7</u>	<u>\$ 6</u>	<u>\$ 1</u>	<u>\$ 7</u>

The assumptions used in the measurement of KU's pension benefit obligation are shown in the following table:

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	<u>2008</u>	<u>2007</u>
Weighted-average assumptions as of December 31:		
Discount rate	6.25%	6.66%
Rate of compensation increase	5.25%	5.25%

The discount rates were determined by the December 29, 2008, Mercer Pension Discount Yield Curve. These discount rates were then lowered by 2 basis points for the average change in 4 bond indices, Citigroup High Grade Credit Index AAA/AA 10+ years, Lehman Brothers US AA Long Credit, Merrill Lynch US Corporate AA-AAA rated 10+ years and Merrill Lynch US Corporate AA rated 15+ years, for the period from December 29, 2008 to December 31, 2008.

The assumptions used in the measurement of KU's net periodic benefit cost are shown in the following table:

	<u>2008</u>	<u>2007</u>
Discount rate	6.66%	5.96%
Expected long-term return on plan assets	8.25%	8.25%
Rate of compensation increase	5.25%	5.25%

To develop the expected long-term rate of return on assets assumption, KU considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the target asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio.

The following describes the effects on pension benefits by changing the major actuarial assumptions discussed above:

- A 1% change in the assumed discount rate could have an approximate \$31 million positive or negative impact to the 2008 accumulated benefit obligation and an approximate \$42 million positive or negative impact to the 2008 projected benefit obligation.
- A 25 basis point change in the expected rate of return on assets would have an approximate \$1 million positive or negative impact on 2008 pension expense.

Assumed Health care Cost Trend Rates. For measurement purposes, an 8% annual increase in the per capita cost of covered health care benefits was assumed for 2008. The rate was assumed to decrease gradually to 5% by 2016 and remain at that level thereafter.

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A 1% change in assumed health care cost trend rates would have resulted in an increase or decrease of less than \$1 million on the 2008 total of service and interest costs components and an increase or decrease of \$4 million in year-end 2008 postretirement benefit obligations.

Expected Future Benefit Payments and Medicare Subsidy Receipts. The following list provides the amount of expected future benefit payments, which reflect expected future service and the estimated gross amount of

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Medicare subsidy receipts:

(in millions)	Pension	Other	Medicare
	<u>Benefits</u>	<u>Postretirement Benefits</u>	<u>Subsidy Receipts</u>
2009	\$ 18	\$ 7	\$ 1
2010	18	7	-
2011	17	7	1
2012	17	7	-
2013	17	7	1
2014-18	94	39	3

Plan Assets. The following table shows KU's weighted-average asset allocation by asset category at December 31:

<u>Pension Plans</u>	<u>Target Range</u>	<u>2008</u>	<u>2007</u>
Equity securities	45% - 75%	55%	57%
Debt securities	30% - 50%	43	43
Other	0% - 10%	2	-
Totals		<u>100%</u>	<u>100%</u>

The investment policy of the pension plans was developed in conjunction with financial consultants, investment advisors and legal counsel. The goal of the investment policy is to preserve the capital of the fund and maximize investment earnings. The return objective is to exceed the benchmark return for the policy index comprised of the following: Russell 3000 Index, MSCI-EAFE Index, Lehman Aggregate and Lehman U.S. Long Government/Credit Bond Index in proportions equal to the targeted asset allocation.

Evaluation of performance focuses on a long-term investment time horizon of at least three to five years or a complete market cycle. The assets of the pension plans are broadly diversified within different asset classes (equities, fixed income securities and cash equivalents).

To minimize the risk of large losses in a single asset class, no more than 5% of the portfolio will be invested in the securities of any one issuer with the exclusion of the U.S. government and its agencies. The equity portion of the fund is diversified among the market's various subsections to diversify risk, maximize returns and avoid undue exposure to any single economic sector, industry group or individual security. The equity subsectors include, but are not limited to, growth, value, small capitalization and international.

In addition, the overall fixed income portfolio may have an average weighted duration, or interest rate sensitivity which is within +/- 20% of the duration of the overall fixed income benchmark. Foreign bonds in the aggregate shall not exceed 10% of the total fund. The portfolio may include a limited investment of up to 20% in below investment grade securities provided that the overall average portfolio quality remains "AA" or better. The below investment grade securities include, but are not limited to, medium-term notes, corporate debt, non-dollar and emerging market debt and asset backed securities. The cash investments should be in securities that either are of short maturities (not to exceed 180 days) or readily marketable with modest risk.

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Derivative securities are permitted only to improve the portfolio's risk/return profile, to modify the portfolio's duration or to reduce transaction costs and must be used in conjunction with underlying physical assets in the portfolio. Derivative securities that involve speculation, leverage, interest rate anticipation, or any undue risk whatsoever are not deemed appropriate investments.

The investment objective for the postretirement benefit plan is to provide current income consistent with stability of principal and liquidity while maintaining a stable net asset value of \$1.00 per share. The postretirement funds are invested in a prime cash money market fund that invests primarily in a portfolio of short-term, high-quality fixed income securities issued by banks, corporations and the U.S. government.

Contributions. KU made a discretionary contribution to the pension plan of \$13 million in January 2007. In addition, contributions to other postretirement benefit plans of \$5 million and \$6 million were made in 2008 and 2007, respectively. The amount of future contributions to the pension plan will depend upon the actual return on plan assets and other factors, but the Company funds its pension obligations in a manner consistent with the Pension Protection Act of 2006. In 2009, KU anticipates making voluntary contributions to fund Voluntary Employee Beneficiary Association trusts to match the annual postretirement expense and funding the 401(h) plan up to the maximum amount allowed by law.

Pension Legislation. The Pension Protection Act of 2006 was enacted in August 2006. New rules regarding funding of defined benefit plans are generally effective for plan years beginning in 2008. Among other matters, this comprehensive legislation contains provisions applicable to defined benefit plans which generally (i) mandate full funding of current liabilities within seven years; (ii) increase tax-deduction levels regarding contributions; (iii) revise certain actuarial assumptions, such as mortality tables and discount rates; and (iv) raise federal insurance premiums and other fees for under-funded and distressed plans. The legislation also contains a number of provisions relating to defined-contribution plans and qualified and non-qualified executive pension plans and other matters. The Company has monitored developments regarding the Act and has made a number of elections to comply.

Thrift Savings Plans. KU has a thrift savings plan under section 401(k) of the Internal Revenue Code. Under the plan, eligible employees may defer and contribute to the plan a portion of current compensation in order to provide future retirement benefits. KU makes contributions to the plan by matching a portion of the employee contributions. The costs of this matching were \$3 million and \$2 million for 2008 and 2007, respectively.

KU also makes contributions to retirement income accounts within its thrift savings plans for certain employees not covered by its noncontributory defined benefit pension plans. These employees consist mainly of those hired after December 31, 2005. KU makes these contributions based on years of service and the employees' wage and salary levels, and it makes them in addition to the matching contributions discussed above. The amounts contributed by KU under this arrangement equaled less than \$1 million in 2008 and in 2007.

Note 6 - Income Taxes

A United States consolidated income tax return is filed by E.ON U.S.'s direct parent, E.ON US Investments Corp., for each tax period. Each subsidiary of the consolidated tax group, including KU, calculates its separate income tax for each period. The resulting separate-return tax cost or benefit is paid to or received from the

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parent company or its designee. KU also files income tax returns in various state jurisdictions. While the federal statute of limitations related to 2005 and later years are open, Revenue Agent Reports for 2005-2007 have been received from the IRS, effectively closing these years to additional audit adjustments. Adjustments made by the IRS for the 2005-2006 tax years were recorded in the 2008 financial statements. The tax year 2007 return was examined under an IRS pilot program named "Compliance Assurance Process" ("CAP"). This program accelerates the IRS's review to begin during the year applicable to the return and ends 90 days after the return is filed. KU had no adjustments for the 2007 filed federal income tax return. The tax year 2008 return is also being examined under the CAP program.

KU adopted the provisions of FIN 48, *Accounting for Uncertainty in Income Taxes, an Interpretation of SFAS No. 109*, effective January 1, 2007. At the date of adoption, KU had less than \$1 million of unrecognized tax benefits, primarily related to federal income taxes. If recognized, the amount of unrecognized tax benefits would reduce the effective income tax rate. Additions and reductions of uncertain tax positions during 2008 and 2007 were less than \$1 million. Possible amounts of uncertain tax positions for KU that may decrease within the next 12 months total less than \$1 million and are based on the expiration of the audit periods as defined in the statutes.

Interest and penalties, if any, are recorded as operating expenses on the income statement and accrued expenses on the balance sheet. The amount KU recognized as interest expense and interest accrued related to unrecognized tax benefits was less than \$1 million as of December 31, 2008 and 2007. The interest accrued is based on IRS and Kentucky Department of Revenue large corporate interest rates for underpayment of taxes. At the date of adoption, KU accrued less than \$1 million in interest expense on uncertain tax positions. No penalties were accrued by KU upon adoption of FIN 48, or through December 31, 2008.

Components of income tax expense are shown in the table below:

(in millions)	<u>2008</u>	<u>2007</u>
Current		
- federal	\$ 46	\$ 28
- state	10	13
Deferred		
- federal – net	(10)	(5)
- state – net	(3)	(1)
Investment tax credit – deferred	25	43
Amortization of investment tax credit	-	(1)
Total income tax expense	<u>\$ 68</u>	<u>\$ 77</u>

Current federal income tax expense increased and investment tax credit – deferred decreased primarily due to claiming \$18 million less in investment tax credits in 2008. These investment tax credits are discussed further below. Current state income tax decreased due to coal credits claimed in 2008. Deferred federal income tax decreased due to adjusting prior year estimates to actual based on the filed tax return.

In June 2006, KU and LG&E filed a joint application with the U.S. Department of Energy ("DOE") requesting certification to be eligible for investment tax credits applicable to the construction of TC2. In November 2006, the DOE and the IRS announced that KU and LG&E were selected to receive the tax credit. A final IRS certification required to obtain the investment tax credit was received in August 2007. In September 2007, KU

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received an Order from the Kentucky Commission approving the accounting of the investment tax credit. KU's portion of the TC2 tax credit will be approximately \$100 million over the construction period and will be amortized to income over the life of the related property beginning when the facility is placed in service. Based on eligible construction expenditures incurred, KU recorded investment tax credits of \$25 million and \$43 million in 2008 and 2007, respectively, decreasing current federal income taxes. In addition, a full depreciation basis adjustment is required for the amount of the credit. The income tax expense impact of this adjustment will begin when the facility is placed in service.

In March 2008, certain environmental and preservation groups filed suit in federal court in North Carolina against the DOE and IRS claiming the investment tax credit program was in violation of certain environmental laws and demanded relief, including suspension or termination of the program. In August 2008, the plaintiffs submitted an amended complaint alleging additional claims for relief. In November 2008, the Court dismissed the suit; however, the plaintiffs filed a motion for reconsideration. The Company is not currently a party to this proceeding and is not able to predict the ultimate outcome of this matter.

Components of net deferred tax liabilities included in the balance sheets are shown below:

(in millions)	<u>2008</u>	<u>2007</u>
Deferred tax liabilities:		
Depreciation and other plant-related items	\$ 284	\$ 292
Regulatory assets and other	40	40
Total deferred tax liabilities	<u>324</u>	<u>332</u>
Deferred tax assets:		
Income taxes due to customers	6	9
Pensions and related benefits	19	17
Liabilities and other	22	23
Total deferred tax assets	<u>47</u>	<u>49</u>
Net deferred income tax liability	<u>\$ 277</u>	<u>\$ 283</u>
Balance sheet classification		
Current assets	\$ (3)	\$ (2)
Non-current liabilities	280	285
Net deferred income tax liability	<u>\$ 277</u>	<u>\$ 283</u>

KU expects to have adequate levels of taxable income to realize its recorded deferred tax assets.

A reconciliation of differences between the statutory U.S. federal income tax rate and KU's effective income tax rate follows:

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	<u>2008</u>	<u>2007</u>
Statutory federal income tax rate	35.0 %	35.0 %
State income taxes, net of federal benefit	2.6	3.4
Reduction of income tax reserve	(0.2)	(0.4)
Qualified production activities deduction	(1.1)	(1.2)
Dividends received deduction related to EEI investment	(4.2)	(2.9)
Amortization of investment tax credits	(0.1)	(0.4)
Other differences	<u>(1.9)</u>	<u>(1.9)</u>
Effective income tax rate	<u>30.1 %</u>	<u>31.6 %</u>

State income taxes, net of federal benefit decreased due to state coal credits received in 2008. KU's effective income tax rate also decreased in 2008 as a result of increased dividends from its investment in EEL.

Note 7 - Long-Term Debt

As of December 31, 2008 and 2007, long-term debt consists primarily of pollution control bonds and long-term loans from affiliated companies as summarized below.

(in millions)	Stated <u>Interest Rates</u>	<u>Maturities</u>	<u>Principal Amounts</u>
Outstanding at December 31, 2008	Variable – 7.035%	2010-2037	\$1,532
Outstanding at December 31, 2007	Variable – 6.33%	2010-2037	\$1,264

Pollution control series bonds are obligations of KU issued in connection with tax-exempt pollution control revenue bonds issued by various governmental entities, principally counties in Kentucky. A loan agreement obligates KU to make debt service payments to the county that equate to the debt service due from the county on the related pollution control revenue bonds. Until a series of financing transactions was completed during February 2007, the county's debt was also secured by an equal amount of KU's first mortgage bonds that were pledged to the trustee for the pollution control revenue bonds that match the terms and conditions of the county's debt, but require no payment of principal and interest unless the Company defaults on the loan agreement. Subsequent to February 2007, the loan agreement is an unsecured obligation of KU. Proceeds from bond issuances for environmental equipment (primarily related to the installation of FGDs) were held in trust pending expenditure for qualifying assets. At December 31, 2008, and 2007, KU had \$9 million and \$11 million, respectively, of bond proceeds in trust, included in restricted cash in the balance sheets.

Several of the pollution control bonds are or were insured by monoline bond insurers whose ratings have been under pressure due to exposures relating to insurance of sub-prime mortgages. At December 31, 2008, KU had an aggregate \$351 million of outstanding pollution control indebtedness, of which \$96 million is in the form of insured auction rate securities wherein interest rates are reset every 35 days via an auction process. Beginning in late 2007, the interest rates on these insured bonds began to increase due to investor concerns about the creditworthiness of the bond insurers. In 2008, interest rates have continued to increase, and the Company has experienced "failed auctions" where there are insufficient bids for the bonds. When there is a failed auction, the interest rate is set pursuant to a formula stipulated in the indenture which can be as high as 15%. During 2008 and 2007, the average rate on the auction rate bonds was 4.50% and 3.96%, respectively. The instruments

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governing these auction rate bonds permit KU to convert the bonds to other interest rate modes, such as various short-term variable rates, long-term fixed rates or intermediate-term fixed rates that are reset infrequently. In 2008, the ratings of the following bonds were downgraded due to downgrades of the bond insurers or the termination of the bond insurance.

(\$ in millions)	Principal	Bond Rating			
		Moody's		S&P	
		2008	2007	2008	2007
<u>Tax Exempt Bond Issues</u>					
Mercer County 2000 Series A (1)	\$ 13	Aaa	Aaa	AA+	AAA
Carroll County 2002 Series C	\$ 96	A2	Aaa	A	AAA
Carroll County 2004 Series A (1)	\$ 50	Aaa	Aaa	AA+	AAA
Carroll County 2005 Series A (2)	\$ 13	-	Aaa	-	AAA
Carroll County 2005 Series B (2)	\$ 13	-	Aaa	-	AAA
Carroll County 2006 Series A (2)	\$ 17	-	Aaa	-	AAA
Carroll County 2006 Series B (1)	\$ 54	Aaa	Aaa	AA+	AAA
Carroll County 2006 Series C (2)	\$ 17	-	Aaa	-	AAA
Carroll County 2007 Series A	\$ 18	A2	Aaa	A	AAA
Trimble County 2007 Series A	\$ 9	A2	Aaa	A	AAA
Carroll County 2008 Series A (3)	\$ 78	Aaa	-	AA+	-

(1) Bonds restructured in December 2008, and enhanced by letter of credit. Bond insurance terminated upon restructuring.

(2) Bonds defeased in October 2008. Proceeds combined with new bond allocation of \$18 million to create new bond issue of \$78 million without insurance enhancement.

(3) Bond issued in October 2008, without insurance enhancement. Bond restructured in December 2008, and enhanced by letter of credit.

In February 2008, KU issued a notice to bondholders of its intention to convert the Carroll County 2007 Series A bond and the Trimble County 2007 Series A bond from the auction rate mode to a fixed interest rate mode, as permitted under the loan documents. These conversions were completed in April 2008, and the new rates on the bonds are 5.75% and 6.00%, respectively.

In March 2008, KU issued notices to bondholders of its intention to convert the Carroll County 2006 Series C bond and the Mercer County 2000 Series A bond from the auction rate mode to a weekly interest rate mode, as permitted under the loan documents. The Carroll County conversion was completed in April 2008, and the Mercer County conversion was completed in May 2008. In connection with these conversions, KU purchased the bonds from the remarketing agent. In October 2008, the Carroll County 2006 Series C bond, along with the Carroll County 2005 Series A and B and Carroll County 2006 Series A bonds, were defeased.

In June 2008, KU issued notices to bondholders of its intention to convert the Carroll County 2004 Series A bond from the auction rate mode to a weekly interest rate mode, as permitted under the loan documents. The

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conversion was completed in July 2008. In connection with the conversion, KU purchased the bond from the remarketing agent.

In November 2008, KU issued notices to bondholders of its intention to convert the Carroll County 2006 Series B and Carroll County 2008 Series A bonds from the auction rate mode to a weekly interest rate mode, as permitted under the loan documents. The conversion was completed in December 2008. In connection with the conversions, the bond insurance policy associated with the bonds was terminated and replaced with letters of credit.

In December 2008, KU remarketed the Mercer County 2000 Series A and Carroll County 2004 Series A bonds. In connection with the conversions, the bond insurance policy associated with the bonds was terminated and replaced with letters of credit.

As of December 31, 2008, KU had no remaining repurchased bonds. KU refinanced and remarketed \$63 million and refinanced \$17 million of pollution control bonds that had been previously repurchased by the Company.

All of KU's first mortgage bonds were released and terminated in February 2007. Only the tax-exempt pollution control revenue bonds issued by the counties remain. Under the provisions for certain of KU's variable-rate pollution control bonds, the bonds are subject to tender for purchase at the option of the holder and to mandatory tender for purchase upon the occurrence of certain events. The average annualized interest rate for these bonds during 2008 and 2007 was 1.75% and 3.72%, respectively.

Redemptions and maturities of long-term debt for 2008 and 2007 are summarized below:

(\$ in millions)		Principal		Secured/	
<u>Year</u>	<u>Description</u>	<u>Amount</u>	<u>Rate</u>	<u>Unsecured</u>	<u>Maturity</u>
2008	Pollution control bonds	\$ 13	Variable	Secured	2035
2008	Pollution control bonds	\$ 13	Variable	Secured	2035
2008	Pollution control bonds	\$ 17	Variable	Secured	2036
2008	Pollution control bonds	\$ 17	Variable	Secured	2036
2007	Pollution control bonds	\$ 54	Variable	Secured	2024
2007	First mortgage bonds	\$ 54	7.92%	Secured	2007

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Issuances of long-term debt for 2008 and 2007 are summarized below:

(\$ in millions)		Principal		Secured/	
Year	Description	Amount	Rate	Unsecured	Maturity
2008	Due to Fidelity	\$ 75	7.035%	Unsecured	2018
2008	Pollution control bonds	\$ 78	Variable	Unsecured	2032
2008	Due to Fidelity	\$ 50	6.16%	Unsecured	2018
2008	Due to Fidelity	\$ 50	5.645%	Unsecured	2018
2008	Due to Fidelity	\$ 75	5.85%	Unsecured	2023
2007	Pollution control bonds	\$ 54	Variable	Unsecured	2034
2007	Pollution control bonds	\$ 18	Variable	Unsecured	2026
2007	Pollution control bonds	\$ 9	Variable	Unsecured	2037
2007	Due to Fidelity	\$ 53	5.69%	Unsecured	2022
2007	Due to Fidelity	\$ 75	5.86%	Unsecured	2037
2007	Due to Fidelity	\$ 50	5.98%	Unsecured	2017
2007	Due to Fidelity	\$ 100	5.96%	Unsecured	2028
2007	Due to Fidelity	\$ 70	5.71%	Unsecured	2019
2007	Due to Fidelity	\$ 100	5.45%	Unsecured	2014

In October 2008, KU issued Carroll County 2008 Series A tax exempt bond in the amount of \$78 million. The new bond matures on February 1, 2032, and bears interest at a variable rate. The new bond refinances four existing bonds (Carroll County 2005 Series A and C - \$13 million each and the Carroll County 2006 Series A and C - \$17 million each), and includes \$18 million of new funding. The proceeds from the new funding will be held in escrow pending incurrence of qualifying expenditures.

In December 2008, KU converted the interest rate mode of the Carroll County 2006 Series B to a weekly mode from an auction mode. The bond along with the Carroll County 2004 Series A, the Mercer County 2000 Series A, and the Carroll County 2008 Series A, were issued with the enhancement of a letter of credit.

In February 2007, KU completed a series of financial transactions impacting its periodic reporting requirements. The \$54 million Pollution Control Series 10 bond was refinanced and replaced with a new unsecured tax-exempt bond of the same amount maturing in 2034. The \$53 million Series P bond was defeased and replaced with an intercompany loan totaling \$53 million from Fidelity. In conjunction with the defeasance, the Company terminated the related interest rate swap. Fidelity also agreed to eliminate the second lien on its two secured loans. Pursuant to the terms of the remaining tax-exempt bonds, the first mortgage bonds were cancelled and the underlying lien on substantially all of KU's assets was released following the completion of these steps. KU no longer has any secured debt and is no longer subject to periodic reporting under the Securities Exchange Act of 1934.

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Long-term debt maturities for KU are shown in the following table:

(in millions)	
2009	\$ -
2010	33
2011	-
2012	50
2013	175
Thereafter	1,274
Total	<u>\$ 1,532</u>

Note 8 - Notes Payable and Other Short-Term Obligations

KU participates in an intercompany money pool agreement wherein E.ON U.S. and/or LG&E make funds available to KU at market-based rates (based on highly rated commercial paper issues) up to \$400 million. Details of the balances are as follows:

(\$ in millions)	Total Money Pool Available	Amount Outstanding	Balance Available	Average Interest Rate
December 31, 2008	\$ 400	\$ 16	\$ 384	1.49%
December 31, 2007	\$ 400	\$ 23	\$ 377	4.75%

E.ON U.S. maintains revolving credit facilities totaling \$313 million and \$150 million at December 31, 2008 and 2007, respectively, to ensure funding availability for the money pool. At December 31, 2008, one facility, totaling \$150 million, is with E.ON North America, Inc., while the remaining line, totaling \$163 million, is with Fidelity; both are affiliated companies. The facility as of December 31, 2007, was with E.ON North America, Inc. The balances are as follows:

(\$ in millions)	Total Available	Amount Outstanding	Balance Available	Average Interest Rate
December 31, 2008	\$ 313	\$ 299	\$ 14	2.05%
December 31, 2007	\$ 150	\$ 62	\$ 88	4.97%

During June 2007, KU entered into a short-term bilateral line of credit totaling \$35 million. During the third quarter of 2007, KU extended the maturity date on this facility to June 2012. There was no outstanding balance under this facility at December 31, 2008.

The covenants under this revolving line of credit include the following:

- The debt/total capitalization ratio must be less than 70%
- E.ON must own at least 66.667% of voting stock of KU directly or indirectly
- The corporate credit rating of the Company must be at or above BBB- and Baa3 as determined by S&P and Moody's
- A limitation on disposing of assets aggregating more than 15% of total assets as of December 31, 2006

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KU was in compliance with these covenants at December 31, 2008.

In October 2008, KU closed on a new \$78 million bilateral line of credit which has a 364 day maturity. This facility was terminated in December 2008 and replaced by four new letter of credit facilities to allow issuance of letters of credit totaling \$198 million to support tax-exempt bonds totaling \$195 million. The reimbursement agreements are identical and contain the following covenants:

- E.ON must own 75% of voting stock of KU directly or indirectly
- A limitation on disposing of assets aggregating more than 20% of total assets as of most recent quarter-end.

At December 31, 2008, KU had no remaining capacity for letters of credit under these facilities and was in compliance with these covenants.

Note 9 - Commitments and Contingencies

Operating Leases. KU leases office space, office equipment, plant equipment and vehicles and accounts for these leases as operating leases. In addition, KU reimburses LG&E for a portion of the lease expense paid by LG&E for KU's usage of office space leased by LG&E. Total lease expense was \$9 million and \$6 million for 2008 and 2007, respectively. The future minimum annual lease payments for operating leases for years subsequent to December 31, 2008, are shown in the following table:

(in millions)	
2009	\$ 9
2010	5
2011	4
2012	4
2013	3
Thereafter	6
Total	<u>\$ 31</u>

Owensboro Contract Litigation. In May 2004, the City of Owensboro, Kentucky and OMU commenced a suit now removed to the U.S. District Court for the Western District of Kentucky, against KU concerning a long-term power supply contract (the "OMU Agreement") with KU. The dispute involves interpretational differences regarding issues under the OMU Agreement, including various payments or charges between KU and OMU and rights concerning excess power, termination and emissions allowances. The complaint seeks in excess of \$6 million in damages in connection with one of its claims for periods prior to 2004, plus damages in an unspecified amount for later-occurring periods on that claim and for other claims. OMU has additionally requested injunctive and other relief, including a declaration that KU is in material breach of the contract. KU has filed an answer in this proceeding denying the OMU claims and presenting counterclaims and amended such filing in January 2007, to include further counterclaims alleging additional damages.

In May 2006, OMU issued a notification of its intent to terminate the OMU agreement contract in May 2010, without cause, absent any earlier relief which may be permitted by the proceeding, pursuant to a July 2005

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summary judgment ruling interpreting the contract termination provisions in OMU's favor.

In September and October 2008, the court granted rulings on a number of summary judgment petitions in KU's favor, including determinations that KU's interpretation of facilities charge fund payments was accurate; that KU is the proportionate owner of NOx allowances allocated to the OMU plant by the government; that OMU's claims disputing various back-up power charges should be dismissed and that KU's counterclaim based on operations and maintenance practices should proceed to trial. The summary judgment rulings resulted in the dismissal of all of OMU's remaining claims against KU. The trial on KU's counterclaim occurred during October and November 2008. During February 2009, the court issued orders on the matters covered at trial, including (i) awarding KU an aggregate \$9 million relating to the cost of NOx allowances charged by OMU to KU and the price of back-up power purchased by OMU from KU and (ii) denying KU's claim for damages based upon sub-par operations and availability of the OMU units. Those rulings, as well as all of the court's various prior rulings, including upholding early termination of the contract in spring 2010, remain subject to post-trial motions and appeal rights.

Sale and Leaseback Transaction. KU is a participant in a sale and leaseback transaction involving its 62% interest in two jointly owned CTs at KU's E.W. Brown generating station (Units 6 and 7). Commencing in December 1999, KU and LG&E entered into a tax-efficient, 18-year lease of the CTs. KU and LG&E have provided funds to fully defease the lease, and have executed an irrevocable notice to exercise an early purchase option contained in the lease after 15.5 years. The financial statement treatment of this transaction is no different than if KU had retained its ownership. The leasing transaction was entered into following receipt of required state and federal regulatory approvals.

In case of default under the lease, KU is obligated to pay to the lessor its share of certain fees or amounts. Primary events of default include loss or destruction of the CTs, failure to insure or maintain the CTs and unwinding of the transaction due to governmental actions. No events of default currently exist with respect to the lease. Upon any termination of the lease, whether by default or expiration of its term, title to the CTs reverts jointly to KU and LG&E.

At December 31, 2008, the maximum aggregate amount of default fees or amounts was \$9 million, of which KU would be responsible for 62% (approximately \$6 million). KU has made arrangements with E.ON U.S., via guarantee and regulatory commitment, for E.ON U.S. to pay KU's full portion of any default fees or amounts.

Letter of Credit. KU has provided letters of credit totaling \$198 million supporting bonds of \$195 million and a letter of credit totaling less than \$1 million to support certain obligations related to workers' compensation.

Purchased Power. KU has purchased power arrangements with OMU and OVEC. Under the OMU agreement, which is presently expected to end in May 2010, KU purchases all of the output of an approximately 400-Mw coal-fired generating station not required by OMU. The amount of purchased power available to KU during 2009-2010, which is expected to be approximately 5% of KU's total Kwh native load energy requirements, is dependent upon a number of factors including the OMU units' availability, maintenance schedules, fuel costs and OMU requirements. Payments are based on the total costs of the station allocated per terms of the OMU agreement. Included in the total costs is KU's proportionate share of debt service requirements on \$228 million of OMU bonds outstanding at December 31, 2008. The debt service is allocated to KU based on its annual

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allocated share of capacity, which averaged approximately 41% in 2008. KU does not guarantee the OMU bonds, or any requirements therein, in the event of default by OMU.

KU has a contract for purchased power with OVEC, terminating in 2026, for various Mw capacities. KU has an investment of 2.5% ownership in OVEC's common stock, which is accounted for on the cost method of accounting. KU's share of OVEC's output is 2.5%, approximately 55 Mw of generation capacity. Future obligations for power purchases are shown in the following table:

(in millions)	
2009	\$ 26
2010	17
2011	10
2012	10
2013	10
Thereafter	155
Total	<u>\$ 228</u>

Coal and Gas Purchase Obligations. KU has contracts to purchase coal and natural gas transportation. Future obligations are shown in the following table:

(in millions)	
2009	\$ 442
2010	387
2011	363
2012	217
2013	59
Thereafter	-(a)
Total	<u>\$ 1,468</u>

(a) Obligations after 2013 are indexed to future market prices and will not be included above until prices are set using the contracted methodology.

Construction Program. KU had \$123 million of commitments in connection with its construction program at December 31, 2008.

In June 2006, KU and LG&E entered into a construction contract regarding the TC2 project. The contract is generally in the form of a lump-sum, turnkey agreement for the design, engineering, procurement, construction, commissioning, testing and delivery of the project, according to designated specifications, terms and conditions. The contract price and its components are subject to a number of potential adjustments which may serve to increase or decrease the ultimate construction price paid or payable to the contractor. The contract also contains standard representations, covenants, indemnities, termination and other provisions for arrangements of this type, including termination for convenience or for cause rights. The parties have commenced certain negotiations relating to potential construction cost increases due to higher labor and per diem costs above an established

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baseline, and certain safety and compliance costs resulting from a change in law. KU's share of additional costs from inception of the contract through the expected project completion in 2010 may be approximately \$25 million.

TC2 Air Permit. The Sierra Club and other environmental groups filed a petition challenging the air permit issued for the TC2 baseload generating unit which was issued by the KDAQ in November 2005. The filing of the challenge did not stay the permit, so the Company was free to proceed with construction during the pendency of the action. In June 2007, the state hearing officer assigned to the matter recommended upholding the air permit with minor revisions. In September 2007, the Secretary of the Kentucky Environmental and Public Protection Cabinet issued a final Order approving the hearing officer's recommendation and upholding the permit. In September 2007, KU administratively applied for a permit revision to reflect minor design changes. In October 2007, the environmental groups submitted comments objecting to the draft permit revisions and, in part, attempting to reassert general objections to the generating unit. In January 2008, the KDAQ issued a final permit revision. The environmental groups did not appeal the final Order upholding the permit or file a petition challenging the permit revision by the applicable deadlines. However, in October 2007, the environmental groups filed a lawsuit in federal court seeking an order for the EPA to grant or deny their pending petition for the EPA to "veto" the state air permit and in April 2008, they filed a petition seeking veto of the permit revision. In September 2008, the EPA issued an Order denying nine of eleven claims alleged in one of the petitions, but finding deficiencies in two areas of the permit. The KDAQ revised the permit to address the issues identified in the EPA's Order, although the Sierra Club subsequently submitted comments objecting to the revisions. Although the Company does not expect material changes in the permit as a result of the various petitions, the EPA has yet to rule on several additional claims. The Company is currently unable to determine the final outcome of this matter or the impact of an unfavorable determination upon the Company's financial condition or results of operations.

Mine Safety Compliance Costs. In March 2006, the Mine Safety and Health Administration enacted Emergency Temporary Standards regulations and has issued additional regulations as the result of the passage of the Mine Improvement and New Emergency Response Act of 2006, which was signed into law in June 2006. At the state level, Kentucky and other states that supply coal to KU, have passed new mine safety legislation. These pieces of legislation require all underground coal mines to implement new safety measures and install new safety equipment. Under the terms of some of the coal contracts KU has in place, provisions are made to allow for price adjustments for compliance costs resulting from new or amended laws or regulations. KU has begun to receive information from the mines it contracts with regarding price adjustments related to these compliance costs and has hired a consultant to review all supplier claims for validity and reasonableness. At this time KU has not been notified of claims by all mines and is reviewing those claims it has received. An adjustment will be made to the value of the coal inventory once the amount is determinable, however, the amount cannot be estimated at this time. The Company expects to recover these costs through the FAC.

Environmental Matters. KU's operations are subject to a number of environmental laws and regulations in each of the jurisdictions in which it operates, governing, among other things, air emissions, wastewater discharges, the use, handling and disposal of hazardous substances and wastes, soil and groundwater contamination and employee health and safety.

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Clean Air Act Requirements. The Clean Air Act establishes a comprehensive set of programs aimed at protecting and improving air quality in the United States by, among other things, controlling stationary sources of air emissions such as power plants. While the general regulatory framework for these programs is established at the federal level, most of the programs are implemented and administered by the states under the oversight of the EPA. The key Clean Air Act programs relevant to KU's business operations are described below.

Ambient Air Quality. The Clean Air Act requires the EPA to periodically review the available scientific data for six criteria pollutants and establish concentration levels in the ambient air sufficient to protect the public health and welfare with an extra margin for safety. These concentration levels are known as NAAQS. Each state must identify "nonattainment areas" within its boundaries that fail to comply with the NAAQS and develop a SIP to bring such nonattainment areas into compliance. If a state fails to develop an adequate plan, the EPA must develop and implement a plan. As the EPA increases the stringency of the NAAQS through its periodic reviews, the attainment status of various areas may change, thereby triggering additional emission reduction obligations under revised SIPs aimed to achieve attainment.

In 1997, the EPA established new NAAQS for ozone and fine particulates that required additional reductions in SO₂ and NO_x emissions from power plants. In 1998, the EPA issued its final "NO_x SIP Call" rule requiring reductions in NO_x emissions of approximately 85% from 1990 levels in order to mitigate ozone transport from the midwestern U.S. to the northeastern U.S. To implement the new federal requirements, Kentucky amended its SIP in 2002 to require electric generating units to reduce their NO_x emissions to 0.15 pounds weight per MMBtu on a company-wide basis. In 2005, the EPA issued the CAIR which required additional SO₂ emission reductions of 70% and NO_x emission reductions of 65% from 2003 levels. The CAIR provided for a two-phase cap and trade program, with initial reductions of NO_x and SO₂ emissions due by 2009 and 2010, respectively, and final reductions due by 2015. In 2006, Kentucky proposed to amend its SIP to adopt state requirements similar to those under the federal CAIR. Depending on the level of action determined necessary to bring local nonattainment areas into compliance with the new ozone and fine particulate standards, KU's power plants are potentially subject to additional reductions in SO₂ and NO_x emissions. In March 2008, the EPA issued a revised NAAQS for ozone, which contains a more stringent standard than that contained in the previous regulation. At present, KU is unable to determine what, if any, additional requirements may be imposed to achieve compliance with the new ozone standard.

In July 2008, a federal appeals court issued a ruling finding deficiencies in the CAIR and vacating it. In December 2008, the Court amended its previous Order, directing the EPA to promulgate a new regulation, but leaving the CAIR in the interim. Depending upon the course of such matters, the CAIR could be superseded by new or revised NO_x or SO₂ regulations with different or more stringent requirements and SIPs which incorporate CAIR requirements could be subject to revision. KU is also reviewing aspects of its compliance plan relating to the CAIR, including scheduled or contracted pollution control construction programs. Finally, as discussed below, the remand of the CAIR results in some uncertainty with respect to certain other EPA or state programs and proceedings and KU's and LG&E's compliance plans relating thereto, due to the interconnection of the CAIR and CAIR-associated steps with such associated programs. At present, KU is not able to predict the outcomes of the legal and regulatory proceedings related to the CAIR and whether such outcomes could have a material effect on the Company's financial or operational conditions.

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Hazardous Air Pollutants. As provided in the 1990 amendments to the Clean Air Act, the EPA investigated hazardous air pollutant emissions from electric utilities and submitted a report to Congress identifying mercury emissions from coal-fired power plants as warranting further study. In 2005, the EPA issued the CAMR establishing mercury standards for new power plants and requiring all states to issue new SIPs including mercury requirements for existing power plants. The EPA issued a model rule which provides for a two-phase cap and trade program with initial reductions due by 2010 and final reductions due by 2018. The CAMR provided for reductions of 70% from 2003 levels. The EPA closely integrated the CAMR and CAIR programs to ensure that the 2010 mercury reduction targets would be achieved as a "co-benefit" of the controls installed for purposes of compliance with the CAIR.

In February 2008, a federal appellate court issued a decision vacating the CAMR. The EPA has announced that it intends to promulgate a new rule to replace the CAMR. Depending on the final outcome of the rulemaking, the CAMR could be replaced by new mercury reduction rules with different or more stringent requirements. Kentucky has also repealed its corresponding state mercury regulations. At present, KU is not able to predict the outcomes of the legal and regulatory proceedings related to the CAMR and whether such outcomes could have a material effect on the Company's financial or operational conditions.

Acid Rain Program. The 1990 amendments to the Clean Air Act imposed a two-phased cap and trade program to reduce SO₂ emissions from power plants that were thought to contribute to "acid rain" conditions in the northeastern U.S. The 1990 amendments also contained requirements for power plants to reduce NO_x emissions through the use of available combustion controls.

Regional Haze. The Clean Air Act also includes visibility goals for certain federally designated areas, including national parks, and requires states to submit SIPs that will demonstrate reasonable progress toward preventing future impairment and remedying any existing impairment of visibility in those areas. In 2005, the EPA issued its CAVR detailing how the Clean Air Act's BART requirements will be applied to facilities, including power plants, built between 1962 and 1974 that emit certain levels of visibility impairing pollutants. Under the final rule, as the CAIR provided for more visibility improvement than BART, states are allowed to substitute CAIR requirements in their regional haze SIPs in lieu of controls that would otherwise be required by BART. The final rule has been challenged in the courts. Additionally, because the regional haze SIPs incorporate certain CAIR requirements, the remand of CAIR could potentially impact regional haze SIPs. See "Ambient Air Quality" above for a discussion of CAIR-related uncertainties.

Installation of Pollution Controls. Many of the programs under the Clean Air Act utilize cap and trade mechanisms that require a company to hold sufficient emissions allowances to cover its authorized emissions on a company-wide basis and do not require installation of pollution controls on every generating unit. Under cap and trade programs, companies are free to focus their pollution control efforts on plants where such controls are particularly efficient and utilize the resulting emission allowances for smaller plants where such controls are not cost effective. KU met its Phase I SO₂ requirements primarily through installation of FGD equipment on Ghent Unit 1. KU's strategy for its Phase II SO₂ requirements, which commenced in 2000, includes the installation of additional FGD equipment, as well as using accumulated emission allowances and fuel switching to defer certain additional capital expenditures. In order to achieve the NO_x emission reductions and associated obligations, KU installed additional NO_x controls, including SCR technology, during the 2000 to 2008 time

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period at a cost of \$221 million. In 2001, the Kentucky Commission granted approval to recover the costs incurred by KU for these projects through the environmental surcharge mechanism. Such monthly recovery is subject to periodic review by the Kentucky Commission.

In order to achieve mandated emissions reductions, KU expects to incur additional capital expenditures totaling approximately \$720 million during the 2009 through 2011 time period for pollution controls including FGD and SCR equipment, and additional operating and maintenance costs in operating such controls. In 2005, the Kentucky Commission granted approval to recover the costs incurred by the Company for these projects through the ECR mechanism. Such monthly recovery is subject to periodic review by the Kentucky Commission. KU believes its costs in reducing SO₂, NO_x and mercury emissions to be comparable to those of similarly situated utilities with like generation assets. KU's compliance plans are subject to many factors including developments in the emission allowance and fuels markets, future legislative and regulatory enactments, legal proceedings and advances in clean air technology. KU will continue to monitor these developments to ensure that its environmental obligations are met in the most efficient and cost-effective manner. See "Ambient Air Quality" above for a discussion of CAIR-related uncertainties.

Potential GHG Controls. In 2005, the Kyoto Protocol for reducing GHG emissions took effect, obligating 37 industrialized countries to undertake substantial reductions in GHG emissions. The U.S. has not ratified the Kyoto Protocol and there are currently no mandatory GHG emission reduction requirements at the federal level. Legislation mandating GHG reductions has been introduced in the Congress, but no federal legislation has been enacted to date. In the absence of a program at the federal level, various states have adopted their own GHG emission reduction programs. Such programs have been adopted in various states including 11 northeastern U.S. states and the District of Columbia under the Regional GHG Initiative program and California. Substantial efforts to pass federal GHG legislation are on-going. In April 2007, the U.S. Supreme Court ruled that the EPA has the authority to regulate GHG under the Clean Air Act. KU is monitoring on-going efforts to enact GHG reduction requirements at the state and federal level and is assessing potential impacts of such programs and strategies to mitigate those impacts. KU is also monitoring on-going regulatory proceedings including the EPA's advanced notice of proposed rulemaking for regulation of GHGs under the existing authority of the Clean Air Act and proposed rules governing carbon sequestration. The new administration has announced its intention to exercise its existing authority under the Clean Air Act to achieve reductions in GHG emissions. KU is unable to predict whether mandatory GHG reduction requirements will ultimately be enacted. As a Company with significant coal-fired generating assets, KU could be substantially impacted by programs requiring mandatory reductions in GHG emissions, although the precise impact on the operations of KU, including the reduction targets and deadlines that would be applicable, cannot be determined prior to the enactment of such programs.

Brown New Source Review Litigation. In April 2006, the EPA issued an NOV alleging that KU had violated certain provisions of the Clean Air Act's new source review rules relating to work performed in 1997, on a boiler and turbine at KU's E.W. Brown generating station. In December 2006, the EPA issued a second NOV alleging the Company had exceeded heat input values in violation of the air permit for the unit. In March 2007, the Department of Justice filed a complaint in federal court in Kentucky alleging the same violations specified in the prior NOVs. The complaint sought civil penalties, including potential per-day fines, remedial measures and injunctive relief. In April 2007, KU filed an answer in the civil suit denying the allegations. In July 2007, the court entered a schedule providing for a July 2009 date for trial. In December 2008, the Company reached a

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tentative settlement with the government resolving all outstanding claims. The proposed consent decree provides for payment of a \$1 million civil penalty; funding of \$3 million in environmental mitigation projects; surrender of 53,000 excess SO₂ allowances; surrender of excess NO_x allowances estimated at 650 allowances annually for eight years; installation of an FGD by December 31, 2010; installation of an SCR by December 31, 2012; and compliance with specified emission limits and operational restrictions. In February 2009, the proposed consent decree was lodged with the Court. In March 2009, the Court issued a consent decree approving the settlement.

Section 114 Requests. In August 2007, the EPA issued administrative information requests under Section 114 of the Clean Air Act requesting new source review-related data regarding certain projects undertaken at LG&E's Mill Creek 4 and Trimble County 1 generating units and KU's Ghent 2 generating unit. KU and LG&E have complied with the information requests and are not able to predict further proceedings in this matter at this time.

Ghent Opacity NOV. In September 2007, the EPA issued an NOV alleging that KU had violated certain provisions of the Clean Air Act's operating rules relating to opacity during June and July of 2007 at Units 1 and 3 of KU's Ghent generating station. The parties have met on this matter and KU has received no further communications from the EPA. KU is not able to estimate the outcome or potential effects of these matters, including whether substantial fines, penalties or remedial measures may result.

General Environmental Proceedings. From time to time, KU appears before the EPA, various state or local regulatory agencies and state and federal courts regarding matters involving compliance with applicable environmental laws and regulations. Such matters include remediation activities for elevated PCB levels at existing properties, liability under the Comprehensive Environmental Response, Compensation and Liability Act for cleanup at various off-site waste sites and claims regarding GHG emissions from KU's generating stations. Based on analysis to date, the resolution of these matters is not expected to have a material impact on the operations of KU.

Note 10 - Jointly Owned Electric Utility Plant

KU and LG&E have begun construction of TC2, a jointly owned unit at the Trimble County site. KU and LG&E own undivided 60.75% and 14.25% interests, respectively, in TC2. Of the remaining 25% of TC2, IMEA owns a 12.12% undivided interest and IMPA owns a 12.88% undivided interest. Each company is responsible for its proportionate share of capital cost during construction, and fuel, operation and maintenance cost when TC2 begins operation, which is expected to occur in 2010. In June 2008, LG&E transferred assets related to TC2 with a net book value of \$10 million to KU.

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	TC2				Total
	LG&E	KU	IMPA	IMEA	
Ownership interest	14.25%	60.75%	12.88%	12.12%	100%
Mw capacity	107	455	97	91	750

(in millions)

KU's 60.75% ownership:		LG&E's 14.25% ownership:	
Cost	\$ 560	Cost	\$ 136
Accumulated depreciation	-	Accumulated depreciation	2
Net book value	<u>\$ 560</u>	Net book value	<u>\$ 134</u>

	KU	LG&E
Construction work in progress (included in above)	\$550	\$132

KU and LG&E jointly own the following CTs and related equipment:

(\$ in millions)	KU				LG&E				Total			
	Mw Capacity	(\$) Cost	(\$) Depre- ciation	(\$) Net Book Value	Mw Capacity	(\$) Cost	(\$) Depre- ciation	(\$) Net Book Value	Mw Capacity	(\$) Cost	(\$) Depre- ciation	(\$) Net Book Value
Ownership Percentage												
KU 47%, LG&E 53% (a)	129	53	(12)	41	146	62	(15)	47	275	115	(27)	88
KU 62%, LG&E 38% (b)	190	82	(14)	68	118	51	(8)	43	308	133	(22)	111
KU 71%, LG&E 29% (c)	228	80	(18)	62	92	32	(6)	26	320	112	(24)	88
KU 63%, LG&E 37% (d)	404	137	(21)	116	236	79	(12)	67	640	216	(33)	183
KU 71%, LG&E 29% (e)	n/a	9	(2)	7	n/a	3	(1)	2	n/a	12	(3)	9

(a) Comprised of Paddy's Run 13 and E.W. Brown 5. In addition to the above jointly owned utility plant, there is an inlet air cooling system attributable to unit 5 and units 8-11 at the E.W. Brown facility. This inlet air cooling system is not jointly owned, however, it is used to increase production on the units to which it relates, resulting in an additional 88 Mw of capacity for KU.

(b) Comprised of units 6 and 7 at the E.W. Brown facility.

(c) Comprised of units 5 and 6 at the Trimble County facility.

(d) Comprised of CT Substation 7-10 and units 7, 8, 9 and 10 at the Trimble County facility.

(e) Comprised of CT Substation 5 and 6 and CT Pipeline at the Trimble County facility.

Both KU's and LG&E's participating share of direct expenses of the jointly owned plants is included in the corresponding operating expenses on its respective income statement (e.g., fuel, maintenance of plant, other operating expense).

Note 11 - Related Party Transactions

KU, subsidiaries of E.ON U.S. and subsidiaries of E.ON engage in related party transactions. Transactions

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

between KU and E.ON U.S. subsidiaries are eliminated upon consolidation of E.ON U.S. Transactions between KU and E.ON subsidiaries are eliminated upon consolidation of E.ON. These transactions are generally performed at cost and are in accordance with the FERC regulations under PUHCA 2005 and the applicable Kentucky Commission and Virginia Commission regulations. The significant related party transactions are disclosed below.

Electric Purchases

KU and LG&E purchase energy from each other in order to effectively manage the load of their retail and wholesale customers. These sales and purchases are included in the statements of income as operating revenues and purchased power operating expense. KU intercompany electric revenues and purchased power expense for the years ended December 31, were as follows:

(in millions)	<u>2008</u>	<u>2007</u>
Electric operating revenues from LG&E	\$ 80	\$ 46
Purchased power from LG&E	109	93

Interest Charges

See Note 8, Notes Payable and Other Short-Term Obligations, for details of intercompany borrowing arrangements. Intercompany agreements do not require interest payments for receivables related to services provided when settled within 30 days.

KU's intercompany interest income and expense for the years ended December 31, were as follows:

(in millions)	<u>2008</u>	<u>2007</u>
Interest on money pool loans	\$ 2	\$ 6
Interest on Fidelia loans	56	35

Other Intercompany Billings

E.ON U.S. Services provides KU with a variety of centralized administrative, management and support services. These charges include payroll taxes paid by E.ON U.S. Services on behalf of KU, labor and burdens of E.ON U.S. Services employees performing services for KU, coal purchases and other vouchers paid by E.ON U.S. Services on behalf of KU. The cost of these services is directly charged to KU, or for general costs which cannot be directly attributed, charged based on predetermined allocation factors, including the following ratios: number of customers, total assets, revenues, number of employees and other statistical information. These costs are charged on an actual cost basis.

In addition, KU and LG&E provide services to each other and to E.ON U.S. Services. Billings between KU and LG&E relate to labor and overheads associated with union employees performing work for the other utility, charges related to jointly-owned generating units and other miscellaneous charges. Billings from KU to E.ON U.S. Services include cash received by E.ON U.S. Services on behalf of KU, primarily tax settlements, and other payments made by KU on behalf of other non-regulated businesses which are reimbursed through E.ON

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NOTES TO FINANCIAL STATEMENTS (Continued)			

U.S. Services.

Intercompany billings to and from KU for the years ended December 31, were as follows:

(in millions)	<u>2008</u>	<u>2007</u>
E.ON U.S. Services billings to KU	\$ 227	\$ 488
KU billings to LG&E	75	6
LG&E billings to KU	5	12
KU billings to E.ON U.S. Services	3	26

In June 2008, LG&E transferred assets related to TC2 with a net book value of \$10 million to KU.

In March, June, September and December 2008, KU received capital contributions from its common shareholder, E.ON U.S., in the amounts of \$25 million, \$50 million, \$50 million and \$20 million, respectively.

In September and December 2007, KU received capital contributions from its shareholder, E.ON U.S. in the amount of \$55 million and \$20 million, respectively.

Note 12 – Subsequent Events

On January 13, 2009, KU, the AG, KIUC and all other parties to the rate case filed a settlement agreement with the Kentucky Commission. Under the terms of the settlement agreement, KU's base electric rates will decrease by \$9 million annually. An Order approving the settlement was received on February 5, 2009. The new rates were implemented effective February 6, 2009. However, in connection with the application and effective date of the new rates, the VDT surcredit and merger surcredit, respectively, terminated, which will amount in increased revenues of approximately \$16 million annually.

On January 27 and 28, 2009, a significant winter ice storm passed through KU's service territory causing approximately 199,000 customer outages, followed closely by a severe wind storm on February 11, 2009, causing approximately 44,000 customer outages. KU currently estimates costs incurred of \$66 million of expenses and \$28 million of capital expenditures related to the restoration following the two storms. The Company expects to seek recovery of these costs from the Kentucky Commission.

On February 19, 2009, the court issued post-trial orders in the litigation between KU and OMU, which orders awarded KU an aggregate \$9 million related to disputed NOx allowance and back-up power pricing provisions, but denied a KU claim for damages relating to the availability of the OMU units. The orders are subject to certain appeal and other procedural rights prior to becoming final.

On March 17, 2009, the Court issued a consent decree approving the settlement in the Brown New Source Review litigation.

On March 19, 2009, the EPA issued an NOV alleging that KU violated certain provisions of the Clean Air Act's rules governing new source review and prevention of significant deterioration by installing FGD and SCR controls at its Ghent generating station without assessing potential increased sulfuric acid mist emissions. KU

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Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

contends that the work in question, as pollution control projects, was exempt from the requirements cited by the EPA. The Company is currently unable to determine the final outcome of this matter or the impact of an unfavorable determination upon the Company's financial position or results of operations.

Note 13 – Notes to Statement of Cash Flows

Supplemental disclosures of cash flow information

(in millions)	2008	2007
Cash paid during the period for:		
Income taxes	\$ 50	\$ 38
Interest on borrowed money	13	15
Interest to affiliated companies on borrowed money	53	30

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.				
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)	
1	Utility Plant			
2	In Service			
3	Plant in Service (Classified)	3,998,708,617	3,998,708,617	
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified	437,171,600	437,171,600	
7	Experimental Plant Unclassified			
8	Total (3 thru 7)	4,435,880,217	4,435,880,217	
9	Leased to Others			
10	Held for Future Use	10,137,562	10,137,562	
11	Construction Work in Progress	1,176,440,172	1,176,440,172	
12	Acquisition Adjustments			
13	Total Utility Plant (8 thru 12)	5,622,457,951	5,622,457,951	
14	Accum Prov for Depr, Amort, & Depl	2,052,492,161	2,052,492,161	
15	Net Utility Plant (13 less 14)	3,569,965,790	3,569,965,790	
16	Detail of Accum Prov for Depr, Amort & Depl			
17	In Service:			
18	Depreciation	2,030,308,196	2,030,308,196	
19	Amort & Depl of Producing Nat Gas Land/Land Right			
20	Amort of Underground Storage Land/Land Rights			
21	Amort of Other Utility Plant	22,052,248	22,052,248	
22	Total In Service (18 thru 21)	2,052,360,444	2,052,360,444	
23	Leased to Others			
24	Depreciation			
25	Amortization and Depletion			
26	Total Leased to Others (24 & 25)			
27	Held for Future Use			
28	Depreciation	131,717	131,717	
29	Amortization			
30	Total Held for Future Use (28 & 29)	131,717	131,717	
31	Abandonment of Leases (Natural Gas)			
32	Amort of Plant Acquisition Adj			
33	Total Accum Prov (equals 14) (22,26,30,31,32)	2,052,492,161	2,052,492,161	

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 11	Year/Period of Report End of 2008/Q4
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
					3
					4
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Name of Respondent		This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	End of 2008/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)				
1. Report below the original cost of electric plant in service according to the prescribed accounts.				
2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.				
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.				
4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.				
5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.				
6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
1	1. INTANGIBLE PLANT			
2	(301) Organization	44,456		
3	(302) Franchises and Consents	83,453		
4	(303) Miscellaneous Intangible Plant	24,595,145		3,165,472
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	24,723,054		3,165,472
6	2. PRODUCTION PLANT			
7	A. Steam Production Plant			
8	(310) Land and Land Rights	10,874,264		
9	(311) Structures and Improvements	172,830,576		1,906,668
10	(312) Boiler Plant Equipment	1,157,891,864		329,238,053
11	(313) Engines and Engine-Driven Generators			
12	(314) Turbogenerator Units	209,431,756		15,051,497
13	(315) Accessory Electric Equipment	94,292,264		4,042,316
14	(316) Misc. Power Plant Equipment	23,624,053		130,243
15	(317) Asset Retirement Costs for Steam Production	9,249,179		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	1,678,193,956		350,368,777
17	B. Nuclear Production Plant			
18	(320) Land and Land Rights			
19	(321) Structures and Improvements			
20	(322) Reactor Plant Equipment			
21	(323) Turbogenerator Units			
22	(324) Accessory Electric Equipment			
23	(325) Misc. Power Plant Equipment			
24	(326) Asset Retirement Costs for Nuclear Production			
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)			
26	C. Hydraulic Production Plant			
27	(330) Land and Land Rights	879,312		
28	(331) Structures and Improvements	453,196		11,732
29	(332) Reservoirs, Dams, and Waterways	9,025,249		842,094
30	(333) Water Wheels, Turbines, and Generators	377,497		62,159
31	(334) Accessory Electric Equipment	85,383		
32	(335) Misc. Power Plant Equipment	101,512		
33	(336) Roads, Railroads, and Bridges	46,976		
34	(337) Asset Retirement Costs for Hydraulic Production	4,970		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)	10,974,095		915,985
36	D. Other Production Plant			
37	(340) Land and Land Rights	294,924		
38	(341) Structures and Improvements	35,982,154		
39	(342) Fuel Holders, Products, and Accessories	21,085,015		
40	(343) Prime Movers	344,638,939		7,907,366
41	(344) Generators	59,334,142		-1,455
42	(345) Accessory Electric Equipment	30,957,013		8,817
43	(346) Misc. Power Plant Equipment	5,227,549		
44	(347) Asset Retirement Costs for Other Production	70,990		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	497,590,726		7,914,728
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	2,186,758,777		359,199,490

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
47	3. TRANSMISSION PLANT			
48	(350) Land and Land Rights	24,574,118		990,800
49	(352) Structures and Improvements	8,383,208		5,247,332
50	(353) Station Equipment	190,399,734		8,230,776
51	(354) Towers and Fixtures	63,279,466		
52	(355) Poles and Fixtures	99,664,171		1,981,767
53	(356) Overhead Conductors and Devices	132,389,750		796,340
54	(357) Underground Conduit	448,780		
55	(358) Underground Conductors and Devices	1,114,762		
56	(359) Roads and Trails			
57	(359.1) Asset Retirement Costs for Transmission Plant	11,027		
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	520,264,996		17,247,015
59	4. DISTRIBUTION PLANT			
60	(360) Land and Land Rights	3,494,818		54,881
61	(361) Structures and Improvements	5,058,913		156,669
62	(362) Station Equipment	103,404,415		7,820,061
63	(363) Storage Battery Equipment			
64	(364) Poles, Towers, and Fixtures	197,916,777		49,998,602
65	(365) Overhead Conductors and Devices	185,080,180		39,362,248
66	(366) Underground Conduit	1,546,234		197,312
67	(367) Underground Conductors and Devices	72,833,558		24,121,790
68	(368) Line Transformers	248,465,276		9,715,429
69	(369) Services	83,122,059		31,373,686
70	(370) Meters	85,364,852		45,006
71	(371) Installations on Customer Premises	18,282,872		1,721
72	(372) Leased Property on Customer Premises			
73	(373) Street Lighting and Signal Systems	53,642,786		22,499,781
74	(374) Asset Retirement Costs for Distribution Plant	18,610		
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	1,038,231,360		185,147,186
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT			
77	(380) Land and Land Rights			
78	(381) Structures and Improvements			
79	(382) Computer Hardware			
80	(383) Computer Software			
81	(384) Communication Equipment			
82	(385) Miscellaneous Regional Transmission and Market Operation Plant			
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper			
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)			
85	6. GENERAL PLANT			
86	(389) Land and Land Rights	2,575,972		
87	(390) Structures and Improvements	30,276,265		4,799,033
88	(391) Office Furniture and Equipment	18,966,210		3,253,866
89	(392) Transportation Equipment	18,955,799		12,992
90	(393) Stores Equipment	735,053		
91	(394) Tools, Shop and Garage Equipment	5,473,497		103,167
92	(395) Laboratory Equipment	3,160,383		
93	(396) Power Operated Equipment	270,943		
94	(397) Communication Equipment	17,194,612		2,908,983
95	(398) Miscellaneous Equipment	373,591		
96	SUBTOTAL (Enter Total of lines 86 thru 95)	97,982,325		11,078,101
97	(399) Other Tangible Property			
98	(399.1) Asset Retirement Costs for General Plant			
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	97,982,325		11,078,101
100	TOTAL (Accounts 101 and 106)	3,867,960,512		575,837,264
101	(102) Electric Plant Purchased (See Instr. 8)			
102	(Less) (102) Electric Plant Sold (See Instr. 8)			
103	(103) Experimental Plant Unclassified			
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	3,867,960,512		575,837,264

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)				
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				47
		-482,597	25,082,321	48
			13,630,540	49
26,835		-15,045	198,588,630	50
		-47,830	63,231,636	51
59,888		-4,123,522	97,462,528	52
150,704		-3,494,170	129,541,216	53
			448,760	54
		-3,033	1,111,729	55
				56
			11,027	57
237,427		-8,166,197	529,108,387	58
				59
		482,597	4,032,296	60
			5,215,582	61
216			111,024,260	62
				63
17,166		3,821,322	251,719,535	64
43,383		3,862,278	228,261,323	65
			1,743,546	66
			96,955,348	67
140,396			258,040,309	68
			114,495,745	69
			65,409,858	70
			18,284,593	71
				72
2,020			76,140,557	73
			18,610	74
203,181		8,166,197	1,231,341,562	75
				76
				77
				78
				79
				80
				81
				82
				83
				84
				85
			2,575,972	86
172			35,075,186	87
			22,220,076	88
			18,968,791	89
			735,053	90
			5,576,664	91
			3,160,383	92
			270,943	93
			20,103,595	94
			373,591	95
172			109,060,254	96
				97
				98
172			109,060,254	99
7,917,559			4,435,880,217	100
				101
				102
				103
7,917,559			4,435,880,217	104

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Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 204 Line No.: 41 Column: c
Sales tax adjustment resulted in a negative addition.

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ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)					
1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.					
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.					
Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)	
1	Land and Rights:				
2					
3					
4					
5					
6					
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10					
11					
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21	Other Property:				
22	Trimble County Cooling Tower (hyperbolic) - Utility				
23	use temporarily discontinued March 2008	06/30/2008	2010	10,137,562	
24					
25					
26					
27					
28					
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30					
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44					
45					
46					
47	Total			10,137,562	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107)				
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)				
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	STEAM PRODUCTION MAJOR			
2	TC2 - KU			396,423,467
3	BROWN 1, 2, 3 FGD			233,726,240
4	TC2 AIR QUALITY CONTROL SYSTEMS KU			152,293,728
5	KU SOX PROGRAM - GHENT 2 FGD SYSTEM			140,838,104
6	BROWN ASH POND EXPANSION PHASE 1			18,186,020
7	GH3 FGD			6,453,203
8	GHENT 1 CONTROLS MODERNIZATION			5,186,779
9	GHENT 4 CONTROLS MODERNIZATION			4,960,348
10	GH2 CT CELL REBUILD			3,511,494
11	BR 2 REHEAT INLET & OUTLET HEADER			3,170,091
12	GHENT 2 CONTROLS MODERNIZATION			3,141,868
13	SO3 SORBENT INJECTION			2,565,236
14	GHENT SO2 COMMON			1,872,738
15	GHENT SPILL PREVENTION CONTAINMENT CONTROL COMPLIANCE MODIFICATIONS			1,445,319
16	GH4 FGD			1,223,066
17	GH3 CATALYST LAYER PURCHASE & INSTALLATION			1,142,172
18	E.W. BROWN UNIT 3 SCR CONCEPTUAL ENGINEERING			1,009,718
19	GHENT ASH POND/LANDFILL			1,008,465
20	FUEL SUPPLY MANAGEMENT SYSTEM			942,509
21	MERCURY MONITORING KU			941,211
22	TRIMBLE COUNTY ASH/GYPSUM PONDS			921,539
23	BR3 COOLING TOWER STORM DAMAGE REPAIRS			813,389
24	BR1 AIR HEATER BASKET REPLACEMENT			623,093
25	DEVELOPMENT TYRONE OIL CONTAINMENT SPCC			527,081
26	GH4 ASH PIPE REPLACEMENT			436,131
27	GH1 CT CELL 1-1 REBUILD			426,823
28	REVISED BR2 TURBINE BLADES			424,297
29	GH4 CT CELL 4-5 REBUILD			417,311
30	GH3 CT CELL 3-6 REBUILD			416,234
31	GH3 CT CELL 3-5 REBUILD			410,849
32	BR1-1 SBAC REPLACEMENT			387,553
33	GH DOWNRIVER FLOATING WORK BARGE			359,455
34	GH MOORING CELL C-4			322,819
35	COAL BARGE UNLOADER BUCKET & CHAIN REPLACEMENT			299,837
36	DEVELOPMENT HAEFLING OIL CONTAINMENT SPCC			284,598
37	GHENT CONVEYOR BELT REPLACEMENT			273,117
38	BR2 PRECIPITATOR PLATE REPLACEMENT			271,161
39	GH1 ID FAN TRANSFORMER			235,675
40	TY 480V SWITCHGEAR REPLACEMENT			210,875
41	MAXIMO LICENSES			186,734
42	UMS GROUP INVESTMENT EVALUATION MODEL			173,243
43	TOTAL			1,176,440,172

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107)				
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)				
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	TY5-4 EL MILL CONVERSION	162,615		
2	GH 4 4-2 CIRCULATING COOLING WATER HEAT EXCHANGER	152,237		
3	GH4 GENERATOR REWEDGE	147,129		
4	GH MISCELLANEOUS MOTORS	143,058		
5	BR1 LOWER DEAD AIR SPACE ABATEMENT	135,699		
6	GH2 CT CELL 2-6 REBUILD	129,688		
7	GH2 CT CELL 2-5 REBUILD	129,688		
8	BR3 CONTROL ROOM HVAC DEVELOPMENT	129,654		
9	TY3 5-1 EL CONVERSION	128,244		
10	GH MAIN BUILDING ROOF	126,430		
11	GR3 DISTRIBUTED CONTROL SYSTEM UPGRADE	118,927		
12	BR 1-2 SERVICE WATER PUMP REBUILD	117,994		
13	GH2 AUXILIARY CONDENSATE 2-2 RETUBE	116,613		
14	STEAM PRODUCTION MINOR	1,653,380		
15				
16	HYDRAULIC POWER MAJOR			
17	DX3 OVERHAUL	1,399,263		
18	DEVELOPMENT DIX CRANE ACCESS ROAD	129,384		
19	HYDRAULIC POWER MINOR	64,994		
20				
21	OTHER PRODUCTION MAJOR			
22	BR CT7 A/B CONVERSION - KU	6,391,713		
23	BR CT9 MODIFICATIONS	686,722		
24	BR CT UNDERGROUND PIPE SPCC	627,368		
25	BR CT6 QUENCH NOZZLE REPLACEMENT	154,832		
26	OTHER PRODUCTION MINOR	193,616		
27				
28	TRANSMISSION MAJOR			
29	DEVELOPMENT FOR TRIMBLE COUNTY UNIT #2	42,479,239		
30	LOUDEN AVE TO LANSDOWN 69KV MVA TRANSFORMER	4,691,177		
31	N. AMERICAN STAINLESS 345-138 KV450 MVA TRANSFORMER	4,470,709		
32	BR ASH POND EXPANSION - TRANSMISSION LINE RELOCATION	4,195,754		
33	PRIORITY REPLACEMENT TRANSMISSION LINES	3,065,416		
34	SPCC MODIFICATIONS FOR KU	1,605,833		
35	MISCELLANEOUS SUBSTATION PROJECTS - KU	1,433,143		
36	FAWKES 138-69KV, 150MVA	1,354,957		
37	NAS TAP 345KV LINE	1,275,880		
38	PRIORITY TRANSMISSION LINE	1,262,028		
39	STORM DAMAGE TRANSMISSION LINE	1,066,537		
40	GHENT-KENTON 138KV - P2 POLE REPLACEMENT	732,251		
41	GHENT 345KV BREAKER ADDITION	629,509		
42	PARAMETER UPGRADE TRANSMISSION LINE	430,973		
43	TOTAL	1,176,440,172		

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CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107)				
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)				
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	LYNCH TO POCKET 69KV HOLMES MILL	391,664		
2	SHELBYVILLE - SIMPSONVILLE 69KV THERMAL UPGRADE	373,727		
3	CRITICAL SPARE 138/69KV TRANSFORMER	367,705		
4	KU TRANSMISSION BLANKET	310,012		
5	K7 PARAMETER UPGRADES TRANSMISSION LINE	295,512		
6	MISCELLANEOUS TRANSMISSION CAPITAL	290,745		
7	HIGHWAY 52 RELOCATION RICHMOND	277,094		
8	INNOVATION DRIVE-SUBSTATION 138KV TAP	269,950		
9	HORSECAVE TRANSFORMER SUB 799 RECONDUCTOR TAP TO SUB 611	265,139		
10	UK MEDICAL CENTER CONTROL HOUSE RELOCATION	257,237		
11	REPLACE FAILED HARLAN TRANSFORMER	242,556		
12	LEBANON EAST SUBSTATION	232,036		
13	NEW FACILITIES TRANSMISSION LINE	198,190		
14	REPLACE UNDERRATED 69KV BREAKERS FAWKES SUBSTATION	194,998		
15	TAYLOR CO TRANSFORMER	183,753		
16	GARRARD COUNTY HIGH SCHOOL	179,919		
17	HIGBY MILL UK MEDICAL CENTER SYSTEM PARAMETERS	174,546		
18	DETROIT HARVESTER SECTION OF PARIS-LEXINGTON PLANT	173,262		
19	RECONDUCTOR PARKERS MILL TAP 69KV	167,597		
20	LOUDEN AVENUE HAEFLING 138 KV HIGHWAY RELOCATION	167,563		
21	MILLERSBURG CONTROL HOUSE REPLACEMENT	164,141		
22	NEW FACILITIES TRANSMISSION LINE 2008	161,125		
23	TRANSMISSION LINE RELOCATION KU	133,243		
24	OPEN SYSTEM INTERNATIONAL ENERGY MANAGEMENT SYSTEM	127,375		
25	KU REMOTE TERMINAL UNIT PURCHASE	121,012		
26	PURCHASE SPARE TRANSMISSION CIRCUIT BREAKERS	113,776		
27	HARRODSBURG - ADD 69KV BREAKERS FOR CUSTOMER	112,379		
28	DELVINTA 824 CARRIER ADDITION	109,270		
29	TRANSMISSION MINOR	2,257,524		
30				
31	DISTRIBUTION MAJOR			
32	PURCHASE PROPERTY FOR INNOVATION DR SUB #426-1	3,853,688		
33	INSTALL LEBANON JUNCTION SUB	1,812,414		
34	W360 LTC REBUILD	1,483,468		
35	NEW BUSINESS SERVICE - U/G - SHELBYVILLE	1,401,943		
36	PURCHASE OF METERS	1,384,274		
37	STORM PROJECT	1,321,114		
38	NEW ELECTRIC SERVICE - O/H - NORTON	1,304,846		
39	AIR GAS SUBSTATION	1,287,203		
40	NEW ELECTRIC SERVICE - O/H - PINEVILLE	1,190,212		
41	PURCHASE TRANSFORMER 315	1,068,301		
42	PUBLIC WORKS RELOCATION - O/H - LEXINGTON	1,003,728		
43	TOTAL	1,176,440,172		

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CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107)				
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)				
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	BRYANT ROAD #3 SUBSTATION & TEMPORARY TRANSFORMER	938,428		
2	ADD TRANSFORMER HORSE CAVE INDUSTRIAL	930,561		
3	STORMS	886,977		
4	PURCHASE PROPERTY LEXINGTON EAST AREA SUBSTATION	788,353		
5	KU GENERAL RELIABILITY	782,279		
6	CONSTRUCTION LEBANON EAST SUB	772,068		
7	SCM REPAIR/REPLACE FAILED TRANSFORMERS	760,977		
8	CITY OF BARDSTOWN SUB	749,919		
9	PURCHASE TRANSFORMERS	703,164		
10	PURCHASE 161X69 SPARE TRANSFORMER	693,043		
11	TROUBLE ORDERS O/H	639,383		
12	ADD TRANSFORMER UNION UNDERWEAR	633,411		
13	DISTRIBUTION RELIABILITY	631,501		
14	REPLACE SHUN PIKE TRANSFORMER	575,775		
15	STAMPING GROUND INSTALL 10 MVA TRANSFORMER	548,358		
16	BELL COUNTY COAL GARMEADA #2	495,746		
17	TROUBLE ORDERS O/H	473,587		
18	NEW BUSINESS RESIDENTIAL	470,092		
19	REPLACE TRANSFORMER 7/14 WOODLAWN	461,610		
20	REPLACE 69/34 TRANSFORMER DORCHESTER	438,507		
21	SCM EARL GREEN RIVER PLANT TRANSFORMER	429,999		
22	PUBLIC WORKS RELOCATION - O/H - ELIZABETHTOWN	428,645		
23	NEW BUSINESS RESIDENTIAL - U/G - LEXINGTON	411,271		
24	ROGERS GAP DISTRIBUTION	406,447		
25	REPAIR/REPLACE DEFECTIVE STREET LIGHTS	386,397		
26	WINTER STORM	374,402		
27	DISTRIBUTION CAPACITORS KU	371,803		
28	PURCHASE TRANSFORMERS	364,539		
29	PURCHASE TRANSFORMERS	349,717		
30	TROUBLE ORDERS	337,618		
31	REPAIR REPLACE DEFECTIVE STREET LIGHTS	332,114		
32	PURCHASE TRANSFORMER	326,048		
33	PUBLIC WORKS RELOCATION - O/H - DANVILLE	306,348		
34	BROWN 1, 2, 3 FGD	305,969		
35	INSTALL NEW 795 CIRCUIT TO NESTLE PLANT	304,805		
36	CONSTRUCT NEW CIRCUIT FROM BRYANT TEMPORARY SUB	294,965		
37	SUBSTATION ABB TYPE TRANSFORMER REPLACEMENT	291,042		
38	REPLACE TRANSFORMER AT KY STATE HOSPITAL SUB #587	274,679		
39	SCM EARLINGTON SUBSTATION REPLACEMENT (S&C FUSES)	266,224		
40	WINCHESTER WATER WORKS	254,763		
41	NEW BUSINESS COMMERCIAL	251,108		
42	WINDSTREAM TELEPHONE COMPANY POLE REPLACEMENT	249,740		
43	TOTAL	1,178,440,172		

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CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107)				
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)				
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	KU DISTRIBUTION POWER FACTOR CORRECTION	247,660		
2	NEW BUSINESS COMMERCIAL	244,147		
3	NEW BUS INDUSTRIAL - U/G - ELIZABETHTOWN	239,590		
4	OUTAGE MANAGEMENT SYSTEM UPGRADE	238,661		
5	INNOVATION WEST CIRCUIT	237,062		
6	TATES CREEK ROAD HIGHWAY RELOCATION	235,520		
7	REPLACE DEFECTIVE EQUIPMENT - O/H - PINEVILLE	234,199		
8	ELIZABETHTOWN - STORM RESTORATION	232,034		
9	NEW BUSINESS RESIDENTIAL	230,581		
10	SCM TRANSFORMER REWINDERS	229,670		
11	LONDON - STORM RESTORATION	226,445		
12	TOOLS AND EQUIPMENT	218,137		
13	KU MOBILE INFRASTRUCTURE	214,116		
14	TOOLS AND EQUIPMENT	211,362		
15	NEW BUSINESS RESIDENTIAL - O/H - LEXINGTON	209,646		
16	TOOLS AND EQUIPMENT	207,294		
17	STRATTON PIKE REBUILD	206,772		
18	INNOVATION - U/G - EXIT CIRCUITS	194,510		
19	UNION UNDERWEAR CIRCUIT WORK	190,563		
20	HIGHWAY RELOCATION KY 1577	189,564		
21	BOGGS LANE	185,147		
22	PURCHASE TRANSFORMERS	178,199		
23	LEXINGTON STORM RESTORATION	177,308		
24	SYSTEM ENHANCEMENTS - EXISTING CUSTOMERS - LEXINGTON	176,958		
25	SHELBYVILLE STORM RESTORATION	176,242		
26	PUBLIC WORKS RELOCATION - O/H - LONDON	169,772		
27	PAYNES DEPOT RD (US62) HIGHWAY	168,552		
28	NEW BUS RESIDENTIAL - O/H - LONDON	167,027		
29	DISTRIBUTION RELIABILITY	166,661		
30	HORSE CAVE RECONDUCTORING	165,066		
31	EARLINGTON STORM RESTORATION	164,483		
32	KU PC & PRINTER INFRASTRUCTURE	164,430		
33	HORSE CAVE INDUSTRIAL SUBSTATION DISTRIBUTION WORK	159,632		
34	SCM REPLACE BREAKERS	157,951		
35	TOOLS AND EQUIPMENT	157,517		
36	PURCHASE TRANSFORMERS	157,126		
37	PUBLIC WORKS RELOCATION - O/H - MAYSVILLE	154,891		
38	NEW BUSINESS RESIDENTIAL - O/H - NORTON	152,126		
39	LONDON FAWN VALLEY ESTATES SUBDIVISION U/G SYSTEM	152,049		
40	ADD REGULATORS AT ANDOVER	148,703		
41	PURCHASE TRANSFORMERS	148,156		
42	NEW BUSINESS INDUSTRIAL	144,749		
43	TOTAL	1,176,440,172		

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CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107)				
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)				
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	SYSTEM ENHANCEMENTS - NEW CUSTOMERS - RICHMOND	140,938		
2	KU GENERAL RELIABILITY	138,942		
3	NEW DOUBLE CIRCUIT TO CITATION BLVD.	135,394		
4	KU SUBS REMOTE TERMINAL UNIT INSTALLS FOR EKPC METERING	134,851		
5	TROUBLE ORDERS	134,605		
6	NEW BUSINESS COMMERCIAL - O/H - LEXINGTON	134,295		
7	BRYANT ROAD #3 EXIT CIRCUIT	133,402		
8	FOURMILE RECONDUCTOR ELECTRIC	131,587		
9	PUBLIC WORKS RELOCATION - O/H - RICHMOND	128,010		
10	DISTRIBUTION RELIABILITY	124,344		
11	PUBLIC WORKS RELOCATION - O/H - NORTON	119,676		
12	KY 519 HIGHWAY RELOCATION	117,757		
13	PUBLIC WORKS RELOCATION - O/H - SHELBYVILLE	116,073		
14	KU STORM WORK	114,997		
15	SCM CENTRAL SPARTA UPGRADE	114,592		
16	NEW BUSINESS SUBDIVISION - U/G - PINEVILLE	113,275		
17	LEXINGTON AREA IMPROVEMENTS	108,407		
18	NEW BUSINESS SERVICE - U/G - LEXINGTON	106,938		
19	RELOCATIONS CUSTOMER REQUEST	104,197		
20	NEW BUSINESS RESIDENTIAL - O/H - EARLINGTON	102,022		
21	WISE CIRCUIT 4642	101,773		
22	SYSTEM ENHANCEMENT - EXISTING CUSTOMERS EARLINGTON	100,763		
23	PURCHASE TRANSFORMERS	100,641		
24	NEW BUSINESS RESIDENTIAL - O/H - PINEVILLE	100,634		
25	DISTRIBUTION MINOR	4,018,932		
26				
27	COMMON MAJOR			
28	SAP FOR CUSTOMER CARE SYSTEM - KU	22,356,920		
29	CUSTOMER CARE SYSTEM - TECHNOLOGY KU	5,957,824		
30	CUSTOMER CARE SYSTEM - CUSTOMER SERVICE KU	4,211,193		
31	LAND MOBILE RADIO SYSTEM BUILDOUT	3,239,664		
32	CUSTOMER CARE SYSTEM - DEVELOPMENT KU	1,226,793		
33	CUSTOMER CARE SYSTEM - KU BUSINESS INTELLIGENCE	716,216		
34	EVA REPLACEMENT PROJECT	486,066		
35	TIER C REPLACEMENT KU	384,335		
36	EXTEND FIBER TO GREEN RIVER	364,365		
37	NORTH KY BACKBONE RENOVATION	340,494		
38	COMPUTER TELEPHONE INTEGRATION REPLACEMENT KU	267,260		
39	CUSTOMER CARE SYSTEM - CHANGE MANAGEMENT KU	241,834		
40	ORACLE FINANCIAL/MATERIAL APPLICATIONS 11.5.10.2 UPGRADE	204,880		
41	ORACLE I SUPPORT PORTAL	177,579		
42	MISCELLANEOUS KU BUSINESS OFFICE	150,395		
43	TOTAL	1,176,440,172		

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CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107) 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts) 3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	AVAYA UPGRADES REMOTE KU SYSTEMS	149,553		
2	DEVELOP KU CAMPUS NETWORK	148,382		
3	KU CARPET AND TILE REPLACEMENT	145,397		
4	ACCESS SWITCH ROTATION	144,707		
5	SERVER HARDWARE REFRESH	142,649		
6	LEXINGTON PURCHASE E-Z HAULER	132,373		
7	BACKUP STRATEGY EXPANSION PROJECT	128,632		
8	KU INTERNAL REQUESTS	122,366		
9	ELIZABETHTOWN STOREROOM PAVING	108,052		
10	NAS NETWORK ATTACHED STORAGE	103,333		
11	SHELBYVILLE STOREROOM PAVING	102,508		
12	COMMON MINOR	3,496,230		
13				
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43	TOTAL	1,176,440,172		

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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)					
<p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.</p> <p>3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p>					
Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	1,914,631,932	1,914,631,932		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	130,780,795	130,780,795		
4	(403.1) Depreciation Expense for Asset Retirement Costs	334,214	334,214		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	47,924	47,924		
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):	-120,346	-252,063	131,717	
9	Fuel Stock	798,145	798,145		
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	131,840,732	131,709,015	131,717	
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	7,917,559	7,917,559		
13	Cost of Removal	7,152,447	7,152,447		
14	Salvage (Credit)	1,042,194	1,042,194		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	14,027,812	14,027,812		
16	Other Debit or Cr. Items (Describe, details in footnote):	-2,004,939	-2,004,939		
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	2,030,439,913	2,030,308,196	131,717	
Section B. Balances at End of Year According to Functional Classification					
20	Steam Production	978,507,043	978,375,326	131,717	
21	Nuclear Production				
22	Hydraulic Production-Conventional	8,216,730	8,216,730		
23	Hydraulic Production-Pumped Storage				
24	Other Production	131,156,517	131,156,517		
25	Transmission	324,822,455	324,822,455		
26	Distribution	534,181,429	534,181,429		
27	Regional Transmission and Market Operation				
28	General	53,555,739	53,555,739		
29	TOTAL (Enter Total of lines 20 thru 28)	2,030,439,913	2,030,308,196	131,717	

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FOOTNOTE DATA			

Schedule Page: 219 Line No.: 8 Column: c	
Accrual for Cost of Removal and ARO Parent assets (FERC 254 and 403)	
Schedule Page: 219 Line No.: 8 Column: d	
Depreciation reserve for Plant Held for Future Use - Trimble County Cooling Tower (hyperbolic)	
Schedule Page: 219 Line No.: 16 Column: c	
Customer payments related to construction projects	\$(5,886,825)
Net effect of transfers between accounts 107 and 108	<u>3,881,886</u>
Total	\$(2,004,939)

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MATERIALS AND SUPPLIES					
<p>1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.</p> <p>2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
1	Fuel Stock (Account 151)	41,770,628	72,708,035	Electric	
2	Fuel Stock Expenses Undistributed (Account 152)				
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)				
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)	17,778,066	19,657,311	Electric	
8	Transmission Plant (Estimated)	2,910,358	3,099,200	Electric	
9	Distribution Plant (Estimated)	6,681,602	6,805,178	Electric	
10	Regional Transmission and Market Operation Plant (Estimated)				
11	Assigned to - Other (provide details in footnote)				
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	27,370,026	29,561,689		
13	Merchandise (Account 155)				
14	Other Materials and Supplies (Account 156)				
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)				
16	Stores Expense Undistributed (Account 163)	6,454,808	6,202,308	Electric	
17					
18					
19					
20	TOTAL Materials and Supplies (Per Balance Sheet)	75,595,462	108,472,032		

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
Allowances (Accounts 158.1 and 158.2)					
1. Report below the particulars (details) called for concerning allowances.					
2. Report all acquisitions of allowances at cost.					
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.					
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).					
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.					
Line No.	Allowances Inventory (Account 158.1) (a)	Current Year		2009	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	107,720.00	382,894	105,184.00	
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9	Purchases (see footnote)	502.00	311,495		
10	Transfer from LG&E	66,968.00	3,867		
11	Adjustment to final 2007	32.00			
12					
13					
14					
15	Total	67,502.00	315,362		
16					
17	Relinquished During Year:				
18	Charges to Account 509	161,221.00	619,818		
19	Other:				
20	Charges to 549/158	8,988.00	419		
21	Cost of Sales/Transfers:				
22	Transfer to LG&E	220.00	3,600		
23	Adjustment to final 2007	171.00			
24					
25					
26					
27					
28	Total	391.00	3,600		
29	Balance-End of Year	4,622.00	74,419	105,184.00	
30					
31	Sales:				
32	Net Sales Proceeds (Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
Allowances Withheld (Acct 158.2)					
36	Balance-Beginning of Year	1,109.00		1,109.00	
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales	1,109.00			
40	Balance-End of Year			1,109.00	
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)	1,109.00	432,455		
45	Gains				
46	Losses				

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4		
Allowances (Accounts 158.1 and 158.2) (Continued)							
6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.							
7. Report on Lines 8-14 the names of vendors/transfers of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).							
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.							
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.							
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.							
2010		2011		Future Years		Totals	Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l) Amt. (m)	
99,376.00		99,376.00		2,081,433.00		2,493,089.00 382,894	1
							2
							3
				77,535.00		77,535.00	4
							5
							6
							7
							8
						502.00 311,495	9
						66,968.00 3,867	10
						32.00	11
							12
							13
							14
						67,502.00 315,362	15
							16
							17
						161,221.00 619,818	18
							19
						8,988.00 419	20
							21
						220.00 3,600	22
						171.00	23
							24
							25
							26
							27
						391.00 3,600	28
99,376.00		99,376.00		2,158,968.00		2,467,526.00 74,419	29
							30
							31
							32
							33
							34
							35
1,106.50		1,106.50		54,218.50		58,649.50	36
				2,213.00		2,213.00	37
							38
				1,106.50		2,215.50	39
1,106.50		1,106.50		55,325.00		58,647.00	40
							41
							42
				1,106.50	150,652	2,215.50 583,107	43
							44
							45
							46

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Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 228 Line No.: 1 Column: b

The beginning balance allowance amount is composed of 97,723 SO2 allowances and 9,997 Ozone Season NOx allowances.

Schedule Page: 228 Line No.: 1 Column: c

The beginning balance allowance dollars is composed entirely of the value of SO2 allowances.

Schedule Page: 228 Line No.: 1 Column: d

The beginning balance allowance amount is composed of 83,343 SO2 allowances, 6,683 Ozone Season NOx allowances and 15,158 Annual NOx allowances.

Schedule Page: 228 Line No.: 1 Column: f

The beginning balance allowance amount is composed of 77,535 SO2 allowances, 6,683 Ozone Season NOx allowances and 15,158 Annual NOx allowances.

Schedule Page: 228 Line No.: 1 Column: h

The beginning balance allowance amount is composed of 77,535 SO2 allowances, 6,683 Ozone Season NOx allowances and 15,158 Annual NOx allowances.

Schedule Page: 228 Line No.: 1 Column: j

The beginning balance allowance amount is composed of 2,015,910 SO2 allowances, 20,049 Ozone Season NOx allowances and 45,474 Annual NOx allowances.

Schedule Page: 228 Line No.: 1 Column: l

The beginning balance allowance amount is composed of 2,352,046 SO2 allowances, 50,095 Ozone Season NOx allowances and 90,948 Annual NOx allowances.

Schedule Page: 228 Line No.: 1 Column: m

The beginning balance allowance dollars is composed entirely of the value of SO2 allowances.

Schedule Page: 228 Line No.: 9 Column: a

Purchases:

	No.	Cost
Merrill Lynch Commodities NBP	111	\$ 70,485
Holcim US Inc	100	61,000
Birchwood Power Facility	30	18,300
Lockport Cogeneration Facility	100	63,500
Bayonne Plant Holding, LLC	36	21,960
Aventine Renewable Energy, Inc	125	76,250
	---	-----
Total	502	\$311,495

Schedule Page: 228 Line No.: 10 Column: a

Kentucky Utilities Company and Louisville Gas & Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 228 Line No.: 22 Column: a

Kentucky Utilities Company and Louisville Gas & Electric Company are both owned by E.ON U.S. LLC.

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
OTHER REGULATORY ASSETS (Account 182.3)						
1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable. 2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes. 3. For Regulatory Assets being amortized, show period of amortization.						
Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	SFAS 158 - Pension and Postretirement	27,744,630	99,705,057	228.3	617,597	126,832,090
2	Asset Retirement Obligation	24,116,268	3,771,327	407	15,278	27,871,317
3	MISO Exit Fee	20,097,494		182	1,504,306	18,593,188
4	SFAS 109 - Income Taxes	6,547,298	4,170,072	282/283	510,190	10,207,180
5	FERC Jurisdictional Pension Expenses	2,472,173	340,253			2,812,426
6	Wind Storm 2008		2,168,420			2,168,420
7	Ice Storm (Jul-04 to Jun-09)	1,187,388		593	791,604	395,784
8	Ky Consortium for Carbon Storage		130,014			130,014
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42						
43						
44	TOTAL	82,165,251	110,305,143		3,439,975	189,030,419

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	2008/Q4
FOOTNOTE DATA			

Schedule Page: 232 Line No.: 3 Column: d

Pursuant to FERC Order, Docket No. ER06-1308-004 issued March 4, 2008, adjustments are being made to the beginning balance of the regulatory asset for the MISO exit fee originally paid by the Company in September 2006. These adjustments will continue to be recorded until December 2014.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
MISCELLANEOUS DEFERRED DEBITS (Account 186)						
1. Report below the particulars (details) called for concerning miscellaneous deferred debits.						
2. For any deferred debit being amortized, show period of amortization in column (a)						
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.						
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Key Man Life Insurance	36,870,076	2,560,385	421/426	705,624	38,724,837
2						
3	Environmental Cost Recovery	10,664,697	197,657,102	440-445	188,168,668	20,153,131
4						
5	KY - Fuel Adjustment Clause	16,802,000	28,055,000	440-445	36,987,000	7,870,000
6						
7	OMU Emission Allowances	1,246,600	485,893	555	38,593	1,693,900
8						
9	VA - Fuel Cost Component	528,256	1,503,765	440-445	528,256	1,503,765
10						
11	Rate Case Expenses		1,304,056			1,304,056
12						
13	Financing Expense		1,710,871	181/189	1,316,471	394,400
14						
15	Customer Credit Accounts					
16	Receivable	378,634	3,579,285	440-445	3,772,725	185,194
17						
18	Carrollton Sale/Leaseback					
19	(Aug-06 to Jul-23)	68,750	8,486	961	12,898	64,338
20						
21	Cellular Antenna Billable Chgs	37,091	9,621	456	20,667	26,045
22						
23	Land Options		16,145			16,145
24						
25	Merger Surcredit	691,945	1,025,000	440-445	1,716,945	
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46						
47	Misc. Work in Progress	-11,970				91,019
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	67,276,079				72,026,830

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
ACCUMULATED DEFERRED INCOME TAXES (Account 190)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes. 2. At Other (Specify), include deferrals relating to other income and deductions.					
Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)		
1	Electric				
2	Pensions	-5,904,217	-4,975,498		
3	Other Post Retirement & Employment Benefits	25,472,518	25,919,571		
4	SFAS 109 Regulatory Tax Adjustments	11,006,692	9,629,253		
5	SFAS 133	-283,682			
6	SFAS 143	12,886,998	14,185,872		
7	Other - See Notes for Detail	7,575,207	5,927,702		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	50,753,516	50,686,900		
9	Gas				
10					
11					
12					
13					
14					
15	Other				
16	TOTAL Gas (Enter Total of lines 10 thru 15)				
17	Other (Specify)				
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	50,753,516	50,686,900		
Notes					
		Bal. at Beg. of Year	Bal. at End of Year		
	ECR & VA Fuel Clause	(147,674)	(584,965)		
	Workers' Compensation	1,205,324	1,008,420		
	Vacation Pay	1,632,212	1,884,363		
	State Tax Adjustment	765,612	(382,681)		
	Bad Debt Reserve	754,352	1,119,739		
	Demand Side Management	702,013	1,965,542		
	Customer Advances	1,090,498	0		
	OMU Excess Amortization	751,476	674,373		
	Other	821,394	242,911		
		-----	-----		
	Total Electric Line 7	7,575,207	5,927,702		
		-----	-----		
	Balance of Beginning of Year	50,753,516			
	Less Debits to:				
	Acct 410.1	15,109,315			
	Acct 410.2	447,128			
	Other Balance Sheet Accounts	3,427,798			
	Plus Credits to:				
	Acct 411.1	18,388,679			
	Acct 411.2	528,946			

	Balance at End of Year	50,686,900			

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 11	Year/Period of Report End of 2008/Q4
CAPITAL STOCKS (Account 201 and 204)					
<p>1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> <p>2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.</p>					
Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)	
1	Common Stock				
2	Without Par Value	80,000,000			
3	Total Common	80,000,000			
4					
5	Preferred Stock, Cumulative, \$100 Stated Value	5,300,000	100.00		
6	Preference Stock, Without Par Value	2,000,000			
7	Total Preferred	7,300,000	100.00		
8					
9					
10	Note:				
11	There is no Call Price for Common Stock,				
12	Without Par Value				
13					
14	The Common Stock of Kentucky Utilities Company				
15	is owned by its parent company,				
16	E.ON U.S. LLC				
17					
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Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
CAPITAL STOCKS (Account 201 and 204) (Continued)						
<p>3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.</p> <p>4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.</p> <p>5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.</p>						
OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
						1
37,817,878	308,139,978					2
37,817,878	308,139,978					3
						4
						5
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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)				
<p>Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.</p> <p>(a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation. (b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related. (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related. (d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.</p>				
Line No.	Item (a)	Amount (b)		
1				
2	Account 211:			
3	Contributed Capital - Misc. Balance January 1, 2008	90,000,000		
4	Contributed Capital March 28, 2008	25,000,000		
5	Contributed Capital June 27, 2008	50,000,000		
6	Contributed Capital September 29, 2008	50,000,000		
7	Contributed Capital December 26, 2008	20,000,000		
8	Contributed Capital December 31, 2008	5,711,597		
9				
10				
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12				
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40	TOTAL	240,711,597		

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
CAPITAL STOCK EXPENSE (Account 214)				
<p>1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.</p> <p>2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.</p>				
Line No.	Class and Series of Stock (a)	Balance at End of Year (b)		
1	Expenses on Common Stock	321,289		
2				
3				
4				
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8				
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22	TOTAL	321,289		

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
LONG-TERM DEBT (Account 221, 222, 223 and 224)				
<p>1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.</p> <p>2. In column (a), for new issues, give Commission authorization numbers and dates.</p> <p>3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.</p> <p>6. In column (b) show the principal amount of bonds or other long-term debt originally issued.</p> <p>7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.</p> <p>8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.</p> <p>9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.</p>				
Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt Issued (b)	Total expense, Premium or Discount (c)	
1	ACCOUNT 221:			
2	Pollution Control Bonds: (2)			
3	Mercer County 2000 Series A, due 05/01/2023, Variable (3)	12,900,000	497,122	
4	Carroll County 2002 Series A, due 02/01/2032, Variable	20,930,000	120,138	
5	Carroll County 2002 Series B, due 02/01/2032, Variable	2,400,000	83,078	
6	Muhlenberg County 2002 Series A, due 02/01/2032, Variable:	2,400,000	93,078	
7	Mercer County 2002 Series A, due 02/01/2032, Variable	7,400,000	92,678	
8	Carroll County 2002 Series C, due 10/01/2032, Variable	96,000,000	2,131,476	
9	Carroll County 2004 Series A, due 10/01/2034, Variable (3)	50,000,000	1,363,166	
10	Carroll County 2005 Series A, due 06/01/2035, Variable (defeased 11/5/08) (3)(4)	13,266,950	529,692	
11	Carroll County 2005 Series B, due 06/01/2035, Variable (defeased 11/5/08) (3)(4)	13,266,950	533,187	
12	Carroll County 2006 Series A, due 06/01/2036, Variable (defeased 11/12/08) (3)(4)	16,693,620	618,873	
13	Carroll County 2006 Series B, due 10/01/2034, Variable (3)	54,000,000	1,213,518	
14	Carroll County 2006 Series C, due 06/01/2036, Variable (defeased 10/17/08) (3)(4)	16,693,620	629,606	
15	Carroll County 2007 Series A, due 02/01/2026, 5.750% (3)	17,875,000	610,016	
16	Trimble County 2007 Series A, due 03/01/2037, 6.000% (3)	8,927,000	456,138	
17	Carroll County 2008 Series A, due 02/01/2032, Variable (3)(4)	77,947,405	545,471	
18	TOTAL ACCOUNT 221	410,700,545	9,517,227	
19				
20	ACCOUNT 223:			
21	Notes Payable to Fidelity, due 11/24/2010, 4.240% - unsecured	33,000,000		
22	Notes Payable to Fidelity, due 01/16/2012, 4.390% - unsecured	50,000,000		
23	Notes Payable to Fidelity, due 04/30/2013, 4.550% - unsecured	100,000,000		
24	Notes Payable to Fidelity, due 08/15/2013, 5.310% - unsecured	75,000,000		
25	Notes Payable to Fidelity, due 12/19/2014, 5.450% - unsecured	100,000,000		
26	Notes Payable to Fidelity, due 07/08/2015, 4.735% - unsecured	50,000,000		
27	Notes Payable to Fidelity, due 12/21/2015, 5.360% - unsecured	75,000,000		
28	Notes Payable to Fidelity, due 10/26/2016, 5.675% - unsecured	50,000,000		
29	Notes Payable to Fidelity, due 06/20/2017, 5.980% - unsecured	50,000,000		
30	Notes Payable to Fidelity, due 07/25/2018, 6.160% - unsecured (5)	50,000,000		
31	Notes Payable to Fidelity, due 08/27/2018, 5.645% - unsecured (5)	50,000,000		
32	Notes Payable to Fidelity, due 12/17/2018, 7.035% - unsecured (5)	75,000,000		
33	TOTAL	1,591,700,545	9,517,227	

Name of Respondent		This Report is:		Date of Report	Year/Period of Report	
Kentucky Utilities Company		(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	End of 2008/Q4	
LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)						
<p>10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.</p> <p>11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.</p> <p>12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.</p> <p>13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.</p> <p>14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.</p> <p>15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.</p> <p>16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.</p>						
Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
05/19/2000	05/01/2023	05/19/2000	05/01/2023	12,900,000	295,138	3
05/23/2002	02/01/2032	05/23/2002	02/01/2032	20,930,000	384,152	4
05/23/2002	02/01/2032	05/23/2002	02/01/2032	2,400,000	44,050	5
05/23/2002	02/01/2032	05/23/2002	02/01/2032	2,400,000	44,050	6
05/23/2002	02/01/2032	05/23/2002	02/01/2032	7,400,000	135,821	7
10/03/2002	10/01/2032	10/03/2002	10/01/2032	96,000,000	3,562,336	8
10/20/2004	10/01/2034	10/20/2004	10/01/2034	50,000,000	1,550,362	9
07/07/2005	06/01/2035	07/07/2005	06/01/2035		443,854	10
11/17/2005	06/01/2035	11/17/2005	06/01/2035		442,897	11
07/20/2006	06/01/2036	07/20/2006	06/01/2036		831,961	12
02/23/2007	10/01/2034	02/23/2007	10/01/2034	54,000,000	2,885,164	13
12/07/2006	06/01/2036	12/07/2006	06/01/2036		338,340	14
05/24/2007	02/01/2026	05/24/2007	02/01/2026	17,875,000	985,687	15
05/24/2007	03/01/2037	05/24/2007	03/01/2037	8,927,000	508,941	16
10/17/2008	02/01/2032	10/17/2008	02/01/2032	77,947,405	325,420	17
				350,779,405	12,778,173	18
						19
						20
11/24/2003	11/24/2010			33,000,000	1,399,200	21
01/15/2004	01/16/2012			50,000,000	2,195,000	22
04/30/2003	04/30/2013			100,000,000	4,550,000	23
08/15/2003	08/15/2013			75,000,000	3,982,500	24
12/20/2007	12/19/2014			100,000,000	5,450,000	25
07/08/2005	07/08/2015			50,000,000	2,367,500	26
12/19/2005	12/21/2015			75,000,000	4,020,000	27
10/25/2006	10/25/2016			50,000,000	2,837,500	28
06/20/2007	06/20/2017			50,000,000	2,990,000	29
07/25/2008	07/25/2018			50,000,000	1,334,667	30
08/26/2008	08/27/2018			50,000,000	980,035	31
12/15/2008	12/17/2018			75,000,000	219,844	32
				1,531,779,405	68,330,556	33

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
LONG-TERM DEBT (Account 221, 222, 223 and 224)			
<p>1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.</p> <p>2. In column (a), for new issues, give Commission authorization numbers and dates.</p> <p>3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.</p> <p>6. In column (b) show the principal amount of bonds or other long-term debt originally issued.</p> <p>7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.</p> <p>8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.</p> <p>9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.</p>			
Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	ACCOUNT 223 continued:		
2	Notes Payable to Fidelia, due 10/25/2019, 5.710% - unsecured	70,000,000	
3	Notes Payable to Fidelia, due 02/07/2022, 5.690% - unsecured	53,000,000	
4	Notes Payable to Fidelia, due 05/22/2023, 5.850% - unsecured (5)	75,000,000	
5	Notes Payable to Fidelia, due 09/14/2028, 5.960% - unsecured (5)	100,000,000	
6	Notes Payable to Fidelia, due 06/23/2036, 6.330% - unsecured (5)	50,000,000	
7	Notes Payable to Fidelia, due 03/30/2037, 5.860% - unsecured (5)	75,000,000	
8	TOTAL ACCOUNT 223	1,181,000,000	
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29			
30			
31			
32			
33	TOTAL	1,591,700,545	9,517,227

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4			
LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)						
<p>10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.</p> <p>11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.</p> <p>12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.</p> <p>13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.</p> <p>14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.</p> <p>15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.</p> <p>16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.</p>						
Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
10/25/2007	10/25/2019			70,000,000	3,997,000	2
02/07/2007	02/07/2022			53,000,000	3,015,700	3
05/20/2008	05/22/2023			75,000,000	2,693,437	4
09/14/2007	09/14/2028			100,000,000	5,960,000	5
06/23/2006	06/23/2036			50,000,000	3,185,000	6
03/30/2007	03/30/2037			75,000,000	4,395,000	7
				1,181,000,000	55,552,383	8
						9
						10
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						31
						32
				1,531,779,405	68,330,556	33

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 256 Line No.: 1 Column: a

(1) Per instruction 9 concerning the treatment of unamortized debt expense, premium or discount - Debt premium and expenses are being amortized over the lives of the related issues.

(2) Pollution control series bonds are obligations of Kentucky Utilities Company (KU) issued in connection with tax-exempt pollution control revenue bonds issued by various governmental entities, principally counties in Kentucky. A loan agreement obligates KU to make debt service payments to the county that equate to the debt service due from the county on the related pollution control revenue bonds.

(3) In February 2008, KU issued a notice to bondholders of its intention to convert the Carroll County 2007 Series A bond and the Trimble County 2007 Series A bond from the auction rate mode to a fixed interest rate mode, as permitted under the loan documents. These conversions were completed in April 2008, and the new rates on the bonds are 5.75% and 6.00%, respectively.

In March 2008, KU issued notices to bondholders of its intention to convert the Carroll County 2006 Series C bond and the Mercer County 2000 Series A bond from the auction rate mode to a weekly interest rate mode, as permitted under the loan documents. The Carroll County conversion was completed in April 2008, and the Mercer County conversion was completed in May 2008. In connection with these conversions, KU purchased the bonds from the remarketing agent. In October 2008, the Carroll County 2006 Series C bond, along with the Carroll County 2005 Series A and B and Carroll County 2006 Series A bonds, were defeased.

In June 2008, KU issued notices to bondholders of its intention to convert the Carroll County 2004 Series A bond from the auction rate mode to a weekly interest rate mode, as permitted under the loan documents. The conversion was completed in July 2008. In connection with the conversion, KU purchased the bond from the remarketing agent.

In November 2008, KU issued notices to bondholders of its intention to convert the Carroll County 2006 Series B and Carroll County 2008 Series A bonds from the auction rate mode to a weekly interest rate mode, as permitted under the loan documents. The conversion was completed in December 2008. In connection with the conversions, the bond insurance policy associated with the bonds was terminated and replaced with letters of credit.

In December 2008, KU remarketed the Mercer County 2000 Series A and Carroll County 2004 Series A bonds. In connection with the conversions, the bond insurance policy associated with the bonds was terminated and replaced with letters of credit.

In December, KU converted the interest rate mode of the Carroll County 2006 Series B to a weekly mode from an auction mode. The bond along with the Carroll County 2004 Series A, the Mercer County 2000 Series A, and the Carroll County 2008 Series A, were issued with the enhancement of a letter of credit.

As of December 31, 2008, KU had no remaining repurchased bonds.

(4) In October 2008, KU issued Carroll County 2008 Series A tax exempt bond in the amount of \$78 million as authorized by the Kentucky Public Service Commission in its orders dated September 16, 2008 in Case No. 2008-00309 and June 17, 2008 in Case No. 2008-00132, the Commonwealth of Virginia State Corporation Commission in its orders dated August 29, 2008 in Case No. PUE-2008-00077 and June 19, 2008 in Case No. PUE-2008-00034, and the Tennessee Regulatory Authority in its orders dated September 15, 2008 in Case No 08-00144 and July 15, 2008 in Case No. 08-00070. The new bond matures on February 1, 2032, and bears interest at a variable rate. The new bond refinanced four existing bonds (Carroll County 2005 Series A and B - \$13 million each and the Carroll County 2006 Series A and C - \$17 million each), and includes \$18 million of new funding. The proceeds from the new funding

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	//	2008/Q4
FOOTNOTE DATA			

will be held in escrow pending incurrence of qualifying expenditures.

(5) During 2008, the Company executed four additional long-term loans with Fidelity Corporation:

<u>Amount</u>	<u>Interest Rate</u>	<u>Date Issued</u>	<u>Maturity Date</u>
\$75,000,000	5.850%	05/20/2008	05/22/2023
\$50,000,000	6.160%	07/25/2008	07/25/2018
\$50,000,000	5.645%	08/26/2008	08/27/2018
\$75,000,000	7.035%	12/15/2008	12/17/2018

The new long-term loan agreements were authorized by the Kentucky Public Service Commission in its February 13, 2008 Order in Case No. 2007-00548, the Commonwealth of Virginia State Corporation Commission in its January 16, 2008 Order in Case No. PUE-2007-00118, and the Tennessee Regulatory Authority in its February 22, 2008 Order in Case No. 08-00009.

Schedule Page: 256 Line No.: 1 Column: i

Interest Pollution Control Bonds (221):	
Total Account 427000-427199	\$12,778,173
Interest on Debt to Associated Companies:	
Notes Payable (223)	55,552,383
Other Short Term Interest	2,307,256
Total Account 430	\$57,859,639

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES					
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.</p> <p>3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.</p>					
Line No.	Particulars (Details) (a)	Amount (b)			
1	Net Income for the Year (Page 117)	157,265,567			
2					
3					
4	Taxable Income Not Reported on Books				
5	See footnote	3,000,000			
6					
7					
8					
9	Deductions Recorded on Books Not Deducted for Return				
10	See footnote	141,845,158			
11					
12					
13					
14	Income Recorded on Books Not Included in Return				
15	See footnote	25,243,762			
16					
17					
18					
19	Deductions on Return Not Charged Against Book Income				
20	See footnote	79,471,049			
21					
22					
23					
24					
25					
26					
27	Federal Tax Net Income	197,395,914			
28	Show Computation of Tax:				
29					
30	Federal Tax Net Income	197,395,914			
31	35% Rounded	69,088,570			
32	Add: Adjustments of Prior Years' Taxes to Actual and Other	1,658,727			
33	Add: Investment Tax Credits	-25,266,898			
34					
35	Total	45,480,399			
36					
37					
38					
39					
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43					
44					

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2008/Q4
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 5 Column: b

Contributions in Aid of Construction	3,000,000

	3,000,000
	=====

Schedule Page: 261 Line No.: 10 Column: b

Federal Income Taxes:	
Utility Operating Income	43,184,629
Other Income and Deductions	2,295,770
Pensions	3,222,999
SPAS 106 Postretirement	796,806
Investment Tax Credit	25,266,898
Capitalized Interest	51,764,542
Demand Side Management	3,248,143
MISO Exit Fees	5,435,476
Bad Debt Reserves	939,297
Vacation Pay	362,607
Environmental Assessment	200,000
EEl Investment	1,898,903
Non-Deductible Expenses	1,141,838
Other	2,087,250

	141,845,158
	=====

Schedule Page: 261 Line No.: 15 Column: b

Equity in Subsidiary Earnings - EEI	24,000,000
Fuel Adjustment Clause KY & VA	556,434
Amortization of Investment Tax Credit	314,308
Customer Advances for Construction	373,020

	25,243,762
	=====

Schedule Page: 261 Line No.: 20 Column: b

Tax over Book Depreciation, Net	42,691,546
Loss on Reacquired Debt, Net of Amortization	3,047,945
Over/Under Collections - VA	975,509
Amortization of Regulatory Expenses	612,112
Workers Compensation	506,179
Mark to Market	833,146
Current State Income Tax	1,093,372
Provision for Deferred Income Taxes	12,770,271
Storm Damages	1,396,816
AFUDC	5,481,085
Life Insurance	1,854,761
IRC 199 Manufacturing Deduction	7,377,362
Other	830,945

	79,471,049
	=====

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR						
<p>1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.</p>						
Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Federal:					
2	Income	5,097,780		46,089,384	40,445,355	
3	FICA	497,417		5,634,374	5,578,342	
4	FIN 48	456,000		-456,000		
5						
6	Kentucky:					
7	Income	1,103,850		8,161,454	9,254,826	
8	Public Service Commission		895,258	1,791,634	1,792,751	
9	Sales & Use	618,308		3,967,830	4,008,265	
10	Auto License			88,312	88,312	
11						
12	Federal & Kentucky:					
13	Unemployment Insurance	36,767		115,702	104,150	
14						
15	Kentucky & Local:					
16	Property Taxes	6,474,647		12,901,622	12,554,077	
17	Vehicle Tax					
18	Miscellaneous					
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
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40						
41	TOTAL	4,089,209	895,258	78,294,312	73,826,078	

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Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 262 Line No.: 1 Column: 1

Segregation of Other	col 1 Other	Page 117 Other Inc & Deductions 408.2 - 409.2	Other Accounts
Federal:			
Income	2,904,755	2,295,770	608,985
FICA	(507,441)		(507,441)
FIN 48	(456,000)		(456,000)
Kentucky:			
Income	(1,892,280)	224,373	(2,116,653)
6% Use	3,931,237		3,931,237
Auto License	88,312		88,312
Federal & Kentucky:			
Unemployment Ins	(64,227)		(64,227)
Kentucky & Local:			
Property Taxes	430,424	9,625	420,799
Federal, State & Local:			
Vehicle Tax	(34,453)		(34,453)
Miscellaneous	(5,472)		(5,472)
Total	4,394,855	2,529,768	1,865,087

Reconciliation to page 114, line 14:

Other:	
Electric Total	73,899,457
Less Federal	(43,184,629)
Less State	(10,053,734)

	20,661,094

Schedule Page: 262 Line No.: 2 Column: b

The balance of (\$5,097,780) for Federal income taxes accrued at 12/31/07 reflects an overpayment of Federal income taxes.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4		
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)							
Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (j) the average period over which the tax credits are amortized.							
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%						
6	8%	432,465			420	314,308	
7	15%	54,566,647	411.4	25,266,898			
8	TOTAL	54,999,112		25,266,898		314,308	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)					
Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION			Line No.
					1
					2
					3
					4
					5
118,157	25 years				6
79,833,545	37 years				7
79,951,702					8
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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
OTHER DEFERRED CREDITS (Account 253)						
1. Report below the particulars (details) called for concerning other deferred credits.						
2. For any deferred credit being amortized, show the period of amortization.						
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$10,000, whichever is greater) may be grouped by classes.						
Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Brown CT Long-Term Service					
2	Agreement	7,638,225	232	730,208	5,992,014	12,900,031
3						
4	Demand Side Management -		908			
5	Refundable Costs	1,804,664	186/440-445	18,293,354	21,541,496	5,052,806
6						
7	Other Def Credits - OMU Excess					
8	(Jan-04 to Nov-19)	1,931,815	555	198,209		1,733,606
9						
10	KU-EKPC Settlement	1,529,440	232	382,360		1,147,080
11						
12	Deferred Compensation	451,707			27,451	479,158
13						
14	Uncertain Tax Position - Federal		409	456,000	666,000	210,000
15						
16	Merger Surcredit				66,000	66,000
17						
18	Carrollton Sale/Leaseback					
19	(Aug-06 to Jul-23)	68,271	421	4,381		63,890
20						
21	Uncertain Tax Position - State				36,000	36,000
22						
23	Def. Rent Payable					
24	(Aug-06 to Jul-23)	12,022	186	4,412	12,898	20,508
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	13,436,144		20,068,924	28,341,859	21,709,079

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Account 282				
2	Electric	291,507,115	21,817,662	31,536,209	
3	Gas				
4					
5	TOTAL (Enter Total of lines 2 thru 4)	291,507,115	21,817,662	31,536,209	
6					
7					
8					
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	291,507,115	21,817,662	31,536,209	
10	Classification of TOTAL				
11	Federal Income Tax	252,031,721	19,915,741	27,094,915	
12	State Income Tax	39,475,394	1,901,921	4,441,293	
13	Local Income Tax				
NOTES					

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4		
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)							
3. Use footnotes as required.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
		182/190	216,318	182	2,247,245	283,819,495	1
							2
							3
							4
			216,318		2,247,245	283,819,495	5
							6
							7
							8
			216,318		2,247,245	283,819,495	9
							10
			216,318		1,690,547	246,326,775	11
					556,698	37,492,720	12
							13
NOTES (Continued)							

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Account 283				
2	Electric				
3	OMU & Other Emission Allowance	632,983	57,854	2,983	
4	Loss on Reacquired Debt	3,957,556	1,390,768	205,117	
5	SFAS 143	9,529,693	11,479	588	
6	FAC Under-Recovery	10,742,362	4,910,737	4,694,285	
7	MISO Exit Fees	5,778,944	114,139	2,228,527	
8	Other	2,898,577	3,036,176	1,339,207	
9	TOTAL Electric (Total of lines 3 thru 8)	33,540,115	9,521,153	8,470,687	
10	Gas				
11					
12					
13					
14					
15					
16					
17	TOTAL Gas (Total of lines 11 thru 16)				
18	Other	8,249,551	1,588,465	2,993,399	
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	41,789,666	11,109,618	11,464,086	
20	Classification of TOTAL				
21	Federal Income Tax	35,317,690	9,467,977	9,870,553	
22	State Income Tax	6,471,976	1,641,641	1,593,533	
23	Local Income Tax				
NOTES					

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4		
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)							
3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.							
4. Use footnotes as required.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
						687,874	1
						5,143,207	2
		190	148,465			9,392,119	3
		190	57,817			10,900,997	4
						3,664,556	5
		182/190	201,579	182/190	1,695,271	6,089,238	6
			407,861		1,695,271	35,877,991	7
							8
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							16
							17
669,421	5,497					7,508,541	18
669,421	5,497		407,861		1,695,271	43,386,532	19
							20
566,656	2,617				1,520,400	36,999,553	21
102,765	2,880		407,861		174,871	6,386,979	22
							23
NOTES (Continued)							

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 276 Line No.: 8 Column: b

Beginning Balance:	
Rate Case Expenses	624,281
Storm Damages	461,894
SFAS 109 Regulatory Tax Adjustments	2,079,208
Other	(266,806)

	2,898,577
	=====

Schedule Page: 276 Line No.: 8 Column: c

Debit Change Account 410.1:	
Storm Damages	828,581
Deferred Gain	1,624,614
IRS Audit Adjustments	22,892
Other	560,089

	3,036,176
	=====

Schedule Page: 276 Line No.: 8 Column: d

Credit Change Account 411.1:	
Rate Case Expenses	117,004
IRS Audit Adjustments	446,937
Storm Damages	285,219
Deferred Gain	83,212
Other	406,835

	1,339,207
	=====

Schedule Page: 276 Line No.: 8 Column: h

Debit Adjustments:	
SFAS 109 Regulatory Tax Adjustments	201,579
	=====

Schedule Page: 276 Line No.: 8 Column: j

Credit Adjustments:	
SFAS 109 Regulatory Tax Adjustments	1,695,271
	=====

Schedule Page: 276 Line No.: 8 Column: k

Ending Balance:	
Rate Case Expenses	507,277
Storm Damages	1,005,256
SFAS 109 Regulatory Tax Adjustments	3,572,900
IRS Audit Adjustments	(424,045)
Deferred Gain	1,541,402
Other	(113,552)

	6,089,238
	=====

Schedule Page: 276 Line No.: 18 Column: b

Beginning Balance:	
EI Investment	8,249,551
	=====

Schedule Page: 276 Line No.: 18 Column: c

Debit Change Account 410.1:	
EI Investment	1,588,465
	=====

Schedule Page: 276 Line No.: 18 Column: d

Credit Change Account 411.1:

FERC FORM NO. 1 (ED. 12-87)

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

EI Investment 2,993,399
=====

Schedule Page: 276 Line No.: 18 Column: e

Debit Change Account 410.2:

EI Investment 669,421
=====

Schedule Page: 276 Line No.: 18 Column: f

Credit Change Account 411.2:

EI Investment 5,497
=====

Schedule Page: 276 Line No.: 18 Column: k

Ending Balance:

EI Investment 7,508,541
=====

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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
OTHER REGULATORY LIABILITIES (Account 254)						
1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.						
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes.						
3. For Regulatory Liabilities being amortized, show period of amortization.						
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	SFAS 109 - Income Taxes	29,036,205	190/282	3,085,251		25,949,955
2	MISO Schedule 10 Charges	5,241,563			3,931,171	9,172,734
3	Asset Retirement Obligation	2,170,861	403	13,695	1,744,258	3,901,424
4	Spare Parts	1,272,406	502-514	338,487	525,251	1,459,170
5						
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40						
41	TOTAL	37,721,036		3,438,433	6,200,680	40,483,283

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
ELECTRIC OPERATING REVENUES (Account 400)				
<p>1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.</p> <p>2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.</p> <p>3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts, except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.</p> <p>4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.</p>				
Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)	
1	Sales of Electricity			
2	(440) Residential Sales	462,085,548	430,071,777	
3	(442) Commercial and Industrial Sales			
4	Small (or Comm.) (See Instr. 4)	316,402,846	293,558,427	
5	Large (or Ind.) (See Instr. 4)	319,256,170	303,223,282	
6	(444) Public Street and Highway Lighting	10,014,050	9,371,014	
7	(445) Other Sales to Public Authorities	98,034,213	88,231,412	
8	(446) Sales to Railroads and Railways			
9	(448) Interdepartmental Sales			
10	TOTAL Sales to Ultimate Consumers	1,205,792,827	1,124,455,912	
11	(447) Sales for Resale	188,961,037	140,832,475	
12	TOTAL Sales of Electricity	1,394,753,864	1,265,288,387	
13	(Less) (449.1) Provision for Rate Refunds			
14	TOTAL Revenues Net of Prov. for Refunds	1,394,753,864	1,265,288,387	
15	Other Operating Revenues			
16	(450) Forfeited Discounts			
17	(451) Miscellaneous Service Revenues	1,358,829	1,307,911	
18	(453) Sales of Water and Water Power			
19	(454) Rent from Electric Property	2,173,641	2,123,576	
20	(455) Interdepartmental Rents			
21	(456) Other Electric Revenues	-3,132,301	-2,945,811	
22	(456.1) Revenues from Transmission of Electricity of Others	8,888,020	6,774,836	
23	(457.1) Regional Control Service Revenues			
24	(457.2) Miscellaneous Revenues			
25				
26	TOTAL Other Operating Revenues	9,288,189	7,260,512	
27	TOTAL Electric Operating Revenues	1,404,042,053	1,272,548,899	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
ELECTRIC OPERATING REVENUES (Account 400)					
5. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)					
6. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.					
7. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.					
8. Include unmetered sales. Provide details of such Sales in a footnote.					
MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH			Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)		
					1
6,802,830	6,846,775	441,059	439,068		2
					3
4,713,879	4,773,590	83,716	83,047		4
5,995,379	6,273,138	1,918	1,946		5
57,575	56,455	1,477	1,503		6
1,648,938	1,634,506	8,271	7,948		7
					8
					9
19,218,601	19,584,464	536,441	533,512		10
4,865,118	3,640,408	46	51		11
24,083,719	23,224,872	536,487	533,563		12
					13
24,083,719	23,224,872	536,487	533,563		14
Line 12, column (b) includes \$ -3,390,864 of unbilled revenues.					
Line 12, column (d) includes 50,717 MWH relating to unbilled revenues					

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Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	2008/Q4
FOOTNOTE DATA			

Schedule Page: 300 Line No.: 5 Column: b

Large category includes Industrial Lighting and Mine Power accounts.

Industrial Sales	\$268,939,540
Mine Power	50,316,630
Total Large (or Industrial)	\$319,256,170

Schedule Page: 300 Line No.: 5 Column: d

Large category includes Industrial Lighting and Mine Power accounts.

Industrial Sales	5,125,142
Mine Power	870,237
Total Large (or Industrial)	5,995,379 MWH

Schedule Page: 300 Line No.: 7 Column: b

Other category includes Other Sales to Public Authorities and Municipal Pumping accounts.

Other Sales to Public Authorities	\$93,273,848
Municipal Pumping	\$ 4,760,365
Total Other Sales to Public Authorities	\$98,034,213

Schedule Page: 300 Line No.: 7 Column: d

Other category includes Other Sales to Public Authorities and Municipal Pumping accounts.

Other Sales to Public Authorities	1,572,083
Municipal Pumping	76,855
Total Other Sales to Public Authorities	1,648,938 MWH

Schedule Page: 300 Line No.: 21 Column: b

As a result of the Company exiting the MISO, base rate revenues related to the MISO expenses are reclassified from Other Operating Revenues to a Regulatory Liability, as required by the Kentucky Public Service Commission in its May 31, 2006 Order in Case No. 2003-00266.

Schedule Page: 300 Line No.: 21 Column: c

As a result of the Company exiting the MISO, base rate revenues related to the MISO expenses are reclassified from Other Operating Revenues to a Regulatory Liability, as required by the Kentucky Public Service Commission in its May 31, 2006 Order in Case No. 2003-00266.

Schedule Page: 300 Line No.: 1 Column: \$

This value contains unbilled revenue of \$353,000 and accrued revenue of \$(3,743,864). The accrued revenue represents the following:

Energy Revenue Accrual	\$ 975,509
FAC Accrual	(8,932,000)
DSM Accrual	(5,052,807)
ECR Accrual	9,488,434
VDT Accrual	39,000
MSR Accrual	(262,000)
Total Accrual	\$(3,743,864)

Schedule Page: 300 Line No.: 1 Column: MWH

Unbilled revenue related to 50,717 MWH represents the net change of unbilled MWH from the previous period, and as a result could be positive or negative.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
SALES OF ELECTRICITY BY RATE SCHEDULES						
<p>1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.</p> <p>2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.</p> <p>3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</p> <p>4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</p> <p>5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</p> <p>6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.</p>						
Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Account 440					
2	Residential Service - KY	6,299,983	433,954,251	414,322	15,206	0.0689
3	Net Metering Service - KY	90	6,119	4	22,500	0.0680
4	Outdoor Lighting - KY	25,384	3,864,868	41,982	605	0.1523
5	Residential Service - TN	144	2,147	4	36,000	0.0149
6	Full Electric Service - TN	11	256	1	11,000	0.0233
7	Outdoor Lighting - TN	2	144	3	667	0.0720
8	Residential Service - VA	417,968	26,214,878	25,077	16,667	0.0627
9	Outdoor Lighting - VA	3,710	537,278	4,783	776	0.1448
10	Duplicate Customers			-45,117		
11						
12						
13						
14						
15						
16						
17						
18						
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37						
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39	Unbilled & Other Accruals	55,538	-2,494,393			-0.0449
40	Total for Account 440	6,802,830	462,085,548	441,059	15,424	0.0679
41	TOTAL Billed	19,167,884	1,209,183,691	536,441	35,732	0.0631
42	Total Unbilled Rev.(See Instr. 6)	50,717	-3,390,864	0	0	-0.0669
43	TOTAL	19,218,601	1,205,792,827	536,441	35,826	0.0627

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
SALES OF ELECTRICITY BY RATE SCHEDULES						
1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311. 2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading. 3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers. 4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly). 5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto. 6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.						
Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Account 442					
2	General Service - KY	1,733,317	137,665,599	72,738	23,830	0.0794
3	Net Metering Service - KY	9	927	2	4,500	0.1030
4	All Electric School - KY	15,377	935,233	49	313,816	0.0608
5	Outdoor Lighting - KY	48,687	5,993,231	19,041	2,557	0.1231
6	Small Time-of-Day Service - KY	195,662	10,062,086	52	3,762,731	0.0514
7	Combined Lighting & Power - KY	4,344,599	256,335,163	7,543	575,978	0.0590
8	Large Comm T.O.D. - KY	3,045,974	153,729,076	41	74,292,049	0.0505
9	Mine Power - KY	203,077	12,617,324	42	4,835,167	0.0621
10	Mine Power T.O.D. - KY	351,456	18,955,891	9	39,050,667	0.0539
11	Large Industrial T.O.D. - KY	379,312	22,252,162	1	379,312,000	0.0587
12	Curtailment Service - KY		-5,456,300	2		
13	Redundant Capacity - KY		11,524	2		
14	General Service - VA	84,822	6,335,617	3,531	24,022	0.0747
15	Outdoor Lighting - VA	1,217	186,696	713	1,707	0.1534
16	Large Power Service - VA	324,403	17,779,487	233	1,392,288	0.0548
17	Curtailment Service		-19,200	1		
18	Duplicate Customers			-18,366		
19						
20						
21						
22						
23						
24						
25						
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27						
28						
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32						
33						
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36						
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38						
39	Unbilled & Other Accruals	-18,654	-1,725,500			0.0925
40	Total for Account 442	10,709,258	635,659,016	85,634	125,058	0.0594
41	TOTAL Billed	19,167,884	1,209,183,691	536,441	35,732	0.0631
42	Total Unbilled Rev.(See Instr. 6)	50,717	-3,390,884	0	0	-0.0669
43	TOTAL	19,218,601	1,205,792,827	536,441	35,826	0.0627

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
SALES OF ELECTRICITY BY RATE SCHEDULES						
<p>1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.</p> <p>2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.</p> <p>3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</p> <p>4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</p> <p>5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</p> <p>6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.</p>						
Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Account 444					
2	General Service - KY	4,002	410,371	901	4,442	0.1025
3	Outdoor Lighting - KY	10	1,342	8	1,250	0.1342
4	Street Lighting - KY	44,774	8,806,808	497	90,089	0.1967
5	Combined Lighting & Power - KY	6,573	423,065	31	212,032	0.0644
6	General Service - VA	57	4,934	7	8,143	0.0866
7	Street Lighting - VA	1,840	266,264	36	45,556	0.1624
8	Duplicate Customers			-3		
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
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38						
39	Unbilled & Other Accruals	519	101,268			0.1951
40	Total for Account 444	57,575	10,014,050	1,477	38,981	0.1739
41	TOTAL Billed	19,167,884	1,209,183,691	536,441	35,732	0.0631
42	Total Unbilled Rev.(See Instr. 6)	50,717	-3,390,864	0	0	-0.0669
43	TOTAL	19,218,601	1,205,792,827	536,441	35,826	0.0627

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
SALES OF ELECTRICITY BY RATE SCHEDULES						
<p>1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.</p> <p>2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.</p> <p>3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</p> <p>4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</p> <p>5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</p> <p>6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.</p>						
Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Account 445					
2	Residential Service - KY	2,329	170,712	310	7,513	0.0733
3	Volunteer Fire Department - KY	594	40,400	31	19,161	0.0680
4	General Service - KY	131,292	10,448,661	5,217	25,166	0.0796
5	Net Metering GS - KY	6	421			0.0702
6	All Electric School - KY	115,695	7,097,516	255	453,706	0.0613
7	Outdoor Lighting - KY	6,594	861,440	2,428	2,716	0.1306
8	Combined Lighting & Power - KY	857,875	51,825,724	1,360	630,790	0.0604
9	Large Comm/Ind/T.O.D. - KY	436,932	21,884,864	6	72,822,000	0.0501
10	Redundant Capacity - KY		22,680	2		
11	Residential Service - VA	622	40,059	49	12,694	0.0644
12	General Service - VA	14,930	1,104,357	544	27,445	0.0740
13	School Service - VA	23,965	1,154,206	163	147,025	0.0482
14	Outdoor Lighting - VA	649	99,950	248	2,617	0.1540
15	Large Power Service - VA	43,258	2,505,566	39	1,109,179	0.0579
16	Water Pumping Service - VA	883	51,896	11	80,273	0.0588
17	Duplicate Customer			-2,392		
18						
19						
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25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39	Unbilled & Other Accruals	13,314	727,761			0.0547
40	Total for Account 445	1,646,938	98,034,213	8,271	199,364	0.0595
41	TOTAL Billed	19,167,884	1,209,183,691	536,441	35,732	0.0631
42	Total Unbilled Rev.(See Instr. 6)	50,717	-3,390,864	0	0	-0.0689
43	TOTAL	19,218,601	1,205,792,827	536,441	35,826	0.0627

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 304 Line No.: 2 Column: c Includes Fuel Adjustment Clause of \$21,659,763.
Schedule Page: 304 Line No.: 3 Column: c Includes Fuel Adjustment Clause of \$308.
Schedule Page: 304 Line No.: 4 Column: a Average number of customers served under this rate schedule 40,596 - included in revenue class subtotal. These are deducted on line 10 to avoid duplication.
Schedule Page: 304 Line No.: 4 Column: c Includes Fuel Adjustment Clause of \$90,941.
Schedule Page: 304 Line No.: 7 Column: a Average number of customers served under this rate schedule 3 - included in revenue class subtotal. These are deducted on line 10 to avoid duplication.
Schedule Page: 304 Line No.: 9 Column: a Average number of customers served under this rate schedule 4,518 - included in revenue class subtotal. These are deducted on line 10 to avoid duplication.
Schedule Page: 304 Line No.: 39 Column: b The MWH relating to unbilled revenues represents the net change of unbilled MWH from the previous period and could be positive or negative.
Schedule Page: 304.1 Line No.: 2 Column: c Includes Fuel Adjustment Clause of \$5,978,246.
Schedule Page: 304.1 Line No.: 3 Column: c Includes Fuel Adjustment Clause of \$27.
Schedule Page: 304.1 Line No.: 4 Column: c Includes Fuel Adjustment Clause of \$53,855.
Schedule Page: 304.1 Line No.: 5 Column: a Average number of customers served under this rate schedule 17,688 - included in revenue class subtotal. These are deducted on line 18 to avoid duplication.
Schedule Page: 304.1 Line No.: 5 Column: c Includes Fuel Adjustment Clause of \$174,478.
Schedule Page: 304.1 Line No.: 6 Column: c Includes Fuel Adjustment Clause of \$685,172.
Schedule Page: 304.1 Line No.: 7 Column: c Includes Fuel Adjustment Clause of \$15,008,148.
Schedule Page: 304.1 Line No.: 8 Column: c Includes Fuel Adjustment Clause of \$10,448,676.
Schedule Page: 304.1 Line No.: 9 Column: c Includes Fuel Adjustment Clause of \$695,760.
Schedule Page: 304.1 Line No.: 10 Column: c Includes Fuel Adjustment Clause of \$1,234,715.
Schedule Page: 304.1 Line No.: 11 Column: c Includes Fuel Adjustment Clause of \$1,293,069.
Schedule Page: 304.1 Line No.: 12 Column: a Average number of customers served under this rate schedule 2 - included in revenue class subtotal. These are deducted on line 18 to avoid duplication.
Schedule Page: 304.1 Line No.: 13 Column: a Average number of customers served under this rate schedule 2 - included in revenue class subtotal. These are deducted on line 18 to avoid duplication.
Schedule Page: 304.1 Line No.: 15 Column: a Average number of customers served under this rate schedule 673 - included in revenue class subtotal. These are deducted on line 18 to avoid duplication.
Schedule Page: 304.1 Line No.: 17 Column: a Average number of customers served under this rate schedule 1 - included in revenue class subtotal. These are deducted on line 18 to avoid duplication.
Schedule Page: 304.1 Line No.: 39 Column: b

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

The MWH relating to unbilled revenues represents the net change of unbilled MWH from the previous period and could be positive or negative.

Schedule Page: 304.2 Line No.: 2 Column: c

Includes Fuel Adjustment Clause of \$13,988.

Schedule Page: 304.2 Line No.: 3 Column: a

Average number of customers served under this rate schedule 3 - included in revenue class subtotal. These are deducted on line 8 to avoid duplication.

Schedule Page: 304.2 Line No.: 3 Column: c

Includes Fuel Adjustment Clause of \$36.

Schedule Page: 304.2 Line No.: 4 Column: c

Includes Fuel Adjustment Clause of \$160,779.

Schedule Page: 304.2 Line No.: 5 Column: c

Includes Fuel Adjustment Clause of \$22,225.

Schedule Page: 304.2 Line No.: 39 Column: b

The MWH relating to unbilled revenues represents the net change of unbilled MWH from the previous period and could be positive or negative.

Schedule Page: 304.3 Line No.: 2 Column: c

Includes Fuel Adjustment Clause of \$8,030.

Schedule Page: 304.3 Line No.: 3 Column: c

Includes Fuel Adjustment Clause of \$2,043.

Schedule Page: 304.3 Line No.: 4 Column: c

Includes Fuel Adjustment Clause of \$449,546.

Schedule Page: 304.3 Line No.: 5 Column: c

Includes Fuel Adjustment Clause of \$9.

Schedule Page: 304.3 Line No.: 6 Column: c

Includes Fuel Adjustment Clause of \$402,229.

Schedule Page: 304.3 Line No.: 7 Column: a

Average number of customers served under this rate schedule 2,165 - included in revenue class subtotal. These are deducted on line 17 to avoid duplication.

Schedule Page: 304.3 Line No.: 7 Column: c

Includes Fuel Adjustment Clause of \$23,685.

Schedule Page: 304.3 Line No.: 8 Column: c

Includes Fuel Adjustment Clause of \$2,992,482.

Schedule Page: 304.3 Line No.: 9 Column: c

Includes Fuel Adjustment Clause of \$1,498,359.

Schedule Page: 304.3 Line No.: 10 Column: a

Average number of customers served under this rate schedule 2 - included in revenue class subtotal. These are deducted on line 17 to avoid duplication.

Schedule Page: 304.3 Line No.: 14 Column: a

Average number of customers served under this rate class 225 - included in revenue class subtotal. These are deducted on line 17 to avoid duplication.

Schedule Page: 304.3 Line No.: 39 Column: b

The MWH relating to unbilled revenues represents the net change of unbilled MWH from the previous period and could be positive or negative.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
SALES FOR RESALE (Account 447)						
<p>1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).</p> <p>2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows: RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers. LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract. IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years. SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less. LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit. IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	City of Barboursville	RQ	184	18	18	18
2	City of Bardstow	RQ	185	35	33	31
3	City of Bardwell	RQ	186	2	2	1
4	City of Benham	RQ	187	2	2	2
5	City of Berea	RQ	197	25	25	24
6	City of Corbin	RQ	188	16	16	15
7	City of Falmouth	RQ	189	4	3	3
8	City of Frankfort	RQ	190	124	124	121
9	City of Madisonville-East	RQ	194	8	8	7
10	City of Madisonville-GE Sub.	RQ	192	7	7	6
11	City of Madisonville-Hosp. Sub.	RQ	161	9	9	8
12	City of Madisonville-McCoy Ave.	RQ	162	10	9	8
13	City of Madisonville-S/N	RQ	191	9	8	7
14	City of Madisonville-West	RQ	193	12	12	11
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent	This Report Is:	Date of Report	Year/Period of Report		
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	End of 2008/Q4		
SALES FOR RESALE (Account 447) (Continued)					
<p>OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.</p> <p>AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)</p> <p>5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.</p> <p>6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.</p> <p>8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.</p> <p>9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last-line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.</p> <p>10. Footnote entries as required and provide explanations following all required data.</p>					
MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
105,168	1,627,597	2,450,414	879,825	4,957,836	1
211,727	3,069,054	4,933,236	1,801,633	9,803,923	2
9,098	153,677	211,993	78,175	443,845	3
7,260	155,947	169,158	57,373	382,478	4
140,959	2,216,732	3,284,337	1,169,355	6,670,424	5
85,908	1,382,641	2,001,656	727,030	4,111,327	6
19,837	313,238	462,198	168,834	944,270	7
752,696	10,992,343	17,537,817	6,315,751	34,845,911	8
43,632	709,272	1,016,626	374,399	2,100,297	9
49,230	657,013	1,147,059	417,207	2,221,279	10
59,309	843,076	1,381,895	509,933	2,734,904	11
50,496	852,079	1,176,557	438,406	2,467,042	12
53,362	771,076	1,243,325	453,687	2,468,088	13
73,335	1,079,637	1,708,692	618,239	3,406,568	14
1,971,405	28,996,637	46,275,993	16,597,458	91,870,088	
2,893,713	0	96,721,445	389,504	97,090,949	
4,865,118	28,996,637	142,997,438	16,966,962	188,961,037	

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
SALES FOR RESALE (Account 447)						
<p>1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).</p> <p>2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows: RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers. LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract. IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years. SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less. LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit. IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	City of Nicholasville-#3	RQ	163	6	6	5
2	City of Nicholasville-#4 & #5	RQ	198	12	12	11
3	City of Nicholasville-#6 & #8	RQ	216	13	12	11
4	City of Nicholasville-#7	RQ	217	6	6	6
5	City of Paris-Bourbon Heights	RQ	83	0	0	0
6	City of Paris-Bourbon Trace 1	RQ	83	0	0	0
7	City of Paris-Bourbon Trace 2	RQ	83	0	0	0
8	City of Paris-Scott/Claysville	RQ	83	8	8	4
9	City of Paris-Vine Street	RQ	83	3	3	3
10	City of Paris-Weaver 1	RQ	83	0	0	0
11	City of Paris-Weaver 2	RQ	83	0	0	0
12	City of Paris-Weaver 3	RQ	83	0	0	0
13	City of Paris-Wilson Drug	RQ	83	0	0	0
14	City of Providence	RQ	195	2	4	3
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4		
Kentucky Utilities Company					
SALES FOR RESALE (Account 447) (Continued)					
<p>OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.</p> <p>AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)</p> <p>5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.</p> <p>6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.</p> <p>8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.</p> <p>9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.</p> <p>10. Footnote entries as required and provide explanations following all required data.</p>					
MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
32,246	525,849	751,341	269,982	1,547,172	1
60,840	1,043,133	1,417,581	504,324	2,965,038	2
86,020	1,187,896	2,004,266	715,522	3,907,684	3
34,352	572,371	800,398	291,062	1,663,831	4
1,125		32,258	9,870	42,128	5
408		11,708	3,309	15,017	6
316		9,045	2,596	11,641	7
42,060	55,658	1,205,853	350,607	1,612,118	8
17,655	262,500	506,179	147,661	916,340	9
93		2,680	768	3,448	10
1,001		28,705	8,516	37,221	11
900		25,813	7,638	33,451	12
176		5,054	1,524	6,578	13
19,370	323,367	451,312	165,302	939,981	14
1,971,405	28,996,637	46,275,993	16,597,458	91,870,088	
2,893,713	0	96,721,445	369,504	97,090,949	
4,865,118	28,996,637	142,997,438	16,966,962	188,961,037	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
SALES FOR RESALE (Account 447)						
<p>1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).</p> <p>2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows: RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers. LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract. IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years. SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less. LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit. IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	City of Providence-East	RQ	196	2	2	2
2	American Electric Power Service Corp	OS	(2)	NA	NA	NA
3	Associated Electric Coop Inc	OS	(3)	NA	NA	NA
4	Ameren Energy Marketing Company	OS	(3)	NA	NA	NA
5	Ameren Energy, Inc	OS	(3)	NA	NA	NA
6	Cargill Power Markets, LLC	OS	(3)	NA	NA	NA
7	Citigroup Energy Inc.	OS	(3)	NA	NA	NA
8	Cobb Electric Membership Corporation	OS	(3)	NA	NA	NA
9	Constellation Energy Comds. Grp. Inc.	OS	(3)	NA	NA	NA
10	Constellation Energy Comds. Grp. Inc.	AD	(3)	NA	NA	NA
11	DTE Energy Trading Inc.	OS	(3)	NA	NA	NA
12	Duke Energy Carolinas, LLC	OS	(3)	NA	NA	NA
13	East Kentucky Power Cooperative, Inc.	OS	(3)	NA	NA	NA
14	East Kentucky Power Cooperative, Inc.	OS	(6)	NA	NA	NA
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent	This Report is:	Date of Report	Year/Period of Report		
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	End of 2008/Q4		
SALES FOR RESALE (Account 447) (Continued)					
<p>OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.</p> <p>AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)</p> <p>5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.</p> <p>6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.</p> <p>8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.</p> <p>9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last-line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.</p> <p>10. Footnote entries as required and provide explanations following all required data.</p>					
MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
12,826	202,481	298,937	108,930	610,248	1
1,319		77,741		77,741	2
2,204		133,843		133,843	3
220		13,152		13,152	4
53		2,859		2,859	5
2,837		173,179		173,179	6
686		40,043		40,043	7
3,944		240,659		240,659	8
1,488		93,837		93,837	9
-1			-41	-41	10
79		5,524		5,524	11
1,060		55,278		55,278	12
665		43,097		43,097	13
17		1,179		1,179	14
1,971,405	28,996,637	46,275,993	16,597,458	91,870,088	
2,893,713	0	96,721,445	369,504	97,090,949	
4,865,118	28,996,637	142,997,438	16,966,962	188,961,037	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 11	Year/Period of Report End of 2008/Q4	
SALES FOR RESALE (Account 447)						
<p>1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).</p> <p>2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows: RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers. LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract. IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years. SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less. LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit. IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Endure Energy	OS	(3)	NA	NA	NA
2	Fortis Energy Marketing & Trading GP	OS	(3)	NA	NA	NA
3	Illinois Municipal Electric Agency	OS	(5)	NA	NA	NA
4	Indiana Municipal Power Agency	OS	(5)	NA	NA	NA
5	Integrus Energy Services	OS	(3)	NA	NA	NA
6	Kansas City Power & Light	OS	(3)	NA	NA	NA
7	Louisville Gas & Electric Company	SF	(1)	NA	NA	NA
8	MF Global Inc.	OS		NA	NA	NA
9	Merrill Lynch Commodities, Inc.	OS	(3)	NA	NA	NA
10	Midwest Independent Transmission System	OS	(3)	NA	NA	NA
11	Midwest ISO Contingency Reserve Sharing	OS	(7)	NA	NA	NA
12	Owensboro Municipal Utilities	OS	(9)	NA	NA	NA
13	PJM Interconnection Association	OS	(3)	NA	NA	NA
14	Progress Energy Ventures Inc.	OS	(3)	NA	NA	NA
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4		
SALES FOR RESALE (Account 447) (Continued)					
<p>OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.</p> <p>AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)</p> <p>5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.</p> <p>6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.</p> <p>8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.</p> <p>9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.</p> <p>10. Footnote entries as required and provide explanations following all required data.</p>					
MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
1,727		84,798		84,798	1
617		37,322		37,322	2
2,544		264,614		264,614	3
1,986		202,925		202,925	4
178		13,105		13,105	5
10		417		417	6
2,579,175		79,520,474		79,520,474	7
			369,545	369,545	8
536		34,048		34,048	9
76,351		3,850,703		3,850,703	10
469		65,658		65,658	11
47,427		2,496,167		2,496,167	12
121,205		6,685,615		6,685,615	13
10,125		526,606		526,606	14
1,971,405	28,996,637	46,275,993	16,597,458	91,870,088	
2,893,713	0	96,721,445	369,504	97,090,949	
4,865,118	28,996,637	142,997,438	16,966,962	188,961,037	

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4			
SALES FOR RESALE (Account 447)						
<p>1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).</p> <p>2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows: RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers. LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract. IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years. SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less. LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit. IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Rainbow Energy Marketing Corp	OS	(3)	NA	NA	NA
2	Southern Company Services, Inc	OS	(3)	NA	NA	NA
3	Tenaska Power Services Co	OS	(3)	NA	NA	NA
4	Tennessee Valley Authority	OS	(3)	NA	NA	NA
5	The Energy Authority	OS	(2)	NA	NA	NA
6	Transalta Energy Marketing (U.S.) Inc.	OS	(3)	NA	NA	NA
7	Westar Energy, Inc.	OS	(3)	NA	NA	NA
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4		
SALES FOR RESALE (Account 447) (Continued)					
<p>OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.</p> <p>AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)</p> <p>5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.</p> <p>6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.</p> <p>8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.</p> <p>9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.</p> <p>10. Footnote entries as required and provide explanations following all required data.</p>					
MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
27		1,174		1,174	1
8,935		470,725		470,725	2
1,937		118,610		118,610	3
15,846		903,650		903,650	4
9,290		517,421		517,421	5
39		1,651		1,651	6
718		45,371		45,371	7
					8
					9
					10
					11
					12
					13
					14
1,971,405	28,996,637	46,275,993	16,597,458	91,870,088	
2,893,713	0	96,721,445	369,504	97,090,949	
4,865,118	28,996,637	142,997,438	16,966,962	188,961,037	

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 310 Line No.: 1 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 2 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 3 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 4 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 5 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 6 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 7 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 8 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 9 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 10 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 11 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 12 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 13 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310 Line No.: 14 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 1 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 2 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 3 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 4 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 5 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 6 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 7 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 8 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 9 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 10 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 11 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 12 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.

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Schedule Page: 310.1 Line No.: 13 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.1 Line No.: 14 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.2 Line No.: 1 Column: j
All amounts in column J (other charges) for RQ's relate to wholesale municipal fuel adjustment clause.
Schedule Page: 310.2 Line No.: 2 Column: b
Market Based Sale
Schedule Page: 310.2 Line No.: 2 Column: c
(2) FERC Electric Tariff, Original Volume No. 2
Schedule Page: 310.2 Line No.: 3 Column: b
Market Based Sale
Schedule Page: 310.2 Line No.: 3 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.2 Line No.: 4 Column: b
Market Based Sale
Schedule Page: 310.2 Line No.: 4 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.2 Line No.: 5 Column: b
Market Based Sale
Schedule Page: 310.2 Line No.: 5 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.2 Line No.: 6 Column: b
Market Based Sale
Schedule Page: 310.2 Line No.: 6 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.2 Line No.: 7 Column: b
Market Based Sale
Schedule Page: 310.2 Line No.: 7 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.2 Line No.: 8 Column: b
Market Based Sale
Schedule Page: 310.2 Line No.: 8 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.2 Line No.: 9 Column: b
Market Based Sale
Schedule Page: 310.2 Line No.: 9 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.2 Line No.: 10 Column: b
December 2007 correction of both MWH and dollars made in 2008.
Schedule Page: 310.2 Line No.: 10 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.2 Line No.: 10 Column: g
December 2007 correction of both MWH and dollars made in 2008.
Schedule Page: 310.2 Line No.: 10 Column: j
December 2007 correction of both MWH and dollars made in 2008.
Schedule Page: 310.2 Line No.: 11 Column: b
Market Based Sale
Schedule Page: 310.2 Line No.: 11 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.2 Line No.: 12 Column: b
Market Based Sale
FERC FORM NO. 1 (ED. 12-87)
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Schedule Page: 310.2 Line No.: 12 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.2 Line No.: 13 Column: b
Market Based Sale
Schedule Page: 310.2 Line No.: 13 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.2 Line No.: 14 Column: b
Energy Imbalance
Schedule Page: 310.2 Line No.: 14 Column: c
(6) E.ON US OATT FERC Electric Tariff Vol. 1 Fourth Rev and East Kentucky Power Coop. OATT FERC Electric Tariff Vol. 1 Second Rev.
Schedule Page: 310.3 Line No.: 1 Column: b
Market Based Sale
Schedule Page: 310.3 Line No.: 1 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.3 Line No.: 2 Column: b
Market Based Sale
Schedule Page: 310.3 Line No.: 2 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.3 Line No.: 3 Column: b
Cost Based Sale
Schedule Page: 310.3 Line No.: 3 Column: c
(5) FERC Electric Tariff, Original Volume No. 5
Schedule Page: 310.3 Line No.: 4 Column: b
Cost Based Sale
Schedule Page: 310.3 Line No.: 4 Column: c
(5) FERC Electric Tariff, Original Volume No. 5
Schedule Page: 310.3 Line No.: 5 Column: b
Market Based Sale
Schedule Page: 310.3 Line No.: 5 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.3 Line No.: 6 Column: b
Market Based Sale
Schedule Page: 310.3 Line No.: 6 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.3 Line No.: 7 Column: a
Louisville Gas and Electric Company and Kentucky Utilities Company are both owned by E.ON U.S. LLC.
Schedule Page: 310.3 Line No.: 7 Column: c
(1) FERC Rate Schedule No. 1. The Power Supply System Agreement, FERC Docket No. ER98-111-000
Schedule Page: 310.3 Line No.: 8 Column: b
Financial Swap
Schedule Page: 310.3 Line No.: 8 Column: j
Financial Swap
Schedule Page: 310.3 Line No.: 9 Column: b
Market Based Sale
Schedule Page: 310.3 Line No.: 9 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.3 Line No.: 10 Column: b
Market Based Sale
Schedule Page: 310.3 Line No.: 10 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.3 Line No.: 11 Column: a
FERC FORM NO. 1 (ED. 12-87)
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The Midwest ISO Contingency Reserve Sharing Group (MISO CRSG) is not a signatory to the CRSG contract. The MISO CRSG is the group administrator and serves as the clearing house for the CRSG billing. The CRSG group is comprised of the following members: Alliant East, Alliant West, Ameren Illinois, Ameren Missouri, Ames Municipal, Basin Electric Power Cooperative, Big Rivers, City of Springfield, City of Columbia Missouri, Consumers, Dairyland Power Cooperative, DTE Energy, Duke Energy, Duke Energy Indiana, Duke Energy Kentucky, Duke Energy Ohio, East Kentucky Power Coop, E.ON US, First Energy, GEN-SYS Energy, Great River Energy, Hastings Municipal, Heartland Consumers Power Dist, Hoosier Energy REC, Hutchinson Utilities Commission, Indianapolis Power & Light Co, Lincoln Electric System, Madison Gas & Electric, Manitoba Hydro, Michigan Electric Coordinated System, MidAmerican Energy Company, Minnesota Municipal Power Agency, Minnesota Power Inc, Minnkota Power Cooperative, Missouri River Energy Services, Montana-Dakota Utilities Inc, Municipal Energy Agency of Nebraska, Muscatine Power and Water, Nebraska Public Power District, Northern Indiana Public Service Co, Northwestern Energy, NSP Companies, Omaha Public Power District, Otter Tail Power Company, Rochester Public Utilities, So Minnesota Municipal Power Agency, Southern Illinois Power Coop, Upper Peninsula Power Co, Vectren, Western Area Power Administration, Willmar Municipal Utilities, Wisconsin Energy Corporation, Wisconsin Public Power Inc, and Wisconsin Public Service Corp.

Schedule Page: 310.3 Line No.: 11 Column: b
Emergency Power
Schedule Page: 310.3 Line No.: 11 Column: c
(7) MISO FERC Electric Tariff Rate Schedule No. 9
Schedule Page: 310.3 Line No.: 11 Column: g
MWH for the Midwest ISO (MISO) members are excluded to avoid double-counting; MWH for the MISO members are reported with the MISO as part of the energy markets invoice using the FERC Order 668 MWH netting requirement.
Schedule Page: 310.3 Line No.: 11 Column: i
Energy dollars for amount representing LMP are reported with the MISO as part of the energy markets invoice using the FERC Order 668 MWH netting requirement.
Schedule Page: 310.3 Line No.: 12 Column: b
Backup Power
Schedule Page: 310.3 Line No.: 12 Column: c
(9) FERC Electric Tariff FPC 74
Schedule Page: 310.3 Line No.: 13 Column: b
Market Based Sale
Schedule Page: 310.3 Line No.: 13 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.3 Line No.: 14 Column: b
Market Based Sale
Schedule Page: 310.3 Line No.: 14 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.4 Line No.: 1 Column: b
Market Based Sale
Schedule Page: 310.4 Line No.: 1 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.4 Line No.: 2 Column: b
Market Based Sale
Schedule Page: 310.4 Line No.: 2 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.4 Line No.: 3 Column: b
Market Based Sale
Schedule Page: 310.4 Line No.: 3 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.4 Line No.: 4 Column: b
Market Based Sale
Schedule Page: 310.4 Line No.: 4 Column: c
(3) FERC Electric Tariff, Original Volume No. 3
Schedule Page: 310.4 Line No.: 5 Column: b
FERC FORM NO. 1 (ED. 12-87)
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FOOTNOTE DATA			

Market Based Sale

Schedule Page: 310.4 Line No.: 5 Column: c

(2) FERC Electric Tariff, Original Volume No. 2

Schedule Page: 310.4 Line No.: 6 Column: b

Market Based Sale

Schedule Page: 310.4 Line No.: 6 Column: c

(3) FERC Electric Tariff, Original Volume No. 3

Schedule Page: 310.4 Line No.: 7 Column: b

Market Based Sale

Schedule Page: 310.4 Line No.: 7 Column: c

(3) FERC Electric Tariff, Original Volume No. 3

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. POWER PRODUCTION EXPENSES			
2	A. Steam Power Generation			
3	Operation			
4	(500) Operation Supervision and Engineering	4,096,569		3,884,997
5	(501) Fuel	468,318,498		402,527,315
6	(502) Steam Expenses	12,298,437		9,983,115
7	(503) Steam from Other Sources			
8	(Less) (504) Steam Transferred-Cr.			
9	(505) Electric Expenses	5,592,653		5,596,263
10	(506) Miscellaneous Steam Power Expenses	10,595,994		7,282,652
11	(507) Rents			
12	(509) Allowances	619,818		2,614,525
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	501,521,969		431,888,867
14	Maintenance			
15	(510) Maintenance Supervision and Engineering	6,147,126		4,952,714
16	(511) Maintenance of Structures	5,408,039		5,036,929
17	(512) Maintenance of Boiler Plant	25,209,896		27,400,811
18	(513) Maintenance of Electric Plant	9,741,859		10,556,105
19	(514) Maintenance of Miscellaneous Steam Plant	1,059,004		1,065,291
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	47,565,924		49,011,850
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	549,087,893		480,900,717
22	B. Nuclear Power Generation			
23	Operation			
24	(517) Operation Supervision and Engineering			
25	(518) Fuel			
26	(519) Coolants and Water			
27	(520) Steam Expenses			
28	(521) Steam from Other Sources			
29	(Less) (522) Steam Transferred-Cr.			
30	(523) Electric Expenses			
31	(524) Miscellaneous Nuclear Power Expenses			
32	(525) Rents			
33	TOTAL Operation (Enter Total of lines 24 thru 32)			
34	Maintenance			
35	(528) Maintenance Supervision and Engineering			
36	(529) Maintenance of Structures			
37	(530) Maintenance of Reactor Plant Equipment			
38	(531) Maintenance of Electric Plant			
39	(532) Maintenance of Miscellaneous Nuclear Plant			
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)			
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)			
42	C. Hydraulic Power Generation			
43	Operation			
44	(535) Operation Supervision and Engineering	7,332		8,950
45	(536) Water for Power			
46	(537) Hydraulic Expenses			
47	(538) Electric Expenses			
48	(539) Miscellaneous Hydraulic Power Generation Expenses	42,056		30,470
49	(540) Rents			
50	TOTAL Operation (Enter Total of Lines 44 thru 49)	49,388		39,420
51	C. Hydraulic Power Generation (Continued)			
52	Maintenance			
53	(541) Maintenance Supervision and Engineering	104,880		107,573
54	(542) Maintenance of Structures	148,534		144,686
55	(543) Maintenance of Reservoirs, Dams, and Waterways			
56	(544) Maintenance of Electric Plant	76,469		197,756
57	(545) Maintenance of Miscellaneous Hydraulic Plant	5,629		5,459
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)	335,512		455,474
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)	384,900		494,894

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering	177,861		74,616
63	(547) Fuel	44,080,973		57,591,370
64	(548) Generation Expenses	2,352,366		713,415
65	(549) Miscellaneous Other Power Generation Expenses	137,843		144,288
66	(550) Rents			
67	TOTAL Operation (Enter Total of lines 62 thru 66)	46,749,043		58,523,689
68	Maintenance			
69	(551) Maintenance Supervision and Engineering	106,233		42,895
70	(552) Maintenance of Structures	157,283		150,424
71	(553) Maintenance of Generating and Electric Plant	2,318,502		2,975,965
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	517,893		252,060
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	3,099,911		3,421,344
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	49,848,954		61,945,033
75	E. Other Power Supply Expenses			
76	(555) Purchased Power	221,176,768		168,443,606
77	(556) System Control and Load Dispatching	1,593,466		1,552,192
78	(557) Other Expenses	980,360		1,666,475
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	223,750,594		171,662,273
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	823,072,341		715,002,917
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering	1,987,071		916,089
84	(561) Load Dispatching	1,028,651		957,968
85	(561.1) Load Dispatch-Reliability			
86	(561.2) Load Dispatch-Monitor and Operate Transmission System			
87	(561.3) Load Dispatch-Transmission Service and Scheduling			
88	(561.4) Scheduling, System Control and Dispatch Services	19,268		259
89	(561.5) Reliability, Planning and Standards Development			
90	(561.6) Transmission Service Studies	47,889		18,891
91	(561.7) Generation Interconnection Studies			
92	(561.8) Reliability, Planning and Standards Development Services	1,386		18
93	(562) Station Expenses	400,774		458,794
94	(563) Overhead Lines Expenses	424,984		400,237
95	(564) Underground Lines Expenses			
96	(565) Transmission of Electricity by Others	6,315,049		4,484,694
97	(566) Miscellaneous Transmission Expenses	4,842,910		6,293,929
98	(567) Rents	99,500		56,986
99	TOTAL Operation (Enter Total of lines 83 thru 98)	15,167,482		13,587,865
100	Maintenance			
101	(568) Maintenance Supervision and Engineering			
102	(569) Maintenance of Structures			
103	(569.1) Maintenance of Computer Hardware			
104	(569.2) Maintenance of Computer Software			
105	(569.3) Maintenance of Communication Equipment			
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant			
107	(570) Maintenance of Station Equipment	1,212,830		1,169,930
108	(571) Maintenance of Overhead Lines	3,143,960		3,515,529
109	(572) Maintenance of Underground Lines			
110	(573) Maintenance of Miscellaneous Transmission Plant	375,802		309,324
111	TOTAL Maintenance (Total of lines 101 thru 110)	4,732,592		4,994,783
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	19,900,074		18,582,648

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
113	3. REGIONAL MARKET EXPENSES			
114	Operation			
115	(575.1) Operation Supervision			
116	(575.2) Day-Ahead and Real-Time Market Facilitation			
117	(575.3) Transmission Rights Market Facilitation			
118	(575.4) Capacity Market Facilitation			
119	(575.5) Ancillary Services Market Facilitation			
120	(575.6) Market Monitoring and Compliance			
121	(575.7) Market Facilitation, Monitoring and Compliance Services	38,293		5,792
122	(575.8) Rents			
123	Total Operation (Lines 115 thru 122)	38,293		5,792
124	Maintenance			
125	(576.1) Maintenance of Structures and Improvements			
126	(576.2) Maintenance of Computer Hardware			
127	(576.3) Maintenance of Computer Software			
128	(576.4) Maintenance of Communication Equipment			
129	(576.5) Maintenance of Miscellaneous Market Operation Plant			
130	Total Maintenance (Lines 125 thru 129)			
131	TOTAL Regional Transmission and Market Op Expns (Total 123 and 130)	38,293		5,792
132	4. DISTRIBUTION EXPENSES			
133	Operation			
134	(580) Operation Supervision and Engineering	1,437,058		1,337,127
135	(581) Load Dispatching	603,830		667,273
136	(582) Station Expenses	1,229,962		1,103,556
137	(583) Overhead Line Expenses	4,122,244		2,806,778
138	(584) Underground Line Expenses	72,556		85,185
139	(585) Street Lighting and Signal System Expenses	10,104		6,500
140	(586) Meter Expenses	6,521,240		6,202,616
141	(587) Customer Installations Expenses	-80,541		-81,768
142	(588) Miscellaneous Expenses	4,687,096		4,557,460
143	(589) Rents	12,842		13,002
144	TOTAL Operation (Enter Total of lines 134 thru 143)	18,616,391		16,697,729
145	Maintenance			
146	(590) Maintenance Supervision and Engineering	7,745		7,927
147	(591) Maintenance of Structures	685		
148	(592) Maintenance of Station Equipment	959,759		813,560
149	(593) Maintenance of Overhead Lines	22,896,107		19,293,285
150	(594) Maintenance of Underground Lines	630,133		621,863
151	(595) Maintenance of Line Transformers	79,117		112,521
152	(596) Maintenance of Street Lighting and Signal Systems	60,839		81,269
153	(597) Maintenance of Meters			
154	(598) Maintenance of Miscellaneous Distribution Plant	-5,118		11,846
155	TOTAL Maintenance (Total of lines 146 thru 154)	24,629,267		20,942,271
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	43,245,658		37,640,000
157	5. CUSTOMER ACCOUNTS EXPENSES			
158	Operation			
159	(901) Supervision	1,940,125		1,991,238
160	(902) Meter Reading Expenses	3,761,113		4,292,201
161	(903) Customer Records and Collection Expenses	12,515,610		11,681,015
162	(904) Uncollectible Accounts	3,919,708		2,323,942
163	(905) Miscellaneous Customer Accounts Expenses	334,960		173,641
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	22,471,516		20,462,037

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
166	Operation			
167	(907) Supervision	252,037		234,620
168	(908) Customer Assistance Expenses	2,726,413		4,748,069
169	(909) Informational and Instructional Expenses	68,864		536,623
170	(910) Miscellaneous Customer Service and Informational Expenses	1,870,819		747,973
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	4,918,133		6,267,285
172	7. SALES EXPENSES			
173	Operation			
174	(911) Supervision			
175	(912) Demonstrating and Selling Expenses			
176	(913) Advertising Expenses	58,162		48,890
177	(916) Miscellaneous Sales Expenses			
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	58,162		48,890
179	8. ADMINISTRATIVE AND GENERAL EXPENSES			
180	Operation			
181	(920) Administrative and General Salaries	16,142,090		15,682,009
182	(921) Office Supplies and Expenses	6,798,911		7,271,153
183	(Less) (922) Administrative Expenses Transferred-Credit	1,992,872		1,316,492
184	(923) Outside Services Employed	12,763,789		8,985,949
185	(924) Property Insurance	2,832,972		3,394,768
186	(925) Injuries and Damages	1,226,235		1,178,211
187	(926) Employee Pensions and Benefits	24,119,043		22,618,725
188	(927) Franchise Requirements	3,196		3,206
189	(928) Regulatory Commission Expenses	1,192,613		930,738
190	(929) (Less) Duplicate Charges-Cr.	3,196		3,206
191	(930.1) General Advertising Expenses	585,277		445,124
192	(930.2) Miscellaneous General Expenses	1,738,084		1,545,718
193	(931) Rents	1,741,354		1,565,377
194	TOTAL Operation (Enter Total of lines 181 thru 193)	67,147,496		62,301,280
195	Maintenance			
196	(935) Maintenance of General Plant	8,415,586		6,416,472
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	75,563,082		68,717,752
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	989,267,269		866,727,321

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FOOTNOTE DATA			

Schedule Page: 320 Line No.: 141 Column: b

The credit is due to meter tampering charges billed to customers to offset the cost of meter maintenance. The cost is recorded in several accounts.

Schedule Page: 320 Line No.: 141 Column: c

The credit is due to meter tampering charges billed to customers to offset the cost of meter maintenance. The cost is recorded in several accounts.

Schedule Page: 320 Line No.: 154 Column: b

The credit balance is due to an out-of-period adjustment for uncollectible Sundry accounts receivable.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
PURCHASED POWER (Account 555) (Including power exchanges)						
<p>1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.</p> <p>2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</p> <p>RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.</p> <p>LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.</p> <p>LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.</p> <p>IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.</p> <p>OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Ameren Energy Marketing Company	OS	(1)	NA	NA	NA
2	Ameren UE	OS	(1)	NA	NA	NA
3	American Electric Power Service Corp	OS	(1)	NA	NA	NA
4	Associated Electric Coop Inc	OS	(1)	NA	NA	NA
5	Big Rivers Electric Corp.	OS	(1)	NA	NA	NA
6	Bluegrass Generation Company LLC	OS	(5)	NA	NA	NA
7	Cargill Power Markets, LLC	OS	(1)	NA	NA	NA
8	Citigroup Energy Inc.	OS	(1)	NA	NA	NA
9	Cobb Electric Membership Corporation	OS	(1)	NA	NA	NA
10	Constellation Energy Comds. Grp Inc.	OS	(1)	NA	NA	NA
11	DTE Energy Trading Inc	OS	(1)	NA	NA	NA
12	Dynegy Power Marketing, Inc	OS	(1)	165	168	
13	Duke Energy Carolinas, LLC	OS	(1)	NA	NA	NA
14	East Kentucky Power Coop. Inc.	OS	(1)	NA	NA	NA
	Total					

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4		
PURCHASED POWER (Account 555) (Continued) (Including power exchanges)							
AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.							
4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.							
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.							
6. Report in column (g) the megawatt-hours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatt-hours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.							
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.							
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.							
9. Footnote entries as required and provide explanations following all required data.							
MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
3,266				267,672		267,672	1
10,217				813,554		813,554	2
10,203				748,186		748,186	3
7,041				503,172		503,172	4
31				2,867		2,867	5
139				5,483		5,483	6
15,610				1,169,517		1,169,517	7
100				8,500		8,500	8
3,155				238,820		238,820	9
7,944				625,392		625,392	10
583				44,985		44,985	11
43,043			1,386,000	4,916,424		6,302,424	12
1,225				87,200		87,200	13
85				12,914		12,914	14
7,095,014	34,513	28,951	23,221,165	198,150,908	-195,306	221,176,768	

Name of Respondent	This Report Is:	Date of Report	Year/Period of Report			
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	End of 2008/Q4			
PURCHASED POWER (Account 555) (Including power exchanges)						
<p>1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.</p> <p>2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</p> <p>RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.</p> <p>LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.</p> <p>LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.</p> <p>IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.</p> <p>OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	East Kentucky Power Coop. Inc.	OS	(3)	NA	NA	NA
2	Fortis Energy Marketing & Trading GP	OS	(1)	NA	NA	NA
3	Indiana Municipal Power Agency	OS	(7)	NA	NA	NA
4	Integrus Energy Services	OS	(1)	NA	NA	NA
5	Louisville Gas & Electric Co.	SF	(2)	NA	NA	NA
6	Merrill Lynch Commodities, Inc.	OS	(1)	NA	NA	NA
7	Midwest Independent Transmission Oper.	OS	(1)	NA	NA	NA
8	Midwest ISO Contingency Reserv Sharing	OS	(4)	NA	NA	NA
9	Midwest ISO Contingency Reserv Sharing	AD	(4)	NA	NA	NA
10	Ohio Valley Electric Corporation	OS	(6)	NA	NA	NA
11	Ohio Valley Electric Corporation	AD	(6)	NA	NA	NA
12	Owensboro Municipal Utilities	RQ	(7)	163	260	
13	Owensboro Municipal Utilities	AD	(7)	NA	NA	NA
14	PJM Interconnection Association	OS	(1)	NA	NA	NA
	Total					

Name of Respondent	This Report Is:	Date of Report	Year/Period of Report				
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	End of 2008/Q4				
PURCHASED POWER (Account 555) (Continued) (Including power exchanges)							
<p>AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.</p> <p>5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.</p> <p>7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.</p> <p>8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.</p> <p>9. Footnote entries as required and provide explanations following all required data.</p>							
MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$ (j))	Energy Charges (\$ (k))	Other Charges (\$ (l))	Total (j+k+l) of Settlement (\$ (m))	
2,433				103,732		103,732	1
4,852				409,750		409,750	2
423				18,612		18,612	3
100				10,000		10,000	4
5,056,906				109,345,605		109,345,605	5
2,504				216,334		216,334	6
213,733				16,476,623		16,476,623	7
196				84,893		84,893	8
					-12	-12	9
375,805			6,583,170	8,407,656		14,990,826	10
					-122,828	-122,828	11
1,170,202			15,251,995	41,085,207		56,337,202	12
					-72,466	-72,466	13
151,817				11,451,395		11,451,395	14
7,095,014	34,513	28,951	23,221,165	198,150,909	-195,306	221,176,768	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 11	Year/Period of Report End of 2008/Q4	
PURCHASED POWER (Account 555) (including power exchanges)						
<p>1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.</p> <p>2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</p> <p>RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.</p> <p>LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.</p> <p>LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.</p> <p>IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.</p> <p>OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Southern Company Services, Inc.	OS	(1)	NA	NA	NA
2	Tenaska Power Services Co	OS	(1)	NA	NA	NA
3	The Energy Authority	OS	(1)	NA	NA	NA
4	Tennessee Valley Authority	OS	(1)	NA	NA	NA
5	Westar Energy, Inc.	OS	(1)	NA	NA	NA
6	Inadvertant Interchange			NA	NA	NA
7						
8						
9						
10						
11						
12						
13						
14						
	Total					

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4				
PURCHASED POWER/Account 555 (Continued) (Including power exchanges)							
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MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$ (j))	Energy Charges (\$ (k))	Other Charges (\$ (l))	Total (j+k+l) of Settlement (\$ (m))	
1,296				95,000		95,000	1
451				20,408		20,408	2
8,515				768,728		768,728	3
451				28,004		28,004	4
2,688				184,274		184,274	5
	34,513	28,951					6
							7
							8
							9
							10
							11
							12
							13
							14
7,095,014	34,513	28,951	23,221,165	198,150,909	-195,306	221,176,768	

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 326 Line No.: 1 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 1 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 2 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 2 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 3 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 3 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 4 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 4 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 5 Column: b
Energy Imbalance
Schedule Page: 326 Line No.: 5 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 6 Column: b
Energy Imbalance
Schedule Page: 326 Line No.: 6 Column: c
(5) FERC Electric Tariff, Original Volume No. 2, Service Agreement No. 255
Schedule Page: 326 Line No.: 7 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 7 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 8 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 8 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 9 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 9 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 10 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 10 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 11 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 11 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 12 Column: b
Purchase Power
Schedule Page: 326 Line No.: 12 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 12 Column: f
The supplier's system monthly peak is not available to Kentucky Utilities Company.
Schedule Page: 326 Line No.: 13 Column: b
Market Based Purchase
FERC FORM NO. 1 (ED. 12-87)
Page 450.1

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 326 Line No.: 13 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326 Line No.: 14 Column: b
Market Based Purchase
Schedule Page: 326 Line No.: 14 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326.1 Line No.: 1 Column: b
Energy Imbalance
Schedule Page: 326.1 Line No.: 1 Column: c
(3) E.ON U.S. OATT FERC Electric Tariff Vol. 1 Fourth Rev and East Kentucky Power Coop. OATT FERC Electric Tariff Vol. 1 Second Rev.
Schedule Page: 326.1 Line No.: 2 Column: b
Market Based Purchase
Schedule Page: 326.1 Line No.: 2 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326.1 Line No.: 3 Column: b
Market Based Purchase
Schedule Page: 326.1 Line No.: 3 Column: c
(7) Interchange Agreement FERC Schedule No. 31
Schedule Page: 326.1 Line No.: 4 Column: b
Market Based Purchase
Schedule Page: 326.1 Line No.: 4 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326.1 Line No.: 5 Column: a
Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.
Schedule Page: 326.1 Line No.: 5 Column: c
(2) FERC Rate Schedule No. 1. The Power Supply System Agreement, FERC Docket No. ER98-111-000
Schedule Page: 326.1 Line No.: 6 Column: b
Market Based Purchase
Schedule Page: 326.1 Line No.: 6 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326.1 Line No.: 7 Column: b
Market Based Purchase
Schedule Page: 326.1 Line No.: 7 Column: c
(1) FERC-approved tariff and/or rate schedule as on file with the Commission.
Schedule Page: 326.1 Line No.: 8 Column: a
The Midwest ISO Contingency Reserve Sharing Group (MISO CRSG) is not a signatory to the CRSG contract. The MISO CRSG is the group administrator and serves as the clearing house for the CRSG billing. The CRSG group is comprised of the following members: Alliant East, Alliant West, Ameren Illinois, Ameren Missouri, Ames Municipal, Basin Electric Power Cooperative, Big Rivers, City of Springfield, City of Columbia Missouri, Consumers, Dairyland Power Cooperative, DTE Energy, Duke Energy, Duke Energy Indiana, Duke Energy Kentucky, Duke Energy Ohio, East Kentucky Power Coop, E.ON US, First Energy, GEN-SYS Energy, Great River Energy, Hastings Municipal, Heartland Consumers Power Dist, Hoosier Energy REC, Hutchinson Utilities Commission, Indianapolis Power & Light Co, Lincoln Electric System, Madison Gas & Electric, Manitoba Hydro, Michigan Electric Coordinated System, MidAmerican Energy Company, Minnesota Municipal Power Agency, Minnesota Power Inc, Minnkota Power Cooperative, Missouri River Energy Services, Montana-Dakota Utilities Inc, Municipal Energy Agency of Nebraska, Muscatine Power and Water, Nebraska Public Power District, Northern Indiana Public Service Co, Northwestern Energy, NSP Companies, Omaha Public Power District, Otter Tail Power Company, Rochester Public Utilities, So Minnesota Municipal Power Agency, Southern Illinois Power Coop, Upper Peninsula Power Co, Vectren, Western Area Power Administration, Willmar Municipal Utilities, Wisconsin Energy Corporation, Wisconsin Public Power Inc and Wisconsin Public Service Corp.
Schedule Page: 326.1 Line No.: 8 Column: b
Emergency Power
Schedule Page: 326.1 Line No.: 8 Column: c
FERC FORM NO. 1 (ED. 12-87)
Page 450.2

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

(4) MISO FERC Electric Tariff Rate Schedule No. 9

Schedule Page: 326.1 Line No.: 8 Column: g

MWH for the Midwest ISO (MISO) members are excluded to avoid double-counting; MWH for the MISO members are reported with the MISO as part of the energy markets invoice using the FERC Order 668 MWH netting requirement.

Schedule Page: 326.1 Line No.: 8 Column: k

Energy dollars for amount representing LMP are reported with the Midwest ISO (MISO) as part of the energy markets invoice using the FERC Order 668 MWH netting requirement.

Schedule Page: 326.1 Line No.: 9 Column: a

The Midwest ISO Contingency Reserve Sharing Group (MISO CRSG) is not a signatory to the CRSG contract. The MISO CRSG is the group administrator and serves as the clearing house for the CRSG billing. The CRSG group is comprised of the following members: Alliant East, Alliant West, Ameren Illinois, Ameren Missouri, Ames Municipal, Basin Electric Power Cooperative, Big Rivers, City of Springfield, City of Columbia Missouri, Consumers, Dairyland Power Cooperative, DTE Energy, Duke Energy, Duke Energy Indiana, Duke Energy Kentucky, Duke Energy Ohio, East Kentucky Power Coop, E.ON US, First Energy, GEN-SYS Energy, Great River Energy, Hastings Municipal, Heartland Consumers Power Dist, Hoosier Energy REC, Hutchinson Utilities Commission, Indianapolis Power & Light Co, Lincoln Electric System, Madison Gas & Electric, Manitoba Hydro, Michigan Electric Coordinated System, MidAmerican Energy Company, Minnesota Municipal Power Agency, Minnesota Power Inc, Minnkota Power Cooperative, Missouri River Energy Services, Montana-Dakota Utilities Inc, Municipal Energy Agency of Nebraska, Muscatine Power and Water, Nebraska Public Power District, Northern Indiana Public Service Co, Northwestern Energy, NSP Companies, Omaha Public Power District, Otter Tail Power Company, Rochester Public Utilities, So Minnesota Municipal Power Agency, Southern Illinois Power Coop, Upper Peninsula Power Co, Vectren, Western Area Power Administration, Willmar Municipal Utilities, Wisconsin Energy Corporation, Wisconsin Public Power Inc and Wisconsin Public Service Corp.

Schedule Page: 326.1 Line No.: 9 Column: b

True-up of December 2007 accrual estimate.

Schedule Page: 326.1 Line No.: 9 Column: c

(4) MISO FERC Electric Tariff Rate Schedule No. 9

Schedule Page: 326.1 Line No.: 9 Column: l

True-up of December 2007 accrual estimate.

Schedule Page: 326.1 Line No.: 10 Column: a

The Company owns 2.5% of the common stock of Ohio Valley Electric Corporation (OVEC). Purchase of surplus power pursuant to Article 4 of the Amended and Restated Inter-company Power Agreement among OVEC and Sponsoring Companies dated March 13, 2006.

Schedule Page: 326.1 Line No.: 10 Column: b

Surplus Power

Schedule Page: 326.1 Line No.: 10 Column: c

(6) Purchase of surplus power pursuant to Article 4 of the Amended and Restated Inter-company Power Agreement among OVEC and Sponsoring Companies dated March 13, 2006.

Schedule Page: 326.1 Line No.: 11 Column: a

The Company owns 2.5% of the common stock of OVEC. Purchase of surplus power pursuant to Article 4 of the Amended and Restated Inter-company Power Agreement among OVEC and Sponsoring Companies dated March 13, 2006.

Schedule Page: 326.1 Line No.: 11 Column: b

December 2007 true-up of accrual estimate for both energy and demand charges booked in 2008. Previous years' FERC Form 1 reports included these out-of-period adjustments in the current year because they were considered standard monthly adjustments. On a go-forward basis, these out-of-period adjustments will be shown separately.

Schedule Page: 326.1 Line No.: 11 Column: c

(6) Purchase of surplus power pursuant to Article 4 of the Amended and Restated Inter-company Power Agreement among OVEC and Sponsoring Companies dated March 13, 2006.

Schedule Page: 326.1 Line No.: 11 Column: l

December 2007 true up of accrual estimate for both energy (\$19,188) and demand charges (-\$142,016) made in 2008.

Schedule Page: 326.1 Line No.: 12 Column: c

(7) FERC Electric Tariff FPC 74

Schedule Page: 326.1 Line No.: 12 Column: f

The supplier's system monthly peak is not available to Kentucky Utilities Company.

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 326.1 Line No.: 13 Column: b

December 2007 true-up of accrual estimate for both energy and demand charges booked in 2008. Previous years' FERC Form 1 reports included these out-of-period adjustments in the current year because they were considered standard monthly adjustments. On a go-forward basis, these out-of-period adjustments will be shown separately.

Schedule Page: 326.1 Line No.: 13 Column: c

(7) FERC Electric Tariff FPC 74

Schedule Page: 326.1 Line No.: 13 Column: l

December 2007 true up of accrual estimate for both energy (-\$22,292) and demand charges (-\$50,174) made in 2008.

Schedule Page: 326.1 Line No.: 14 Column: b

Market Based Purchase

Schedule Page: 326.1 Line No.: 14 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 1 Column: b

Market Based Purchase

Schedule Page: 326.2 Line No.: 1 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 2 Column: b

Market Based Purchase

Schedule Page: 326.2 Line No.: 2 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 3 Column: b

Market Based Purchase

Schedule Page: 326.2 Line No.: 3 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 4 Column: b

Market Based Purchase

Schedule Page: 326.2 Line No.: 4 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Schedule Page: 326.2 Line No.: 5 Column: b

Market Based Purchase

Schedule Page: 326.2 Line No.: 5 Column: c

(1) FERC-approved tariff and/or rate schedule as on file with the Commission.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')				
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>				
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	Midwest ISO	Midwest ISO	Midwest ISO	AD
2	East Kentucky Power Cooperative	East Kentucky Power Cooperative	East Kentucky Power Cooperative	FNO
3	East Kentucky Power Cooperative	East Kentucky Power Cooperative	East Kentucky Power Cooperative	SFP
4	East Kentucky Power Cooperative	East Kentucky Power Cooperative	East Kentucky Power Cooperative	NF
5	Tennessee Valley Authority	Tennessee Valley Authority	Tennessee Valley Authority	OLF
6	Tennessee Valley Authority	Tennessee Valley Authority	Tennessee Valley Authority	NF
7	Tennessee Valley Authority	Tennessee Valley Authority	Tennessee Valley Authority	SFP
8	Tennessee Valley Authority	Tennessee Valley Authority	Tennessee Valley Authority	NF
9	Big Rivers Electric Corporation	Big Rivers Electric Corporation	Big Rivers Electric Corporation	NF
10	KU/LG&E	Various	Various	NF
11	KU/LG&E	Various	Various	SFP
12	KU/LG&E	Various	Various	LFP
13	Cargill Power Markets, LLC	Various	Various	SFP
14	Cargill Power Markets, LLC	Various	Various	NF
15	Constellation Energy Commodities Group,	PJM	Tennessee Valley Authority	SFP
16				
17				
18				
19				
20				
21				
22				
23				
24				
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26				
27				
28				
29				
30				
31				
32				
33				
34				
	TOTAL			

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as "wheeling")						
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number. On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>						
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
N/A	Midwest ISO	N/A				1
Vol 1 SA 4	East Kentucky Power	East Kentucky Power	329	2,139,815	2,076,823	2
Vol 1	East Kentucky Power	East Kentucky Power		1,219	1,184	3
Vol 1	East Kentucky Power	East Kentucky Power		6,084	5,906	4
93	TVA	TVA	50	310,854	304,571	5
93	TVA	TVA		1,451	1,451	6
Vol 1	TVA	TVA		173	131	7
Vol 1	TVA	Various		2,265	2,554	8
Vol 1	East Kentucky Power	Big Rivers Electric		1,312	1,312	9
Vol 1	Various	Various				10
Vol 1	Various	Various	101			11
Vol 1	Various	Various	89			12
Vol 1	Various	Various		5,062	4,896	13
Vol 1	Various	Various		9,932	9,626	14
Vol 1	PJM	TVA		4,236	4,079	15
						16
						17
						18
						19
						20
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						33
						34
			569	2,482,403	2,412,533	

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Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as wheeling)				
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>				
REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	-85,278		-85,278	1
2,260,686		-11,549	2,249,137	2
	10,854	405	11,259	3
	8,205	291	8,496	4
485,448		-5,855	479,593	5
	9,234	155	9,389	6
658		16	672	7
	908	43	951	8
	2,799	125	2,924	9
	2,815,337	129,753	2,945,090	10
2,036,441		81,530	2,117,971	11
886,226		44,045	930,271	12
50,751	49,257	6,570	106,578	13
	26,902	1,747	28,649	14
	79,074	3,244	82,318	15
				16
				17
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				21
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				33
				34
5,720,208	2,917,292	250,520	8,888,020	

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2008/Q4
FOOTNOTE DATA			

Schedule Page: 328 Line No.: 1 Column: l

True-up of December 2007 accrual estimate.

Schedule Page: 328 Line No.: 2 Column: m

The total consists of East Kentucky Power Cooperative Schedule 1 and Schedule 2 charges related to firm transmission.

Schedule Page: 328 Line No.: 3 Column: m

The total consists of East Kentucky Power Cooperative Schedule 1 and Schedule 2 charges related to firm transmission.

Schedule Page: 328 Line No.: 4 Column: m

The total consists of East Kentucky Power Cooperative Schedule 1 and Schedule 2 charges related to non-firm transmission.

Schedule Page: 328 Line No.: 5 Column: d

The OLF transmission service agreement between Tennessee Valley Authority and Kentucky Utilities Company has a termination date of 12/31/2011.

Schedule Page: 328 Line No.: 5 Column: m

The total consists of Tennessee Valley Authority Schedule 1 and Schedule 2 charges related to firm transmission.

Schedule Page: 328 Line No.: 6 Column: m

The total consists of Tennessee Valley Authority Schedule 1 and Schedule 2 charges related to non-firm transmission.

Schedule Page: 328 Line No.: 7 Column: m

The total consists of Tennessee Valley Authority Schedule 1 and Schedule 2 charges related to firm transmission.

Schedule Page: 328 Line No.: 8 Column: m

The total consists of Tennessee Valley Authority Schedule 1 and Schedule 2 charges related to non-firm transmission.

Schedule Page: 328 Line No.: 9 Column: m

The total consists of Big Rivers Electric Corporation Schedule 1 and Schedule 2 charges related to non-firm transmission.

Schedule Page: 328 Line No.: 10 Column: a

The intercompany purchases between Kentucky Utilities Company and Louisville Gas & Electric Company take place under the Open Access Transmission Tariff with allocations determined by the Transmission Coordination Agreement between the Companies. Both the Tariff and the Transmission Coordination Agreement are evergreen (have no termination date). Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 328 Line No.: 10 Column: m

The total consists of Schedule 1 and Schedule 2 charges related to various counterparties.

Schedule Page: 328 Line No.: 11 Column: a

The intercompany purchases between Kentucky Utilities Company and Louisville Gas & Electric Company take place under the Open Access Transmission Tariff with allocations determined by the Transmission Coordination Agreement between the Companies. Both the Tariff and the Transmission Coordination Agreement are evergreen (have no termination date). Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 328 Line No.: 11 Column: m

The total consists of Schedule 1 and Schedule 2 charges related to various counterparties.

Schedule Page: 328 Line No.: 12 Column: a

The intercompany purchases between Kentucky Utilities Company and Louisville Gas & Electric Company take place under the Open Access Transmission Tariff with allocations determined by the Transmission Coordination Agreement between the Companies. Both the Tariff and the Transmission Coordination Agreement are evergreen (have no termination date). Kentucky Utilities Company and Louisville Gas and Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 328 Line No.: 12 Column: d

The LFP intercompany purchases between Kentucky Utilities Company and Louisville Gas & Electric Company take place under the Open Access Transmission Tariff with allocations determined by the Transmission Coordination Agreement between the Companies. Both the Tariff and the Transmission Coordination Agreement are evergreen (have no termination date).

Schedule Page: 328 Line No.: 12 Column: m

The total consists of Schedule 1 and Schedule 2 charges related to various counterparties.

Schedule Page: 328 Line No.: 13 Column: m

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original	(Mo, Da, Yr)	
	(2) <input type="checkbox"/> A Resubmission	/ /	2008/Q4
FOOTNOTE DATA			

The total consists of Cargill Power Markets, LLC Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 14 Column: m

The total consists of Cargill Power Markets, LLC Schedule 1 and Schedule 2 charges.

Schedule Page: 328 Line No.: 15 Column: m

The total consists of Constellation Energy Commodities Group, Inc. Schedule 1 and Schedule 2 charges.

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4			
TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565) (Including transactions referred to as "wheeling")								
<p>1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.</p> <p>2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.</p> <p>3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.</p> <p>4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.</p> <p>5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>6. Enter "TOTAL" in column (a) as the last line.</p> <p>7. Footnote entries and provide explanations following all required data.</p>								
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	Midwest ISO	NF	276,483	276,483		1,358,336	157,042	1,515,378
2	Midwest ISO	AD				11,575	-8,510	3,065
3	East Kentucky Power	LFP			1,728,254		125,825	1,854,079
4	East Kentucky Power	AD			-1,613		10,963	9,350
5	Louisville Gas & Elec	LFP	190,129	190,129	334,847		25,812	360,659
6	Louisville Gas & Elec	SFP	126,291	126,291	685,114		47,882	732,996
7	Louisville Gas & Elec	NF	502,218	502,218		1,201,407	108,961	1,310,088
8	Louisville Gas & Elec	AD	-16,251	-16,251		-42,864	-5,825	-48,689
9	PJM Interconnect	SFP	10,848	10,848	41,354		1,712	43,066
10	PJM Interconnect	NF	150,708	150,708		101,021	213,901	314,922
11	Tennessee Valley Auth	NF	62,098	62,098		158,237	61,918	220,155
12								
13								
14								
15								
16								
	TOTAL		1,302,524	1,302,524	2,787,956	2,787,712	739,381	6,315,049

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
Kentucky Utilities Company			
FOOTNOTE DATA			

Schedule Page: 332 Line No.: 1 Column: g

The total consists of Schedule 1, Schedule 2, and Schedule 26 charges.

Schedule Page: 332 Line No.: 2 Column: f

The total consists of true-ups for prior periods.

Schedule Page: 332 Line No.: 2 Column: g

The total consists of true-ups of Schedule 1, Schedule 2 and Schedule 26 charges for prior periods.

Schedule Page: 332 Line No.: 3 Column: b

The LFP transmission service agreement between East Kentucky Power Cooperative and Kentucky Utilities Company and Louisville Gas & Electric Company has a termination date of 9/30/2016.

Schedule Page: 332 Line No.: 3 Column: g

The total consists of Schedule 1 and Schedule 2 charges.

Schedule Page: 332 Line No.: 4 Column: e

The total consists of true-ups for prior periods.

Schedule Page: 332 Line No.: 4 Column: f

The total consists of true-ups for prior periods.

Schedule Page: 332 Line No.: 4 Column: g

The total consists of true-ups of Schedule 1 and Schedule 2 charges for prior periods.

Schedule Page: 332 Line No.: 5 Column: a

Kentucky Utilities Company and Louisville Gas & Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 332 Line No.: 5 Column: b

LFP intercompany purchases between Kentucky Utilities Company and Louisville Gas & Electric Company take place under the Open Access Transmission Tariff with allocations determined by the Transmission Coordination Agreement between the Companies. Both the Tariff and the Transmission Coordination Agreement are evergreen (have no termination date).

Schedule Page: 332 Line No.: 5 Column: g

The total consists of Schedule 1 and Schedule 2 charges.

Schedule Page: 332 Line No.: 6 Column: a

Kentucky Utilities Company and Louisville Gas & Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 332 Line No.: 6 Column: g

The total consists of Schedule 1 and Schedule 2 charges.

Schedule Page: 332 Line No.: 7 Column: a

Kentucky Utilities Company and Louisville Gas & Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 332 Line No.: 7 Column: g

The total consists of Schedule 1 and Schedule 2 charges.

Schedule Page: 332 Line No.: 8 Column: a

Kentucky Utilities Company and Louisville Gas & Electric Company are both owned by E.ON U.S. LLC.

Schedule Page: 332 Line No.: 8 Column: c

The total consists of true-ups for prior periods.

Schedule Page: 332 Line No.: 8 Column: d

The total consists of true-ups for prior periods.

Schedule Page: 332 Line No.: 8 Column: f

The total consists of true-ups for prior periods.

Schedule Page: 332 Line No.: 8 Column: g

The total consists of true-ups of Schedule 1 and Schedule 2 charges for prior periods.

Schedule Page: 332 Line No.: 9 Column: g

The total consists of Schedule 1, Schedule 2, Black Start service, and charges for other non-firm point to point without energy.

Schedule Page: 332 Line No.: 10 Column: g

The total consists of Schedule 1, Schedule 2, Black Start service, and charges for other non-firm point to point without energy.

Schedule Page: 332 Line No.: 11 Column: g

The total consists of Schedule 1 and Schedule 2 charges.

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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)				
Line No.	Description (a)	Amount (b)		
1	Industry Association Dues	378,191		
2	Nuclear Power Research Expenses			
3	Other Experimental and General Research Expenses	959,651		
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities			
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000			
6	Water Use Fees	127,128		
7	Broker Fees	24,752		
8	Marketing Research & Consulting Expenses			
9	Schmidt Consulting	120,500		
10	JD Power and Associates	48,500		
11	Marketing Endeavors	31,200		
12	JP Morgan Chase Bank	13,980		
13	Guideline	9,600		
14	Management Consulting	8,431		
15	Chartwell	6,998		
16	Miscellaneous - Mktg & Consulting Expenses	1,101		
17	Miscellaneous	8,052		
18				
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46	TOTAL	1,738,084		

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4			
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405) (Except amortization of acquisition adjustments)						
<p>1. Report in section A for the year the amounts for: (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).</p> <p>2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.</p> <p>3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.</p> <p>Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.</p> <p>In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.</p> <p>For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.</p> <p>4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.</p>						
A. Summary of Depreciation and Amortization Charges						
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			5,229,656		5,229,656
2	Steam Production Plant	58,478,961	331,380			58,810,341
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional	183,473	52			183,525
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	16,479,269	2,436			16,481,705
7	Transmission Plant	15,505,505	180			15,505,685
8	Distribution Plant	35,108,289	166			35,108,455
9	Regional Transmission and Market Operation					
10	General Plant	5,025,298				5,025,298
11	Common Plant-Electric					
12	TOTAL	130,780,795	334,214	5,229,656		136,344,665
B. Basis for Amortization Charges						
ACCOUNT	RATE	PLANT BALANCE @ 12/31/2008	AMORTIZATION			
130200	0 - 5% (1)	83,453	1,874			
130300	20%	27,760,617	5,227,782			
Notes:						
(1) Amortization rates vary from 0 to 5%						

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
REGULATORY COMMISSION EXPENSES					
<p>1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.</p> <p>2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.</p>					
Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	Federal Energy Regulatory Commission				
2	Annual Charge	527,296		527,296	
3	2008 Rate Case		649,691	649,691	
4					
5	Tennessee Regulatory Authority				
6	2008 Rate Filing		15,626	15,626	
7					
8	Kentucky Public Service Commission				
9	2008 Rate Case				
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44					
45					
46	TOTAL	527,296	665,317	1,192,613	

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REGULATORY COMMISSION EXPENSES (Continued)							
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.							
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.							
5. Minor items (less than \$25,000) may be grouped.							
EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)					
Electric	928	527,296					1
Electric	928	649,691					2
							3
							4
							5
Electric	928	15,626					6
							7
							8
Electric	186	1,251,446					9
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Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 350 Line No.: 9 Column: h

Rate Case expenses incurred in Kentucky Public Service Commission (KPSC) Case Nos. 2008-00251 and 2007-00565 will be amortized over 3 years beginning March 2009, by Order of the KPSC dated February 5, 2009.

Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES			
<p>1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).</p> <p>2. Indicate in column (a) the applicable classification, as shown below:</p>			
<p>Classifications:</p> <p>A. Electric R, D & D Performed Internally:</p> <p>(1) Generation</p> <p style="margin-left: 20px;">a. hydroelectric</p> <p style="margin-left: 40px;">i. Recreation fish and wildlife</p> <p style="margin-left: 40px;">ii Other hydroelectric</p> <p style="margin-left: 20px;">b. Fossil-fuel steam</p> <p style="margin-left: 20px;">c. Internal combustion or gas turbine</p> <p style="margin-left: 20px;">d. Nuclear</p> <p style="margin-left: 20px;">e. Unconventional generation</p> <p style="margin-left: 20px;">f. Siting and heat rejection</p> <p>(2) Transmission</p> <p style="margin-left: 20px;">a. Overhead</p> <p style="margin-left: 20px;">b. Underground</p> <p>(3) Distribution</p> <p>(4) Regional Transmission and Market Operation</p> <p>(5) Environment (other than equipment)</p> <p>(6) Other (Classify and include items in excess of \$5,000.)</p> <p>(7) Total Cost Incurred</p> <p>B. Electric, R, D & D Performed Externally:</p> <p>(1) Research Support to the electrical Research Council or the Electric Power Research Institute</p>			
Line No.	Classification (a)	Description (b)	
1	EPRI B(1)	2008 Membership fees	
2	EPRI B(1)	2008 Membership fees	
3	EPRI B(1)	2008 Membership fees	
4	Edison Electric Institute B(2)	2008 Utility Air Regulatory Group fees	
5	Univ. of Ky - Research Foundation B(4)	Carbon Management Research Program	
6	Ky Consortium for Carbon Storage B(4)	2008 Carbon Storage Project	
7	UofL - Center for Infrastructure Research B(4)	2009 Annual Membership	
8	UofL - Center for Infrastructure Research B(4)	2009 Annual Membership	
9	Total Cost		
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Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)					
<p>(2) Research Support to Edison Electric Institute (3) Research Support to Nuclear Power Groups (4) Research Support to Others (Classify) (5) Total Cost Incurred</p> <p>3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.</p> <p>4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)</p> <p>5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.</p> <p>6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."</p> <p>7. Report separately research and related testing facilities operated by the respondent.</p>					
Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
	945,068	930	945,068		1
	171,458	923	171,458		2
	25,522	908	25,522		3
	378,191	930	378,191		4
	250,000	426	250,000		5
	130,014	182	130,014		6
	14,583	930	14,583		7
	10,417	165	10,417		8
	1,925,253		1,925,253		9
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Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
DISTRIBUTION OF SALARIES AND WAGES				
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.				
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	16,799,968		
4	Transmission	2,025,262		
5	Regional Market			
6	Distribution	8,600,438		
7	Customer Accounts	7,181,104		
8	Customer Service and Informational	436,244		
9	Sales			
10	Administrative and General	12,370,059		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	47,413,073		
12	Maintenance			
13	Production	11,170,015		
14	Transmission	633,192		
15	Regional Market			
16	Distribution	6,071,029		
17	Administrative and General	2,631,205		
18	TOTAL Maintenance (Total of lines 13 thru 17)	20,505,441		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	27,969,983		
21	Transmission (Enter Total of lines 4 and 14)	2,658,454		
22	Regional Market (Enter Total of Lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)	14,671,465		
24	Customer Accounts (Transcribe from line 7)	7,181,104		
25	Customer Service and Informational (Transcribe from line 8)	436,244		
26	Sales (Transcribe from line 9)			
27	Administrative and General (Enter Total of lines 10 and 17)	15,001,264		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	67,918,514	16,972,822	84,891,336
29	Gas			
30	Operation			
31	Production-Manufactured Gas			
32	Production-Nat. Gas (Including Expl. and Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminating and Processing			
35	Transmission			
36	Distribution			
37	Customer Accounts			
38	Customer Service and Informational			
39	Sales			
40	Administrative and General			
41	TOTAL Operation (Enter Total of lines 31 thru 40)			
42	Maintenance			
43	Production-Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminating and Processing			
47	Transmission			

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DISTRIBUTION OF SALARIES AND WAGES (Continued)				
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution			
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)			
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminating and Processing (Total of lines 31 thru			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)			
58	Customer Accounts (Line 37)			
59	Customer Service and Informational (Line 38)			
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)			
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)			
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	67,918,514	16,972,822	84,891,336
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	19,659,121	13,231,962	32,891,083
69	Gas Plant			
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	19,659,121	13,231,962	32,891,083
72	Plant Removal (By Utility Departments)			
73	Electric Plant	828,960	454,679	1,283,639
74	Gas Plant			
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	828,960	454,679	1,283,639
77	Other Accounts (Specify, provide details in footnote):			
78	Accounts Receivable (work done for others)	6,975,394	1,042,790	8,018,184
79	Miscellaneous Deferred Debits & Preliminary Survey	342,461	93,280	435,741
80	Regulatory Asset	391,645		391,645
81	Certain Civic, Political and Related Activities and Other	355,101	104,005	459,106
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95	TOTAL Other Accounts	8,064,601	1,240,075	9,304,676
96	TOTAL SALARIES AND WAGES	96,471,196	31,899,538	128,370,734

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AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS					
1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.					
Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)	11,409,035	21,006,024	27,412,810	27,927,057
3	Net Sales (Account 447)	1,074,396	2,572,148	5,558,858	10,536,309
4	Transmission Rights				
5	Ancillary Services				
6	Other Items (list separately)				
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46	TOTAL	12,483,431	23,578,172	32,971,668	38,463,366

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FOOTNOTE DATA			

Schedule Page: 397 Line No.: 2 Column: b

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the purchase amount recorded in accordance with FERC Order No. 668-A would have been \$11,335,803.

Schedule Page: 397 Line No.: 2 Column: c

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the purchase amount recorded in accordance with FERC Order No. 668-A would have been \$20,902,380.

Schedule Page: 397 Line No.: 2 Column: d

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the purchase amount recorded in accordance with FERC Order No. 668-A would have been \$27,295,723.

Schedule Page: 397 Line No.: 2 Column: e

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the purchase amount recorded in accordance with FERC Order No. 668-A would have been \$27,796,364.

Schedule Page: 397 Line No.: 3 Column: b

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the sale amount recorded in accordance with FERC Order No. 668-A would have been \$1,068,308.

Schedule Page: 397 Line No.: 3 Column: c

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the sale amount recorded in accordance with FERC Order No. 668-A would have been \$2,564,200.

Schedule Page: 397 Line No.: 3 Column: d

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the sale amount recorded in accordance with FERC Order No. 668-A would have been \$5,549,129.

Schedule Page: 397 Line No.: 3 Column: e

The amount reflects transactions recorded in accordance with Kentucky Utilities Company's Power Supply System Agreement with Louisville Gas and Electric Company, as approved by the Kentucky Public Service Commission in October 1997, in which purchases and sales are calculated based on joint dispatch of the Companies' units. Such calculations do

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2008/Q4
FOOTNOTE DATA			

not distinguish between purchases and sales made in the Day Ahead and Real Time markets. Absent such a Power Supply System Agreement, the safe amount recorded in accordance with FERC Order No. 668-A would have been \$10,521,934.

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PURCHASES AND SALES OF ANCILLARY SERVICES							
Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.							
In columns for usage, report usage-related billing determinant and the unit of measure.							
(1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.							
(2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.							
(3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.							
(4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.							
(5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.							
(6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.							
		Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
Line No.	Type of Ancillary Service (a)	Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch	1,302,524	MWH	314,369	2,482,403	MWH	75,986
2	Reactive Supply and Voltage	1,302,524	MWH	324,678	2,482,403	MWH	174,534
3	Regulation and Frequency Response						
4	Energy Imbalance						
5	Operating Reserve - Spinning						
6	Operating Reserve - Supplement						
7	Other			100,334			
8	Total (Lines 1 thru 7)	2,605,048		739,381	4,964,806		250,520

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	2008/Q4
FOOTNOTE DATA			

Schedule Page: 398 Line No.: 7 Column: b

Amounts are not associated with a number of units or a unit of measure.

Schedule Page: 398 Line No.: 7 Column: d

This amount consists of PJM non-energy related charges related to non-firm point to point transmission services and Black Start charges. This amount also includes The Midwest ISO's Schedule 26 Charges (Network Upgrade Charge from Transmission Expansion Plan).

PJM Other Charges	\$ 73,314
MISO Schedule 26	27,020
	\$100,334

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Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4					
MONTHLY TRANSMISSION SYSTEM PEAK LOAD										
<p>(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.</p> <p>(2) Report on Column (b) by month the transmission system's peak load.</p> <p>(3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).</p> <p>(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.</p>										
NAME OF SYSTEM: KU										
Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	5,196	25	8	4,476	481	89			150
2	February	4,647	11	8	3,938	473	89			147
3	March	4,023	7	20	3,400	412	89			122
4	Total for Quarter 1	13,866			11,814	1,366	267			419
5	April	3,633	15	7	3,089	333	89			122
6	May	3,667	27	17	3,090	324	89			164
7	June	4,690	9	14	3,910	395	89		70	226
8	Total for Quarter 2	11,990			10,089	1,052	267		70	512
9	July	4,698	29	16	3,829	416	89		139	223
10	August	4,590	1	16	3,668	372	89		209	222
11	September	4,382	2	16	3,805	272	89			216
12	Total for Quarter 3	13,638			11,302	1,060	267		348	561
13	October	3,332	15	16	2,894	188	89			161
14	November	4,899	19	9	3,513	421	89		547	128
15	December	5,011	22	9	4,113	406	89		252	151
16	Total for Quarter 4	13,041			10,520	1,015	267		799	440
17	Total Year to Date/Year	52,535			43,725	4,493	1,068		1,217	2,032

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
ELECTRIC ENERGY ACCOUNT					
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.					
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	19,218,601
3	Steam	17,946,908	23	Requirements Sales for Resale (See Instruction 4, page 311.)	1,971,405
4	Nuclear		24	Non-Requirements Sales for Resale (See Instruction 4, page 311.)	2,893,713
5	Hydro-Conventional	50,505	25	Energy Furnished Without Charge	55
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	21,841
7	Other	298,123	27	Total Energy Losses	1,360,367
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	25,465,982
9	Net Generation (Enter Total of lines 3 through 8)	18,295,536			
10	Purchases	7,095,014			
11	Power Exchanges:				
12	Received	34,513			
13	Delivered	28,951			
14	Net Exchanges (Line 12 minus line 13)	5,562			
15	Transmission For Other (Wheeling)				
16	Received	2,482,403			
17	Delivered	2,412,533			
18	Net Transmission for Other (Line 16 minus line 17)	69,870			
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	25,465,982			

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 11	Year/Period of Report End of 2008/Q4	
MONTHLY PEAKS AND OUTPUT						
<p>(1) Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.</p> <p>(2) Report on line 2 by month the system's output in Megawatt hours for each month.</p> <p>(3) Report on line 3 by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.</p> <p>(4) Report on line 4 by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.</p> <p>(5) Report on lines 5 and 6 the specified information for each monthly peak load reported on line 4.</p>						
NAME OF SYSTEM: KU						
Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	2,468,476	213,504	4,476	25	800
30	February	2,091,223	91,340	3,938	11	800
31	March	2,076,280	183,756	3,452	25	700
32	April	1,757,255	138,325	3,087	15	700
33	May	1,847,233	228,430	3,090	27	1700
34	June	2,057,476	152,557	3,910	9	1400
35	July	2,182,025	170,840	3,943	21	1400
36	August	2,118,058	137,419	3,699	5	1600
37	September	2,051,977	256,286	3,832	3	1500
38	October	2,105,423	448,486	3,069	30	800
39	November	2,309,619	550,419	3,567	19	900
40	December	2,400,937	322,351	4,113	22	900
41	TOTAL	25,465,982	2,893,713			

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2008/Q4	
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)							
1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a them basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.							
Line No.	Item (a)	Plant Name: <i>Tyrone</i> (b)		Plant Name: <i>Green River</i> (c)			
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Steam		Steam			
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional		Conventional			
3	Year Originally Constructed	1947		1950			
4	Year Last Unit was Installed	1971		1959			
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	75.00		189.00			
6	Net Peak Demand on Plant - MW (60 minutes)	75		176			
7	Plant Hours Connected to Load	6449		7376			
8	Net Continuous Plant Capability (Megawatts)	73		173			
9	When Not Limited by Condenser Water	73		173			
10	When Limited by Condenser Water	0		0			
11	Average Number of Employees	26		67			
12	Net Generation, Exclusive of Plant Use - KWh	355632000		962135000			
13	Cost of Plant: Land and Land Rights	53142		30764			
14	Structures and Improvements	6124153		9999931			
15	Equipment Costs	19594803		55831157			
16	Asset Retirement Costs	246752		1074377			
17	Total Cost	26018860		66936229			
18	Cost per KW of Installed Capacity (line 17/5) Including	346.9181		354.1599			
19	Production Expenses: Oper, Supv, & Engr	678571		320173			
20	Fuel	14287471		25920637			
21	Coolants and Water (Nuclear Plants Only)	0		0			
22	Steam Expenses	734516		1394904			
23	Steam From Other Sources	0		0			
24	Steam Transferred (Cr)	0		0			
25	Electric Expenses	158777		1048365			
26	Misc Steam (or Nuclear) Power Expenses	360737		874630			
27	Rents	0		0			
28	Allowances	22925		103658			
29	Maintenance Supervision and Engineering	222728		1133056			
30	Maintenance of Structures	257846		447009			
31	Maintenance of Boiler (or reactor) Plant	626195		2172856			
32	Maintenance of Electric Plant	439622		559018			
33	Maintenance of Misc Steam (or Nuclear) Plant	133087		95714			
34	Total Production Expenses	17922475		34070020			
35	Expenses per Net KWh	0.0504		0.0354			
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Coal	Oil	Coal	Oil		
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	tons	barrels	tons	barrels		
38	Quantity (Units) of Fuel Burned	178178	4404	0	468155	3821	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	12712	3333	0	11735	3333	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	71.410	110.881	0.000	55.720	130.696	0.000
41	Average Cost of Fuel per Unit Burned	78.327	110.881	0.000	54.301	130.696	0.000
42	Average Cost of Fuel Burned per Million BTU	3.081	18.845	0.000	2.314	22.227	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.039	0.000	0.000	0.026	0.000	0.000
44	Average BTU per KWh Net Generation	12595.000	0.000	0.000	11420.000	0.000	0.000

Name of Respondent Kentucky Utilities Company			This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission			Date of Report (Mo, Da, Yr) / /			Year/Period of Report End of 2008/Q4		
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)											
<p>9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.</p>											
Plant Name: <i>EW Brown</i> (d)			Plant Name: <i>Ghent</i> (e)			Plant Name: <i>Haefling</i> (f)			Line No.		
Steam			Steam			Combustion Turbine			1		
Conventional			Conventional			Outdoor			2		
1957			1973			1970			3		
1971			1984			1970			4		
740.00			2226.00			62.00			5		
495			1964			21			6		
7945			7569			3			7		
704			1918			42			8		
704			1918			42			9		
0			0			0			10		
142			217			0			11		
4123461000			12505680000			-367000			12		
899869			9842885			0			13		
27337950			131169787			434853			14		
236171016			1516782140			4909804			15		
3248171			4657807			0			16		
267657006			1662452619			5344657			17		
361.6987			746.8341			86.2041			18		
1159899			1937928			0			19		
115467783			312642607			-189605			20		
0			0			0			21		
2173067			7995950			0			22		
0			0			0			23		
0			0			0			24		
1582075			2803436			0			25		
1975080			7385547			8168			26		
0			0			0			27		
266587			226648			0			28		
1752974			3038368			0			29		
1401387			3301797			0			30		
5932171			16478674			0			31		
2868522			5874697			64251			32		
137552			692651			25001			33		
134717097			362378303			-92185			34		
0.0327			0.0290			0.2512			35		
Coal	Oil		Coal	Oil		Gas	Oil		36		
tons	barrels		tons	barrels		mcf	barrels		37		
1787798	9870	0	5705152	44361	0	1723	11	0	38		
12102	3333	0	11796	3333	0	1025	3333	0	39		
64.730	124.744	0.000	55.530	132.195	0.000	15.096	-19601.328	0.000	40		
63.898	124.744	0.000	53.772	132.195	0.000	15.096	-3422.454	0.000	41		
2.640	21.215	0.000	2.279	22.482	0.000	14.728	0.000	0.000	42		
0.028	0.000	0.000	0.025	0.000	0.000	-0.071	0.000	0.000	43		
10494.000	0.000	0.000	10763.000	0.000	0.000	-4812.000	0.000	0.000	44		

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)						
1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.						
Line No.	Item (a)	Plant Name: <i>Brown CT</i> (b)		Plant Name: <i>Paddy's Run 13 CT</i> (c)		
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Combustion Turbine		Combustion Turbine		
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional		Conventional		
3	Year Originally Constructed	1994		2001		
4	Year Last Unit was Installed	2001		2001		
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	781.00		84.00		
6	Net Peak Demand on Plant - MW (60 minutes)	517		55		
7	Plant Hours Connected to Load	121		51		
8	Net Continuous Plant Capability (Megawatts)	836		82		
9	When Not Limited by Condenser Water	836		82		
10	When Limited by Condenser Water	0		0		
11	Average Number of Employees	0		0		
12	Net Generation, Exclusive of Plant Use - KWh	47084000		3078000		
13	Cost of Plant: Land and Land Rights	275012		0		
14	Structures and Improvements	11891044		1910328		
15	Equipment Costs	239325183		28148298		
16	Asset Retirement Costs	70990		0		
17	Total Cost	251562229		30058626		
18	Cost per KW of Installed Capacity (line 17/5) Including	322.1027		357.8408		
19	Production Expenses: Oper, Supv, & Engr	177861		0		
20	Fuel	7963203		699624		
21	Coolants and Water (Nuclear Plants Only)	0		0		
22	Steam Expenses	0		0		
23	Steam From Other Sources	0		0		
24	Steam Transferred (Cr)	0		0		
25	Electric Expenses	5404		0		
26	Misc Steam (or Nuclear) Power Expenses	127549		2114		
27	Rents	0		0		
28	Allowances	0		0		
29	Maintenance Supervision and Engineering	96918		0		
30	Maintenance of Structures	157283		0		
31	Maintenance of Boiler (or reactor) Plant	0		0		
32	Maintenance of Electric Plant	1721711		359886		
33	Maintenance of Misc Steam (or Nuclear) Plant	492892		0		
34	Total Production Expenses	10742821		1061624		
35	Expenses per Net KWh	0.2282		0.3449		
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Gas	Oil		Gas	
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	mcf	barrels		mcf	
38	Quantity (Units) of Fuel Burned	659052	7601	0	33036	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	1025	3333	0	1025	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	11.034	90.924	0.000	21.178	0.000
41	Average Cost of Fuel per Unit Burned	11.034	90.924	0.000	21.178	0.000
42	Average Cost of Fuel Burned per Million BTU	10.765	15.463	0.000	20.660	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.168	0.185	0.000	0.227	0.000
44	Average BTU per KWh Net Generation	15581.000	11989.000	0.000	11002.000	0.000

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2008/Q4	
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)							
<p>9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.</p>							
Plant Name: Trimble County CT (d)	Plant Name: XXXXXXXXXX (e)	Plant Name: (f)					Line No.
Combustion Turbine							1
Conventional							2
2002							3
2004							4
784.00	0.00				0.00		5
705	0				0		6
533	0				0		7
709	0				0		8
709	0				0		9
0	0				0		10
0	0				0		11
248328000	0				0		12
19912	0				0		13
21745929	0				0		14
194529814	0				0		15
0	0				0		16
216295655	0				0		17
275.8873	0.0000				0.0000		18
0	0				0		19
35607751	0				0		20
0	0				0		21
0	0				0		22
0	0				0		23
0	0				0		24
2346962	0				0		25
12	0				0		26
0	0				0		27
0	0				0		28
8315	0				0		29
0	0				0		30
0	0				0		31
172654	0				0		32
0	0				0		33
38136694	0				0		34
0.1536	0.0000				0.0000		35
Gas							36
mcf							37
2973794	0	0	0	0	0	0	38
1025	0	0	0	0	0	0	39
11.974	0.000	0.000	0.000	0.000	0.000	0.000	40
11.974	0.000	0.000	0.000	0.000	0.000	0.000	41
11.682	0.000	0.000	0.000	0.000	0.000	0.000	42
0.143	0.000	0.000	0.000	0.000	0.000	0.000	43
12275.000	0.000	0.000	0.000	0.000	0.000	0.000	44

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Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 402 Line No.: 11 Column: f

No production/operation employees are directly assigned to Haepling turbines. Employees from the Tyrone Plant operate and maintain the Haepling turbines.

Schedule Page: 402 Line No.: 20 Column: f

Fuel expenses consist of the following:

Oil used for generation	\$ 26,295
Proceeds from the sale of oil inventory	(215,900)
Total	\$(189,605)

The oil tank at Haepling was emptied in 2008 to comply with the FERC's inspection requirements. The oil was sold to a third party and revenues were recorded in account 501 to offset fuel expense.

Schedule Page: 402.1 Line No.: -1 Column: e

Pineville Generating Station is fully retired. However, land and ashpond assets amounting to \$312,711 remain on the books.

Schedule Page: 402.1 Line No.: 5 Column: b

The Nameplate Rating for Brown CT represents a 47% ownership of unit 5, a 123 MW unit, and 62% ownership of units 6 and 7, which are 177 MW each. The remaining 53% ownership of unit 5, and 38% ownership of units 6 and 7 are owned by Louisville Gas and Electric Company.

Schedule Page: 402.1 Line No.: 5 Column: c

The Nameplate Rating for Paddy's Run 13 CT represents a 47% ownership. Total Nameplate Rating for the unit is 178 MW. The remaining 53% ownership is owned by Louisville Gas and Electric Company.

Schedule Page: 402.1 Line No.: 5 Column: d

The Nameplate Rating for Trimble County CT represents 71% ownership of units 5 and 6 and 63% of units 7, 8, 9 and 10 for Kentucky Utilities Company. The remaining percentages for units 5, 6, 7, 8, 9 and 10 are owned by Louisville Gas and Electric Company. Total Nameplate Ratings for these units are 199 MW per unit.

Schedule Page: 402.1 Line No.: 11 Column: b

Employees at the Brown Plant include those assigned to the steam plant and the Brown CT site and are reflected in the Brown Steam Plant statistics.

Schedule Page: 402.1 Line No.: 11 Column: c

No production/operation employees are directly assigned to Paddy's Run turbines. Employees from the Louisville Gas and Electric Cane Run Plant operate and maintain the Paddy's Run turbines.

Schedule Page: 402.1 Line No.: 11 Column: d

Employees at the Trimble County Plant include those assigned to the steam plant and the Trimble County CT site and are reflected in the Trimble County steam plant statistics.

Schedule Page: 402 Line No.: 36 Column: b2

Oil is used for start up and stabilization of this unit only. No energy is generated from oil burned.

Schedule Page: 402 Line No.: 36 Column: c2

Oil is used for start up and stabilization of this unit only. No energy is generated from oil burned.

Schedule Page: 402 Line No.: 36 Column: d2

Oil is used for start up and stabilization of this unit only. No energy is generated from oil burned.

Schedule Page: 402 Line No.: 36 Column: e2

Oil is used for start up and stabilization of this unit only. No energy is generated from oil burned.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)					
<p>1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)</p> <p>2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.</p> <p>3. If net peak demand for 60 minutes is not available, give that which is available specifying period.</p> <p>4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.</p>					
Line No.	Item (a)	FERC Licensed Project No. 0 Plant Name: Dix Dam (b)	FERC Licensed Project No. 0 Plant Name: (c)		
1	Kind of Plant (Run-of-River or Storage)	Storage			
2	Plant Construction type (Conventional or Outdoor)	Conventional			
3	Year Originally Constructed	1923			
4	Year Last Unit was Installed	1924			
5	Total installed cap (Gen name plate Rating in MW)	28.00	0.00		
6	Net Peak Demand on Plant-Megawatts (60 minutes)	18	0		
7	Plant Hours Connect to Load	2,993	0		
8	Net Plant Capability (in megawatts)				
9	(a) Under Most Favorable Oper Conditions	24	0		
10	(b) Under the Most Adverse Oper Conditions	0	0		
11	Average Number of Employees	19	0		
12	Net Generation, Exclusive of Plant Use - Kwh	50,505,000	0		
13	Cost of Plant				
14	Land and Land Rights	879,312	0		
15	Structures and Improvements	464,928	0		
16	Reservoirs, Dams, and Waterways	0	0		
17	Equipment Costs	10,493,686	0		
18	Roads, Railroads, and Bridges	0	0		
19	Asset Retirement Costs	4,970	0		
20	TOTAL cost (Total of 14 thru 19)	11,842,896	0		
21	Cost per KW of Installed Capacity (line 20 / 5)	422.9606	0.0000		
22	Production Expenses				
23	Operation Supervision and Engineering	7,332	0		
24	Water for Power	0	0		
25	Hydraulic Expenses	0	0		
26	Electric Expenses	0	0		
27	Misc Hydraulic Power Generation Expenses	42,056	0		
28	Rents	0	0		
29	Maintenance Supervision and Engineering	104,880	0		
30	Maintenance of Structures	148,534	0		
31	Maintenance of Reservoirs, Dams, and Waterways	0	0		
32	Maintenance of Electric Plant	76,469	0		
33	Maintenance of Misc Hydraulic Plant	5,629	0		
34	Total Production Expenses (total 23 thru 33)	384,900	0		
35	Expenses per net KWh	0.0076	0.0000		

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2008/Q4</u>
HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)					
5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."					
6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine, or gas turbine equipment.					
FERC Licensed Project No. 0 Plant Name: (d)	FERC Licensed Project No. 0 Plant Name: (e)	FERC Licensed Project No. 0 Plant Name: (f)	Line No.		
			1		
			2		
			3		
			4		
0.00	0.00	0.00	5		
0	0	0	6		
0	0	0	7		
			8		
0	0	0	9		
0	0	0	10		
0	0	0	11		
0	0	0	12		
			13		
0	0	0	14		
0	0	0	15		
0	0	0	16		
0	0	0	17		
0	0	0	18		
0	0	0	19		
0	0	0	20		
0.0000	0.0000	0.0000	21		
			22		
0	0	0	23		
0	0	0	24		
0	0	0	25		
0	0	0	26		
0	0	0	27		
0	0	0	28		
0	0	0	29		
0	0	0	30		
0	0	0	31		
0	0	0	32		
0	0	0	33		
0	0	0	34		
0.0000	0.0000	0.0000	35		

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4			
TRANSMISSION LINE STATISTICS								
<p>1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.</p> <p>2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.</p> <p>3. Report data by individual lines for all voltages if so required by a State commission.</p> <p>4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.</p> <p>5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction if a transmission line has more than one type of supporting structure. Indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.</p> <p>6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.</p>								
Line No.	DESIGNATION		VOLTAGE (KV) (indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	Pocket	Pineville	500.00	500.00	ST	35.48		
2	Pocket	Phipps Bend	500.00	500.00	ST	21.39		
3								
4	Ghent Plant	Brown North	345.00	345.00	ST	113.87		
5	Ghent Plant	Batesville	345.00	345.00	ST	7.80		
6	Brown Plant	Elmer Smith	345.00	345.00	HF & ST	135.31		
7	Brown North	K.U. Park	345.00	345.00	ST	102.47		2
8								
9	Green River	AEC Buss	161.00	161.00	HF,ST & WP	181.29		
10	Green River	Morganfield	161.00	161.00	HF & WP	55.38		
11	Ellihu	Dorchester	161.00	161.00	HF & ST	88.06		
12	Lake Reba	Dorchester	161.00	161.00	HF & ST	99.15		1
13	Pineville	Harlan	161.00	161.00	HF & WP	48.34		
14	Pineville 149	Pineville 192	161.00	161.00	HF	0.12		1
15	East Ky. Power	Taylor County	161.00	161.00	SP	3.97		1
16	Imboden	Harlan	161.00	161.00	HF,SP,WP &	43.82		
17								
18	Ghent Plant	Brown Plant	138.00	138.00	ST	90.47		
19	Brown Plant	Green River	138.00	138.00	HF,SP & ST	169.18		
20	Kenton	Rodburn	138.00	138.00	HF	45.74		1
21	Green River	Brown North	138.00	138.00	HF & ST	166.58		
22	Fawkes	Rodburn	138.00	138.00	HF,ST & WP	64.52		1
23	Clifty Creek	Carrollton	138.00	138.00	HF,SP,ST &	144.62		
24	Brown Plant	Lake Reba	138.00	138.00	HF	28.60		1
25	Brown Plant	Haefling	138.00	138.00	HF,SP,ST &	29.32		
26	Ghent Plant	Kenton Station	138.00	138.00	HF & WF	72.78		1
27	Ghent Plant	Adams	138.00	138.00	HF,SP & ST	56.77		
28	Hardin County	Rogersville	138.00	138.00	HF	10.24		1
29	Virginia City	Clinch River (AEP Int. Pt)	138.00	138.00	HF	7.89		1
30	69KV Lines		69.00	69.00	Various	2,218.68		
31								
32								
33								
34	Exp Applicable to All Lines							
35								
36					TOTAL	4,039.74		11

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4			
TRANSMISSION LINE STATISTICS (Continued)								
<p>7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)</p> <p>8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.</p> <p>9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.</p> <p>10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.</p>								
Size of Conductor and Material (i)	COST OF LINE (include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
954mcm	1,385,561	15,452,581	16,838,142					1
954mcm	280,371	7,945,173	8,225,544					2
								3
795mcm	2,495,681	16,982,353	19,478,034					4
954mcm	437,159	4,810,707	5,247,866					5
954mcm	1,615,764	17,505,359	19,121,123					6
954mcm	1,111,580	21,486,859	22,598,530					7
								8
556mcm	1,284,447	10,991,810	12,276,257					9
556mcm	268,660	2,132,034	2,400,694					10
556mcm	270,147	3,983,801	4,253,948					11
556mcm	559,988	4,024,255	4,584,243					12
795mcm	300,849	6,106,847	6,407,696					13
954mcm		14,306	14,306					14
556mcm	261,988	307,188	569,176					15
795mcm	84,143	4,521,262	4,605,405					16
								17
954mcm	419,701	5,830,853	6,250,554					18
556mcm	381,153	6,805,683	7,186,836					19
997mcm	98,119	1,278,207	1,376,326					20
795mcm	732,412	7,728,047	8,460,459					21
556mcm	579,168	2,095,867	2,675,035					22
795mcm	824,816	9,874,355	10,699,171					23
556mcm	80,240	942,266	1,022,506					24
795mcm	191,989	4,322,655	4,514,644					25
795mcm	446,858	4,002,028	4,448,886					26
795mcm	245,501	5,164,163	5,409,664					27
795mcm	245,093	919,472	1,164,565					28
795mcm		5,158,100	5,158,100					29
Various	8,202,312	126,057,783	134,260,095					30
								31
								32
								33
								34
				424,984	3,143,960	99,500	3,668,444	35
	22,803,700	296,444,114	319,247,814	424,984	3,143,960	99,500	3,668,444	36

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Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 422 Line No.: 1 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 2 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 4 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 5 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 6 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 9 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 10 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 11 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 13 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 16 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 18 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 19 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 21 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 23 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 25 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 27 Column: h Contains both single and double circuitry.
Schedule Page: 422 Line No.: 30 Column: h Contains both single and double circuitry.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4		
TRANSMISSION LINES ADDED DURING YEAR							
1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.							
2. Provide separate subheadings for overhead and under-ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (f) to (g), it is permissible to report in these columns the							
Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	Virginia City	Clinch River (AEP Int. Pt)	7.89	HF			1
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
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38							
39							
40							
41							
42							
43							
44	TOTAL		7.89				1

Name of Respondent Kentucky Utilities Company			This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2008/Q4		
TRANSMISSION LINES ADDED DURING YEAR (Continued)									
<p>costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).</p> <p>3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.</p>									
CONDUCTORS			LINE COST						Line No.
Size (h)	Specification (i)	Configuration and Spacing (j)	Voltage KV (Operating) (k)	Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)	Total (p)	
795mcm			138,000		3,868,575	1,289,525		5,158,100	1
									2
									3
									4
									5
									6
									7
									8
									9
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									14
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									32
									33
									34
									35
									36
									37
									38
									39
									40
									41
									42
									43
					3,868,575	1,289,525		5,158,100	44

Name of Respondent		This Report Is:		Date of Report	Year/Period of Report
Kentucky Utilities Company		(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	End of 2008/Q4
SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Adams - Georgetown	Transmission *	138.00	69.00	13.20
2	Alcade - Somerset	Transmission *	345.00	161.00	13.20
3	American Ave. - Lexington	Transmission *	138.00	69.00	13.20
4	Arnold - Cumberland	Transmission *	161.00	69.00	13.20
5	Artemus - Pineville	Transmission *	161.00	69.00	13.20
6	Bardstown- Campellsville	Transmission *	138.00	69.00	13.20
7	Beattyville - Richmond	Transmission *	161.00	69.00	13.20
8	Bimble	Transmission*	69.00		
9	Blackwell	Transmission*	138.00		
10	Bonds Mill	Transmission*	69.00		
11	Bonnieville - Horse Cave	Transmission *	138.00	69.00	13.20
12	Boonesboro North - Winchester	Transmission *	138.00	69.00	13.20
13	Boyle County	Transmission*	69.00		
14	Broadhead SW	Transmission*	69.00		
15	Brown CT 7 - Harrodsburg	Transmission (G)	145.00	18.00	
16	Brown CT 6 - Harrodsburg	Transmission (G)	145.00	13.80	
17	Brown North - Harrodsburg	Transmission *	345.00	138.00	13.20
18	Brown North - Harrodsburg	Transmission *	144.00	24.00	
19	Brown Plant - Harrodsburg	Transmission (G)	138.00	13.20	
20	Brown Plant - Harrodsburg	Transmission (G)	138.00	17.10	
21	Carntown - Augusta	Transmission *	138.00	69.00	13.20
22	Carrollton - Carrollton	Transmission *	138.00	69.00	13.20
23	Cary SW	Transmission*	69.00		
24	Clark County - Winchester	Transmission *	138.00	69.00	13.20
25	Clinton	Transmission*	69.00		
26	Corydon - Henderson	Transmission *	161.00	69.00	13.20
27	Crittendon County - Marion	Transmission *	161.00	69.00	13.20
28	Cynthiana SW	Transmission*	69.00		
29	Danville North - Danville	Transmission *	138.00	69.00	13.20
30	Daviess County	Transmission*	345.00		
31	Delvinta	Transmission*	161.00		
32	Dix Dam Plant - Harrodsburg	Transmission (G)	69.00	13.20	
33	Dow Coming West	Transmission*	138.00		
34	Dorchester - Norton	Transmission *	161.00	69.00	13.20
35	Earlington North - Earlington	Transmission *	161.00	69.00	13.20
36	East Frankfort - Frankfort	Transmission *	138.00	69.00	13.20
37	Ellihu - Somerset	Transmission *	161.00	69.00	13.20
38	Elizabethtown - Elizabethtown	Transmission *	138.00	69.00	13.20
39	Eminence	Transmission*	69.00		
40	Evarts	Transmission*	69.00		

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SUBSTATIONS (Continued)						
5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.						
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.						
Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
94	1		NONE			1
448	1		NONE			2
150	1		NONE			3
56	1		NONE			4
56	1		NONE			5
94	1		NONE			6
56	1		NONE			7
			NONE			8
			NONE			9
			NONE			10
34	1		NONE			11
150	1		NONE			12
			NONE			13
			NONE			14
380	2		NONE			15
728	5		NONE			16
448	1		NONE			17
504	1		NONE			18
120	1		NONE			19
185	1		NONE			20
50	1		NONE			21
187	2		NONE			22
			NONE			23
93	1		NONE			24
			NONE			25
112	1		NONE			26
112	1		NONE			27
			NONE			28
112	1		NONE			29
			NONE			30
			NONE			31
31	3		NONE			32
			NONE			33
187	2		NONE			34
224	1		NONE			35
224	2		NONE			36
187	2		NONE			37
150	1		NONE			38
			NONE			39
			NONE			40

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SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Farley - Corbin	Transmission *	161.00	69.00	13.20
2	Farmers - Morehead	Transmission *	80.00	40.00	13.20
3	Fawkes - Richmond	Transmission *	138.00	69.00	13.20
4	Finchville	Transmission*	69.00		
5	Ghent Plant - Carrollton	Transmission *	345.00	138.00	
6	Ghent Plant - Carrollton	Transmission *	345.00	138.00	25.00
7	Ghent Plant - Carrollton	Transmission (G)	144.00	18.00	
8	Ghent Plant - Carrollton	Transmission (G)	345.00	21.00	
9	Ghent Plant - Carrollton	Transmission (G)	362.00	22.00	
10	Goddard	Transmission*	138.00		
11	Gorge SW	Transmission*	69.00		
12	Grahamville - Barlow	Transmission *	161.00	69.00	13.20
13	Green River Plant - Greenville	Transmission (G)	138.00	13.20	
14	Green River Plant - Greenville	Transmission	138.00	69.00	13.20
15	Green River Plant - Greenville	Transmission	154.00	138.00	13.20
16	Green River Plant - Greenville	Transmission	161.00	138.00	13.20
17	Green River Steel - Greenville	Transmission *	138.00	69.00	13.20
18	Haefling - Lexington	Transmission (G)	69.00	13.20	
19	Haefling - Lexington	Transmission *	138.00	69.00	13.20
20	Hardin County - Elizabethtown	Transmission *	345.00	138.00	13.20
21	Hardin County - Elizabethtown	Transmission *	138.00	69.00	13.20
22	Hardinsburg - Hardinsburg	Transmission*	138.00		
23	Harlan "Y" - Harlan	Transmission *	161.00	69.00	13.20
24	Higby Mill - Lexington	Transmission *	138.00	69.00	13.20
25	Hillside	Transmission*	69.00		
26	Howards Branch	Transmission*	161.00		
27	Imboden - Big Stone Gap	Transmission *	161.00	69.00	13.20
28	Indian Hill	Transmission*	69.00		
29	Kenton - Maysville	Transmission *	132.00	69.00	13.20
30	Kenton - Maysville	Transmission *	138.00	69.00	13.20
31	KU Park - Pineville	Transmission*	69.00		
32	Lake Reba - Richmond	Transmission *	138.00	69.00	13.20
33	Lake Reba Tap - Richmond	Transmission *	161.00	138.00	6.60
34	Lancaster	Transmission*	69.00		
35	Lansdowne - Lexington	Transmission *	138.00	69.00	13.20
36	Lebanon - Lebanon	Transmission *	80.00	40.00	13.20
37	Leitchfield - Leitchfield	Transmission *	138.00	69.00	13.20
38	Lexington Plant - Lexington	Transmission*	69.00		
39	Livingston County	Transmission*	161.00		
40	London - London	Transmission*	69.00		

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4	
SUBSTATIONS (Continued)						
5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.						
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.						
Capacity of Substation (In Service) (In MVA) (l)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
149	1		NONE			1
40	3		NONE			2
299	2		NONE			3
			NONE			4
450	1	1	NONE			5
448	1		NONE			6
616	1	1	NONE			7
1210	2		NONE			8
605	1		NONE			9
			NONE			10
			NONE			11
93	1		NONE			12
214	2	3	NONE			13
261	2		NONE			14
200	2		NONE			15
112	1		NONE			16
93	1		NONE			17
59	1		NONE			18
149	1		NONE			19
448	1		NONE			20
149	1		NONE			21
			NONE			22
94	1		NONE			23
224	2		NONE			24
			NONE			25
			NONE			26
149	1		NONE			27
			NONE			28
33	1	1	NONE			29
112	1		NONE			30
		6	NONE			31
149	1		NONE			32
200	1		NONE			33
			NONE			34
112	1		NONE			35
100	6		NONE			36
93	1		NONE			37
			NONE			38
			NONE			39
			NONE			40

Name of Respondent		This Report Is:		Date of Report	Year/Period of Report	
Kentucky Utilities Company		(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	End of 2008/Q4	
SUBSTATIONS						
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 Mva except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>						
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)			
			Primary (c)	Secondary (d)	Tertiary (e)	
1	Loudon Ave - Lexington	Transmission *	138.00	69.00	13.20	
2	Lynch - Harlan	Transmission*	69.00			
3	Marion	Transmission*	69.00			
4	Meldrum SW	Transmission*	69.00			
5	Middlesboro - Middlesboro	Transmission*	69.00			
6	Millersburg - Millersburg	Transmission*	69.00			
7	Morganfield - Morganfield	Transmission *	161.00	69.00	13.20	
8	N.A.S.	Transmission*	345.00	136.00		
9	Nebo - Nebo	Transmission*	69.00			
10	North London -London	Transmission*	69.00			
11	Ohio County - Beaver Dam	Transmission*	138.00	69.00	13.20	
12	Paris	Transmission*	138.00	69.00	13.20	
13	Pineville - Pineville	Transmission *	345.00	161.00	13.20	
14	Pineville - Pineville	Transmission *	500.00	345.00	34.50	
15	Pineville - Pineville	Transmission *	161.00	69.00	13.20	
16	Pineville SW -Pineville	Transmission*	161.00			
17	Pisgah - Lexington	Transmission *	138.00	69.00	13.20	
18	Pittsburg - London	Transmission *	161.00	69.00	13.20	
19	Pocket - Pennington Gap	Transmission *	161.00	69.00	13.20	
20	Pocket North - Pennington Gap	Transmission *	500.00	161.00		
21	Princeton - Princeton	Transmission*	69.00			
22	Richmond - Richmond	Transmission*	69.00			
23	River Queen - Muhlenberg	Transmission *	161.00	69.00	13.20	
24	Rocky Branch	Transmission*	69.00			
25	Rodburn - Morehead	Transmission *	138.00	69.00	13.20	
26	Rogersville - Radcliff	Transmission *	136.00	69.00	13.20	
27	Scott County	Transmission *	138.00	69.00	13.20	
28	Shelbyville - Shelbyville	Transmission*	69.00			
29	Simmons	Transmission*	69.00			
30	Somerset N - Somerset	Transmission*	69.00			
31	South Paducah	Transmission *	161.00	69.00	13.20	
32	Spears SW	Transmission*	69.00			
33	Spencer Road - Mt. Sterling	Transmission *	138.00	69.00	13.20	
34	Sweet Hollow	Transmission*	69.00			
35	Taylor County - Campellsville	Transmission *	161.00	69.00	13.20	
36	Tyrone - Versailles	Transmission (G)	40.00	13.20		
37	Tyrone - Versailles	Transmission (G)	69.00	13.20		
38	Tyrone - Versailles	Transmission *	138.00	69.00	13.20	
39	UK Medical Center - Lexington	Transmission*	69.00			
40	Virginia City - Norton	Transmission*	138.00	69.00	13.20	

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SUBSTATIONS (Continued)						
5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.						
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.						
Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
262	2		NONE			1
			NONE			2
			NONE			3
			NONE			4
			NONE			5
			NONE			6
112	1		NONE			7
450	1		NONE			8
			NONE			9
			NONE			10
93	1	3	NONE			11
150	1		NONE			12
580	1		NONE			13
504	1		NONE			14
243	2		NONE			15
			NONE			16
112	1		NONE			17
112	1		NONE			18
187	1		NONE			19
448	1		NONE			20
			NONE			21
			NONE			22
56	1		NONE			23
			NONE			24
61	1		NONE			25
93	1		NONE			26
93	1		NONE			27
			NONE			28
			NONE			29
			NONE			30
50	1		NONE			31
			NONE			32
89	2		NONE			33
			NONE			34
90	1		NONE			35
38	3	1	NONE			36
83	1	1	NONE			37
112	1	1	NONE			38
			NONE			39
120	1		NONE			40

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SUBSTATIONS					
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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Walker - Earlington	Transmission *	161.00	69.00	13.20
2	West Cliff - Harrodsburg	Transmission *	138.00	69.00	13.20
3	West Frankfort - Shelbyville	Transmission *	345.00	138.00	13.20
4	West Frankfort - Shelbyville	Transmission *	138.00	69.00	13.20
5	West Irvine - Irvine	Transmission *	161.00	69.00	13.20
6	West Lexington - Lexington	Transmission *	345.00	138.00	13.20
7	Wheatcroft	Transmission*	69.00		
8	Wickliffe - Barlow	Transmission *	161.00	69.00	13.20
9	Williamsburg SW	Transmission*	69.00		
10	Winchester City	Transmission*	69.00		
11	Wofford	Transmission*	69.00		
12	Total Transmission		19009.00	6365.10	937.30
13					
14	A.O. Smith - Mt. Sterling	Distribution *	69.00	12.47	
15	Adams 12KV	Distribution *	69.00	34.50	
16	Aisin 12KV	Distribution *	69.00	12.47	
17	Alexander - Versailles	Distribution *	69.00	12.47	
18	American Ave. - Lexington	Distribution *	69.00	4.16	
19	Andover - Norton	Distribution*	69.00	34.50	
20	Ashland Ave. - Lexington	Distribution *	69.00	4.16	
21	Ashland Pipe - Lexington	Distribution *	69.00	12.47	
22	Augusta 12KV	Distribution *	69.00	12.47	
23	Bardstown City 12KV	Distribution *	69.00	12.47	
24	Bardstown Ind. 12KV	Distribution *	69.00	12.47	
25	Beaver Dam - Beaver Dam	Distribution *	69.00	12.47	
26	Beaver Dam North - Beaver Dam	Distribution *	69.00	12.47	
27	Belt Line - Lexington	Distribution *	69.00	12.47	
28	Bevier - Earlington	Distribution*	69.00	34.50	
29	Big Stone Gap - Big Stone Gap	Distribution *	69.00	12.47	
30	Bond - Gosburn	Distribution *	69.00	12.47	
31	Boone Ave. - Winchester	Distribution *	69.00	12.47	
32	Borg Warner - Earlington	Distribution *	69.00	12.47	
33	Bryant Road - Lexington	Distribution *	69.00	12.47	
34	Buchanan - Lexington	Distribution *	69.00	4.16	
35	Buena Vista 12KV	Distribution *	69.00	12.47	
36	Burnside - Somerset	Distribution *	69.00	12.47	
37	Camargo - Mt. Sterling	Distribution *	69.00	12.47	
38	Camp Breckinridge	Distribution*	69.00	12.47	
39	Campsville 1 - Campsville	Distribution *	69.00	12.47	
40	Campsville 2 - Campsville	Distribution*	69.00	12.47	

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SUBSTATIONS (Continued)						
<p>5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.</p> <p>6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.</p>						
Capacity of Substation (In Service) (In MVa) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVa) (k)	
112	1		NONE			1
392	3		NONE			2
448	1		NONE			3
			NONE			4
56	1		NONE			5
448	1		NONE			6
			NONE			7
93	1		NONE			8
			NONE			9
			NONE			10
			NONE			11
17700	115	18				12
						13
14	1		NONE			14
34	2		NONE			15
14	1		NONE			16
22	1		NONE			17
14	1		NONE			18
37	1		NONE			19
28	2		NONE			20
20	2		NONE			21
14	1		NONE			22
23	1		NONE			23
45	2		NONE			24
14	1		NONE			25
14	1		NONE			26
23	1		NONE			27
13	1		NONE			28
42	3		NONE			29
67	3		NONE			30
23	1		NONE			31
23	1		NONE			32
67	3		NONE			33
14	1		NONE			34
14	1		NONE			35
14	1		NONE			36
28	2		NONE			37
14	1		NONE			38
45	2		NONE			39
23	1		NONE			40

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SUBSTATIONS					
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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Carntown - Augusta	Distribution *	89.00	12.47	
2	Caron - London	Distribution *	89.00	12.47	
3	Carrollton - Carrollton	Distribution *	89.00	12.47	
4	Cawood - Harlan	Distribution *	89.00	12.47	
5	Clay Mills - Lexington	Distribution *	138.00	12.47	
6	Clinch Valley - Norton	Distribution *	89.00	12.47	
7	Columbia - Columbia	Distribution *	89.00	12.47	
8	Columbia South - Columbia	Distribution *	89.00	12.47	
9	Corbin East - Corbin	Distribution *	89.00	12.47	
10	Corning 12KV	Distribution *	89.00	12.47	
11	Corporate Drive 2 - 12KV	Distribution *	89.00	12.47	
12	Cynthiana 12KV	Distribution *	89.00	12.47	
13	Cynthiana South 12KV	Distribution *	67.00	12.47	
14	Danville 1 - Danville	Distribution *	89.00	12.47	
15	Danville East - Danville	Distribution *	89.00	12.47	
16	Danville Ind. - Danville	Distribution *	89.00	12.47	
17	Danville North - Danville	Distribution *	89.00	12.47	
18	Danville West - Danville	Distribution *	89.00	12.47	
19	Dark Hollow - Richmond	Distribution *	89.00	12.47	
20	Dawson Ind. - Earlington	Distribution *	89.00	4.16	
21	Days Branch 12KV	Distribution *	89.00	12.47	
22	Dayton - Walther - Carrollton	Distribution *	138.00	12.47	
23	Delaplain - Georgetown	Distribution *	89.00	13.80	
24	Denham Street - Somerset	Distribution *	89.00	12.47	
25	Detroit Harvester - Paris	Distribution *	89.00	12.47	
26	Donerail - Lexington	Distribution *	89.00	12.47	
27	Dorchester - Norton	Distribution *	89.00	22.00	
28	Dow Corning - Carrollton	Distribution *	89.00	12.47	
29	Dozier Heights 12KV	Distribution *	89.00	12.47	
30	Earlington - Earlington	Distribution *	89.00	34.50	
31	East Bernstadt - London	Distribution *	89.00	12.47	
32	East Stone - Big Stone Gap	Distribution *	89.00	12.47	
33	Eastland - Lexington	Distribution *	89.00	12.47	
34	Elizabethtown Industrial - Elizabethtown	Distribution *	89.00	12.47	
35	Eminence - Shelbyville	Distribution *	89.00	12.47	
36	Esserville - Norton	Distribution *	89.00	12.47	
37	Etown #2 - Elizabethtown	Distribution *	89.00	12.47	
38	Etown #3 - Elizabethtown	Distribution *	89.00	12.47	
39	Etown #4 - Elizabethtown	Distribution *	89.00	12.47	
40	Etown #5 East - Elizabethtown	Distribution *	89.00	12.47	

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Capacity of Substation (In Service) (In MVa) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (l)	Number of Units (j)	Total Capacity (In MVa) (k)	
14	1		NONE			1
23	1		NONE			2
14	1		NONE			3
14	1		NONE			4
37	1		NONE			5
23	1		NONE			6
14	1		NONE			7
14	1		NONE			8
37	2		NONE			9
34	5		NONE			10
30	2		NONE			11
20	2		NONE			12
14	1		NONE			13
23	1		NONE			14
23	1		NONE			15
45	2		NONE			16
14	1		NONE			17
23	1		NONE			18
14	1		NONE			19
14	1		NONE			20
14	1		NONE			21
14	1		NONE			22
37	2		NONE			23
14	1		NONE			24
23	1		NONE			25
14	1		NONE			26
56	3		NONE			27
14	1		NONE			28
14	1		NONE			29
34	2		NONE			30
14	1		NONE			31
25	2		NONE			32
23	1		NONE			33
23	1		NONE			34
14	1		NONE			35
23	1		NONE			36
45	2		NONE			37
33	2		NONE			38
23	1		NONE			39
14	1		NONE			40

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Etowan West - Elizabethtown	Distribution *	69.00	12.47	
2	Ewington - Mt. Sterling	Distribution *	69.00	12.47	
3	Ferguson South - Somerset	Distribution *	69.00	12.47	
4	Florida Tile - Lawrenceburg	Distribution *	69.00	12.47	
5	FMC - Lexington	Distribution *	69.00	12.47	
6	Forks of Elkhorn - Georgetown	Distribution *	34.50	12.47	
7	Frankfort - Frankfort	Distribution *	69.00	34.50	
8	GE Lamp Works - Lexington	Distribution *	69.00	4.16	
9	Georgetown - Georgetown	Distribution *	69.00	12.47	
10	Ghent Scrubbers 12KV	Distribution *	138.00	13.20	
11	Green River Steel 2 12KV	Distribution *	69.00	12.47	
12	Green River 34KV	Distribution *	69.00	34.50	
13	Greensburg - Campsville	Distribution *	69.00	12.47	
14	Greenville 12KV - Muhlenburg	Distribution *	69.00	12.47	
15	Greenville North - Muhlenburg	Distribution *	69.00	12.47	
16	Haeffling - Lexington	Distribution *	138.00	12.47	
17	Haley - Lexington	Distribution *	69.00	12.47	
18	Hamblin - Pennington Gap	Distribution *	69.00	12.47	
19	Hanson - Earlington	Distribution *	69.00	12.47	
20	Hardesty - Earlington	Distribution *	69.00	34.50	
21	Harlan - Harlan	Distribution *	69.00	12.47	
22	Harlan Wye - Harlan	Distribution *	69.00	12.47	
23	Harrodsburg #2 - Harrodsburg	Distribution *	69.00	12.47	
24	Harrodsburg #3 - Harrodsburg	Distribution *	69.00	12.47	
25	Harrodsburg North 12KV	Distribution *	69.00	12.47	
26	Higby Mill 12KV - Lexington	Distribution *	138.00	12.47	
27	Highsplint - Harlan	Distribution *	69.00	12.47	
28	Hodgenville 12KV	Distribution *	69.00	12.47	
29	Hoover 12KV - Georgetown	Distribution *	69.00	12.47	
30	Hopewell - Corbin	Distribution *	69.00	12.47	
31	Horse Cave 12KV	Distribution *	69.00	12.47	
32	Horse Cave Industrial - Horse Cave	Distribution *	69.00	12.47	
33	Hughes Lane - Lexington	Distribution *	69.00	12.47	
34	IBM - Lexington	Distribution *	69.00	12.47	
35	IBM North 12KV	Distribution *	138.00	12.47	
36	Imboden - Norton	Distribution *	69.00	34.50	
37	Irvine - Richmond	Distribution *	69.00	12.47	
38	Joyland - Lexington	Distribution *	69.00	12.47	
39	Kawneer - Cynthiana	Distribution *	69.00	12.47	
40	Kenton - Maysville	Distribution *	69.00	12.47	

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SUBSTATIONS (Continued)						
5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.						
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.						
Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
23	1		NONE			1
28	2		NONE			2
14	1		NONE			3
14	1		NONE			4
23	1		NONE			5
14	1		NONE			6
20	1		NONE			7
14	1		NONE			8
14	1		NONE			9
28	1		NONE			10
14	1		NONE			11
17	1		NONE			12
14	1		NONE			13
14	1		NONE			14
14	1		NONE			15
39	1		NONE			16
14	1		NONE			17
14	1		NONE			18
14	1		NONE			19
13	1		NONE			20
14	1		NONE			21
14	1		NONE			22
14	1		NONE			23
14	1		NONE			24
14	1		NONE			25
80	2		NONE			26
14	1		NONE			27
14	1		NONE			28
14	1		NONE			29
28	2		NONE			30
28	2		NONE			31
45	2		NONE			32
14	1		NONE			33
75	2		NONE			34
34	1		NONE			35
37	1		NONE			36
14	1		NONE			37
37	2		NONE			38
14	1		NONE			39
28	2		NONE			40

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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Kentucky River 4KV	Distribution *	69.00	4.16	
2	LaGrange East	Distribution *	69.00	12.47	
3	LaGrange - Penal - LaGrange	Distribution *	69.00	12.47	
4	Lakeshore - Lexington	Distribution *	69.00	12.47	
5	Lancaster - Danville	Distribution*	69.00	4.16	
6	Lansdowne - Lexington	Distribution *	69.00	12.47	
7	Lawrenceburg - Lawrenceburg	Distribution *	69.00	12.47	
8	Lebanon - Lebanon	Distribution*	69.00	12.47	
9	Lebanon East	Distribution*	69.00	12.47	
10	Lebanon South 12KV - Lebanon	Distribution *	69.00	12.47	
11	Lebanon Junction 12KV	Distribution *	69.00	12.47	
12	Lebanon West 12KV	Distribution*	138.00	12.47	
13	Leitchfield 12KV - Leitchfield	Distribution *	69.00	12.47	
14	Leitchfield East - Leitchfield	Distribution *	69.00	12.47	
15	Lemons Mill - Georgetown	Distribution *	69.00	12.47	
16	Lexington Water Comapany	Distribution *	69.00	12.47	
17	Lexington 4KV - Lexington	Distribution *	69.00	4.16	
18	Liberty - Liberty	Distribution *	69.00	12.47	
19	Liberty Road - Lexington	Distribution *	69.00	12.47	
20	London - London	Distribution *	69.00	12.47	
21	Loudon Ave. - Lexington	Distribution *	138.00	12.47	
22	Madisonville GE 12KV	Distribution *	69.00	12.47	
23	Madisonville HP 12KV	Distribution *	69.00	12.47	
24	Madisonville North 4KV	Distribution *	69.00	4.16	
25	Madisonville West 12KV	Distribution *	69.00	12.47	
26	Madisonville East 12KV	Distribution *	69.00	12.47	
27	Manchester South	Distribution *	69.00	12.47	
28	Marion South - Marion	Distribution *	69.00	12.47	
29	Maysville Mid - Maysville	Distribution *	69.00	4.16	
30	McCoy Avenue 12KV	Distribution *	69.00	12.47	
31	McKee Road 12KV	Distribution *	69.00	12.47	
32	Meldrum - Middlesboro	Distribution *	69.00	12.47	
33	Metal & Thermit - Carrollton	Distribution *	69.00	12.47	
34	Middlesboro #1 12KV	Distribution *	69.00	12.47	
35	Middlesboro #2 12KV	Distribution *	69.00	12.47	
36	Midway - Versailles	Distribution *	138.00	12.47	
37	Minor Farm 12KV	Distribution *	69.00	12.47	
38	Morehead - Morehead	Distribution *	69.00	12.47	
39	Morganfield Industrial - Morganfield	Distribution *	69.00	12.47	
40	Mt. Sterling - Mt. Sterling	Distribution *	69.00	12.47	

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SUBSTATIONS (Continued)						
5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.						
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Capacity of Substation (In Service) (In MVa) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVa) (k)	
14	1		NONE			1
37	2		NONE			2
23	1		NONE			3
37	1		NONE			4
14	1		NONE			5
75	2		NONE			6
45	2		NONE			7
14	1		NONE			8
14	3		NONE			9
14	1		NONE			10
14	1		NONE			11
14	1		NONE			12
14	1		NONE			13
14	1		NONE			14
45	2		NONE			15
45	2		NONE			16
28	1		NONE			17
14	1		NONE			18
37	1		NONE			19
45	2		NONE			20
37	1		NONE			21
23	1		NONE			22
14	1		NONE			23
23	1		NONE			24
23	1		NONE			25
14	1		NONE			26
14	1		NONE			27
14	1		NONE			28
14	1		NONE			29
14	1		NONE			30
14	1		NONE			31
14	1		NONE			32
14	1		NONE			33
28	2		NONE			34
28	2		NONE			35
14	1		NONE			36
14	1		NONE			37
14	1		NONE			38
14	1		NONE			39
14	1		NONE			40

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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Mt. Vernon - Mt. Vernon	Distribution *	69.00	12.47	
2	Muhlenburg Prison - Muhlenburg	Distribution *	69.00	12.47	
3	Norton East - Norton	Distribution *	69.00	12.47	
4	Oakhill - Earlington	Distribution*	69.00	34.50	
5	Okonite - Richmond	Distribution *	69.00	12.47	
6	Owingsville 12KV	Distribution *	69.00	12.47	
7	Oxford - Georgetown	Distribution *	69.00	12.47	
8	Paris - Paris	Distribution *	69.00	12.47	
9	Parker Seal 12KV - Winchester	Distribution *	69.00	12.47	
10	Parkers Mill 12KV	Distribution *	69.00	12.47	
11	Pepper Pike 12KV - Georgetown	Distribution *	34.50	12.47	
12	Picadome 12KV - Lexington	Distribution *	69.00	12.47	
13	Pineville 12KV	Distribution *	69.00	12.47	
14	Pocket - Norton	Distribution*	69.00	34.50	
15	Poor Valley - Pennington Gap	Distribution *	69.00	12.47	
16	Powderly - Muhlenburg	Distribution *	69.00	12.47	
17	Princeton - Princeton	Distribution*	69.00	34.50	
18	Proctor/Gamble 4KV	Distribution *	69.00	4.16	
19	Race Street - Lexington	Distribution *	69.00	12.47	
20	Radcliff - Radcliff	Distribution *	69.00	12.47	
21	Red House 12KV	Distribution *	69.00	12.47	
22	Reynolds - Lexington	Distribution *	138.00	12.47	
23	Richmond 12KV	Distribution *	69.00	12.47	
24	Richmond #3 12KV (EKU)	Distribution *	69.00	12.47	
25	Richmond East	Distribution *	69.00	12.47	
26	Richmond Industrial	Distribution *	69.00	12.47	
27	Richmond South	Distribution *	69.00	12.47	
28	Rockwell - Winchester	Distribution *	69.00	12.47	
29	Rogersville - Radcliff	Distribution *	69.00	12.47	
30	Rumsey - Earlington	Distribution*	34.50	34.50	
31	Salem - Earlington	Distribution*	69.00	34.50	
32	Shannon Run 12KV	Distribution *	69.00	12.47	
33	Sharon - Augusta	Distribution *	69.00	12.47	
34	Shavers Chap 12KV	Distribution *	69.00	12.47	
35	Shelbyville North12KV	Distribution *	69.00	12.47	
36	Shelbyville East	Distribution *	69.00	12.47	
37	Shelbyville South	Distribution *	69.00	12.47	
38	Shun Pike 12KV	Distribution*	69.00	12.47	
39	Simpsonville - Shelbyville	Distribution*	69.00	12.47	
40	Somerset #2 4KV	Distribution *	69.00	4.16	

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SUBSTATIONS (Continued)						
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Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
14	1		NONE			1
14	1		NONE			2
14	1		NONE			3
20	1		NONE			4
14	1		NONE			5
14	1		NONE			6
14	1		NONE			7
14	1		NONE			8
23	1		NONE			9
45	2		NONE			10
14	1		NONE			11
23	1		NONE			12
28	2		NONE			13
20	1		NONE			14
14	1		NONE			15
14	1		NONE			16
13	1		NONE			17
14	1		NONE			18
14	1		NONE			19
23	1		NONE			20
14	1		NONE			21
77	2		NONE			22
45	2		NONE			23
37	2		NONE			24
23	1		NONE			25
23	1		NONE			26
23	1		NONE			27
23	1		NONE			28
23	1		NONE			29
13	1		NONE			30
14	1		NONE			31
14	1		NONE			32
14	1		NONE			33
14	1		NONE			34
23	1		NONE			35
23	1		NONE			36
37	2		NONE			37
14	1		NONE			38
14	1		NONE			39
14	1		NONE			40

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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Somerset #3 12KV	Distribution *	69.00	12.47	
2	Somerset South	Distribution *	69.00	12.47	
3	Springfield - Campbellsville	Distribution *	69.00	12.47	
4	St. Paul 12KV	Distribution *	69.00	12.47	
5	Stanford 12KV	Distribution *	69.00	12.47	
6	Stanford North 12KV	Distribution *	69.00	12.47	
7	Stonewall 12KV - Lexington	Distribution *	69.00	12.47	
8	Sylvania 12KV - Winchester	Distribution *	69.00	12.47	
9	Taylorsville - Shelbyville	Distribution*	69.00	12.47	
10	Toyota North	Distribution *	138.00	13.20	
11	Toyota South	Distribution *	138.00	13.20	
12	Trafton Ave. 12KV - Lexington	Distribution *	69.00	12.47	
13	Trafton Ave. 4KV - Lexington	Distribution *	69.00	4.16	
14	UK Scott 12KV	Distribution *	69.00	12.47	
15	UK Medical Center - Lexington	Distribution *	69.00	12.47	
16	UK West - Lexington	Distribution *	69.00	13.09	
17	Union Underwear - Russell Springs	Distribution *	69.00	12.47	
18	Vaksdahl Avenue 12KV	Distribution *	69.00	12.47	
19	Verda - Harlan	Distribution *	69.00	12.47	
20	Versailles West 12KV - Versailles	Distribution *	69.00	12.47	
21	Versailles Bypass - Versailles	Distribution *	69.00	12.47	
22	Viley Road - Lexington	Distribution *	138.00	12.47	
23	Vine Street 12KV - Lexington	Distribution *	69.00	12.47	
24	Wallsboro - Somerset	Distribution *	69.00	12.47	
25	Warsaw East - Owenton	Distribution *	69.00	12.47	
26	West Cliff 34.5KV	Distribution*	69.00	34.50	
27	West Hickman - Lexington	Distribution *	69.00	12.47	
28	West High Street 12KV - Lexington	Distribution *	69.00	12.47	
29	Westvaco 13.8KV	Distribution *	69.00	13.80	
30	Wickliffe 13.8KV	Distribution *	69.00	13.80	
31	Wilson Downing - Lexington	Distribution *	69.00	12.47	
32	Williamsburg South - Williamsburg	Distribution *	69.00	12.47	
33	Wilmore - Versailles	Distribution *	69.00	12.47	
34	Winchester Industrial 12KV - Winchester	Distribution *	69.00	12.47	
35	Winchester WW 12KV	Distribution *	69.00	12.47	
36	Wise - Norton	Distribution *	69.00	12.47	
37	Woodlawn 12KV	Distribution*	69.00	12.47	
38	260 Stations Less Than 10,000 KVA				
39					
40	Total Distribution		16247.50	3010.00	

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			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVa) (k)	
14	1		NONE			1
14	1		NONE			2
14	1		NONE			3
45	2		NONE			4
14	1		NONE			5
14	1		NONE			6
37	1		NONE			7
23	1		NONE			8
14	1		NONE			9
84	3		NONE			10
84	3		NONE			11
14	1		NONE			12
14	1		NONE			13
37	1		NONE			14
65	2		NONE			15
14	1		NONE			16
28	2		NONE			17
14	1		NONE			18
14	1		NONE			19
23	1		NONE			20
45	2		NONE			21
39	1		NONE			22
14	1		NONE			23
14	1		NONE			24
14	1		NONE			25
21	1		NONE			26
23	1		NONE			27
28	2		NONE			28
67	3		NONE			29
14	1		NONE			30
45	2		NONE			31
14	1		NONE			32
14	1		NONE			33
23	1		NONE			34
14	1		NONE			35
23	1		NONE			36
14	1		NONE			37
1596	392		NONE			38
						39
8865	679					40

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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)				
			Primary (c)	Secondary (d)	Tertiary (e)		
1							
2	* Unattended						
3							
4							
5	Summary						
6	Transmission 113						
7	Distribution 483						
8	Total 596						
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
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29							
30							
31							
32							
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34							
35							
36							
37							
38							
39							
40							

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Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
						1
						2
						3
						4
						5
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Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2008/Q4
FOOTNOTE DATA			

Schedule Page: 426	Line No.: 15	Column: b
(G) Generation		
Schedule Page: 426	Line No.: 16	Column: b
(G) Generation		
Schedule Page: 426	Line No.: 19	Column: b
(G) Generation		
Schedule Page: 426	Line No.: 20	Column: b
(G) Generation		
Schedule Page: 426	Line No.: 32	Column: b
(G) Generation		
Schedule Page: 426.1	Line No.: 7	Column: b
(G) Generation		
Schedule Page: 426.1	Line No.: 8	Column: b
(G) Generation		
Schedule Page: 426.1	Line No.: 9	Column: b
(G) Generation		
Schedule Page: 426.1	Line No.: 13	Column: b
(G) Generation		
Schedule Page: 426.1	Line No.: 18	Column: b
(G) Generation		
Schedule Page: 426.2	Line No.: 36	Column: b
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(G) Generation		
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Commissioned in 2008.		

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THIS FILING IS	
Item 1: <input checked="" type="checkbox"/> An Initial (Original) Submission	OR <input type="checkbox"/> Resubmission No. ____

Form 1 Approved
OMB No. 1902-0021
(Expires 7/31/2008)
Form 1-F Approved
OMB No. 1902-0029
(Expires 6/30/2007)
Form 3-Q Approved
OMB No. 1902-0205
(Expires 6/30/2007)



**FERC FINANCIAL REPORT
FERC FORM No. 1: Annual Report of
Major Electric Utilities, Licensees
and Others and Supplemental
Form 3-Q: Quarterly Financial Report**

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company) Kentucky Utilities Company	Year/Period of Report End of <u>2007/Q4</u>
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PricewaterhouseCoopers LLP
500 West Main Street
Suite 1800
Louisville KY 40202-4264
Telephone (502) 589 6100
Facsimile (502) 585 7875

Report of Independent Auditors

To the Shareholder of Kentucky Utilities Company:

We have audited the accompanying balance sheets of Kentucky Utilities Company as of December 31, 2007 and 2006 and the related statements of income, retained earnings and cash flows for the years then ended, included on pages 110 through 123.38 of the accompanying Federal Energy Regulatory Commission Form 1. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

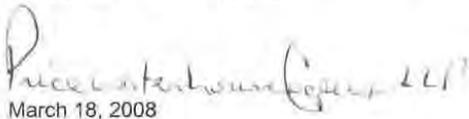
We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kentucky Utilities Company as of December 31, 2007 and 2006, and the results of its operations and its cash flows for the years then ended in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

As discussed in Note 2 to the financial statements, Kentucky Utilities Company changed the manner in which it accounts for defined benefit pension and other postretirement benefit plans as of December 31, 2006.

This report is intended solely for the information and use of the board of directors and management of Kentucky Utilities Company and for filing with the Federal Energy Regulatory Commission and should not be used for any other purpose.


March 18, 2008

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

GENERAL INFORMATION

I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: <http://www.ferc.gov/docs-filing/eforms/form-1/elec-subm-soft.asp>. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

- a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

<u>Reference Schedules</u>	<u>Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

- e) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of _____, we have also reviewed schedules

_____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at <http://www.ferc.gov/help/how-to.asp>.

- (g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <http://www.ferc.gov/docs-filing/eforms/form-1/form-1.pdf> and <http://www.ferc.gov/docs-filing/eforms.asp#3Q-gas>.

IV. When to Submit:

FERC Forms 1 and 3-Q must be filed by the following schedule:

- a) FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and
- b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 150 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below).**
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the

termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

DEFINITIONS

I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to wit:

(3) 'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, utilizing, or distributing power;

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other Industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special* reports as the Commission may by rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports shall be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies".10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

General Penalties

The Commission may assess up to \$1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

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**FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION		
01 Exact Legal Name of Respondent Kentucky Utilities Company		02 Year/Period of Report End of 2007/Q4
03 Previous Name and Date of Change (if name changed during year) / /		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 220 West Main Street, P.O. Box 32010, Louisville, KY 40232		
05 Name of Contact Person Mimi Kelly		06 Title of Contact Person Mgr - Regulatory Acct & Reprt
07 Address of Contact Person (Street, City, State, Zip Code) P.O. Box 32010, Louisville, KY 40232		
08 Telephone of Contact Person, including Area Code (502) 627-2482	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) / /
ANNUAL CORPORATE OFFICER CERTIFICATION		
The undersigned officer certifies that: I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.		
01 Name S. Bradford Rives	03 Signature S. Bradford Rives	04 Date Signed (Mo, Da, Yr) 03/20/2008
02 Title Chief Financial Officer	Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.	

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2007/Q4
LIST OF SCHEDULES (Electric Utility)					
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".					
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)		
1	General Information	101			
2	Control Over Respondent	102			
3	Corporations Controlled by Respondent	103			
4	Officers	104			
5	Directors	105			
6	Important Changes During the Year	108-109			
7	Comparative Balance Sheet	110-113			
8	Statement of Income for the Year	114-117			
9	Statement of Retained Earnings for the Year	118-119			
10	Statement of Cash Flows	120-121			
11	Notes to Financial Statements	122-123			
12	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)			
13	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201			
14	Nuclear Fuel Materials	202-203	NONE		
15	Electric Plant in Service	204-207			
16	Electric Plant Leased to Others	213	NONE		
17	Electric Plant Held for Future Use	214	NONE		
18	Construction Work in Progress-Electric	216			
19	Accumulated Provision for Depreciation of Electric Utility Plant	219			
20	Investment of Subsidiary Companies	224-225	NONE		
21	Materials and Supplies	227			
22	Allowances	228-229			
23	Extraordinary Property Losses	230	NONE		
24	Unrecovered Plant and Regulatory Study Costs	230	NONE		
25	Transmission Service and Generation Interconnection Study Costs	231	NONE		
26	Other Regulatory Assets	232			
27	Miscellaneous Deferred Debits	233			
28	Accumulated Deferred Income Taxes	234			
29	Capital Stock	250-251			
30	Other Paid-in Capital	253			
31	Capital Stock Expense	254			
32	Long-Term Debt	256-257			
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35	Accumulated Deferred Investment Tax Credits	266-267			
36	Other Deferred Credits	269			

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2007/Q4
LIST OF SCHEDULES (Electric Utility) (continued)				
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".				
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
37	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	NONE	
38	Accumulated Deferred Income Taxes-Other Property	274-275		
39	Accumulated Deferred Income Taxes-Other	276-277		
40	Other Regulatory Liabilities	278		
41	Electric Operating Revenues	300-301		
42	Sales of Electricity by Rate Schedules	304		
43	Sales for Resale	310-311		
44	Electric Operation and Maintenance Expenses	320-323		
45	Purchased Power	326-327		
46	Transmission of Electricity for Others	328-330		
47	Transmission of Electricity by ISO/RTOs	331	NONE	
48	Transmission of Electricity by Others	332		
49	Miscellaneous General Expenses-Electric	335		
50	Depreciation and Amortization of Electric Plant	336-337		
51	Regulatory Commission Expenses	350-351		
52	Research, Development and Demonstration Activities	352-353		
53	Distribution of Salaries and Wages	354-355		
54	Common Utility Plant and Expenses	356	NONE	
55	Amounts included in ISO/RTO Settlement Statements	397		
56	Purchase and Sale of Ancillary Services	398		
57	Monthly Transmission System Peak Load	400		
58	Monthly ISO/RTO Transmission System Peak Load	400a	NONE	
59	Electric Energy Account	401		
60	Monthly Peaks and Output	401		
61	Steam Electric Generating Plant Statistics	402-403		
62	Hydroelectric Generating Plant Statistics	406-407		
63	Pumped Storage Generating Plant Statistics	408-409	NONE	
64	Generating Plant Statistics Pages	410-411	NONE	
65	Transmission Line Statistics Pages	422-423		
66	Transmission Lines Added During the Year	424-425	NONE	

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2007/Q4
LIST OF SCHEDULES (Electric Utility) (continued)				
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".				
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
67	Substations	426-427		
68	Footnote Data	450		
	<p>Stockholders' Reports Check appropriate box:</p> <p><input type="checkbox"/> Four copies will be submitted</p> <p><input checked="" type="checkbox"/> No annual report to stockholders is prepared</p>			

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2007/Q4</u>
GENERAL INFORMATION			
<p>1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.</p> <p>S. B. Rives 220 West Main Street Louisville, KY 40202</p>			
<p>2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.</p> <p>Kentucky August 17, 1912 Virginia December 1, 1991</p>			
<p>3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.</p> <p>Not Applicable</p>			
<p>4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.</p> <p>Electric Services - Kentucky Electric Services - Tennessee Electric Services - Virginia</p>			
<p>5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?</p> <p>(1) <input type="checkbox"/> Yes...Enter the date when such independent accountant was initially engaged: (2) <input checked="" type="checkbox"/> No</p>			

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2007/Q4</u>
CONTROL OVER RESPONDENT			
<p>1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.</p>			
<p>Kentucky Utilities Company (KU) is a wholly-owned subsidiary of E.ON U.S. LLC., formerly known as LG&E Energy LLC. E.ON U.S. LLC. is a wholly-owned subsidiary of E.ON AG, a German corporation, making KU a wholly-owned subsidiary of E.ON AG.</p>			

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2007/Q4	
CORPORATIONS CONTROLLED BY RESPONDENT				
<p>1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.</p> <p>2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.</p> <p>3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.</p> <p>Definitions</p> <p>1. See the Uniform System of Accounts for a definition of control.</p> <p>2. Direct control is that which is exercised without interposition of an intermediary.</p> <p>3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.</p> <p>4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.</p>				
Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	-- Not Applicable --			
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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2007/Q4
OFFICERS				
<p>1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.</p> <p>2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.</p>				
Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)	
1	CURRENT OFFICERS AT DECEMBER 31, 2007			
2	Chairman of the Board, President and			
3	Chief Executive Officer	Victor A. Staffleri		
4	Executive Vice President, General Counsel,			
5	Corporate Secretary and Chief Compliance Officer	John R. McCall		
6	Chief Financial Officer	S. Bradford Rives		
7	Senior Vice President - Energy Marketing	Martyn Gallus		
8	Senior Vice President - Energy Delivery	Chris Hermann		
9	Senior Vice President - Human Resources	Paula H. Pottinger		
10	Senior Vice President - Energy Services	Paul W. Thompson		
11	Senior Vice President - Information Technology	Wendy C. Welsh		
12	Vice President - Federal Regulation and Policy	Michael S. Beer		
13	Vice President - State Regulation and Rates	Lonnie E. Bellar		
14	Vice President - Corporate Planning and Development	Kent W. Blake		
15	Vice President - Power Operations-WKE	D. Ralph Bowling		
16	Vice President - Corporate Responsibility			
17	and Community Affairs	Laura G. Douglas		
18	Vice President - Communications	R. W. Chip Keeling		
19	Vice President - Energy Delivery - Retail Business	John P. Malloy		
20	Vice President and Deputy General Counsel - Legal			
21	and Environmental Affairs	Dorothy E. O'Brien		
22	Vice President - External Affairs	George R. Siemens		
23	Vice President - Energy Delivery - Distribution			
24	Operations	P. Greg Thomas		
25	Vice President - Regulated Generation	John N. Voyles, Jr.		
26	Treasurer	Daniel K. Arbough		
27	Controller	Valerie L. Scott		
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2007/Q4
Kentucky Utilities Company			
FOOTNOTE DATA			

Schedule Page: 104 Line No.: 1 Column: a
Effective January 31, 2008, David S. Sinclair was promoted to Vice President - Energy Marketing.

Schedule Page: 104 Line No.: 1 Column: c
Salary information for all officers is on file in the office of the respondent.

Schedule Page: 104 Line No.: 7 Column: b
Martyn Gallus is serving in a position with an international affiliate, effective January 2008.

Schedule Page: 104 Line No.: 13 Column: b
Lonnie E. Bellar was promoted to Vice President - State Regulation and Rates effective August 20, 2007.

Schedule Page: 104 Line No.: 14 Column: b
Kent W. Blake was appointed to Vice President - Corporate Responsibility and Community Affairs effective August 1, 2007.

Schedule Page: 104 Line No.: 17 Column: b
Laura G. Douglas was promoted to Vice President and Deputy General Counsel - Legal and Environmental Affairs effective November 15, 2007.

Schedule Page: 104 Line No.: 19 Column: b
John P. Malloy was promoted to Vice President - Energy Delivery - Retail Business effective April 9, 2007.

Schedule Page: 104 Line No.: 21 Column: b
Dorothy E. O'Brien was promoted to Vice President and Deputy General Counsel - Legal and Environmental Affairs effective October 10, 2007.

Schedule Page: 104 Line No.: 24 Column: b
P. Greg Thomas was promoted to Vice President - Energy Delivery - Distribution Operations effective April 9, 2007.

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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2007/Q4
DIRECTORS					
1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.					
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.					
Line No.	Name (and Title) of Director (a)	Principal Business Address (b)			
1	CURRENT BOARD OF DIRECTORS AT DECEMBER 31, 2007				
2					
3	Victor A. Staffieri, Chairman of the Board, President	220 West Main Street, Louisville, KY 40202			
4	and Chief Executive Officer				
5	John R. McCall, EVP General Counsel, Corporate	220 West Main Street, Louisville, KY 40202			
6	Secretary and Chief Compliance Officer				
7	S. Bradford Rives, Chief Financial Officer	220 West Main Street, Louisville, KY 40202			
8	Chris Hermann, SVP Energy Delivery	220 West Main Street, Louisville, KY 40202			
9	Paul W. Thompson, SVP Energy Services	220 West Main Street, Louisville, KY 40202			
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Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report / /	Year/Period of Report End of 2007/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR			
<p>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.</p> <ol style="list-style-type: none"> Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments. State the estimated annual effect and nature of any important wage scale changes during the year. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest. (Reserved.) If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio. 			
<p>PAGE 108 INTENTIONALLY LEFT BLANK SEE PAGE 109 FOR REQUIRED INFORMATION.</p>			

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	2007/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. None.
2. None.
3. None.
4. None of a material nature.
5. None of a material nature.
6. At December 31, 2007, the Company had obtained authorization from the SEC under the Public Utility Holding Company Act of 2005 (PUHCA 2005) SEC File No. 70-10282 for the issuance of short-term debt up to \$400 million through May 31, 2008. The Federal Power Act contained an exemption from FERC approval for securities issuances approved by the SEC under PUHCA 2005. In connection with the repeal of the PUHCA of 1935, the Company also received FERC authorization under the FPA Docket No. ES07-60-000 for up to \$400 million in short-term debt through November 30, 2009. The Company's money pool balance decreased from \$106 million at September 30, 2007 to \$23 million at December 31, 2007. During the fourth quarter, the Company entered into two new long-term loans totaling \$170 million with Fidefia Corporation, an affiliated company. The first loan for \$70 million has an interest rate of 5.71% and matures in October 2019. The second loan for \$100 million has an interest rate of 5.45% and matures in December 2014. The new loans were approved by the Kentucky Public Service Commission, the Virginia State Corporation Commission, and the Tennessee Regulatory Commission. See Note 7 of Notes to Financial Statements.
7. None.
8. None of a material nature.
9. See Notes 2 and 9 of Notes to Financial Statements.
10. None.
11. N/A
12. N/A
13. David A. Vogel announced his resignation as Vice President – Retail and Gas Storage Operations during March 2007. Effective during March 2007, the following appointment was made: Cord H. Landsmann, Vice President - Corporate Planning and Development. Effective during April 2007, the following appointments were made: John P. Malloy, Vice President – Energy Delivery – Retail Business; P. Gregory Thomas, Vice President – Energy Delivery – Distribution Operations; Kent W. Blake, Vice President – State Regulation and Rates. Effective during May 2007, John R. McCall was named Chief Compliance Officer in addition to his previous title of Executive Vice President, General Counsel and Corporate Secretary. Effective August 1, 2007, Cord H. Landsmann resigned as Vice President – Corporate Planning and Development, Kent W. Blake was appointed Vice President – Corporate Planning and Development and Lonnie E. Bellar was appointed Vice President - State Regulation and Rates. Effective during October 2007, Dorothy E. O'Brien was named Vice President and Deputy General Counsel, Legal and Environmental Affairs. Effective during November 2007, Laura G. Douglas was named Vice President - Corporate Responsibility and Community Affairs. Martyn Gallus is serving in a position with an international affiliate, effective January 2008. Effective during January 2008, David S. Sinclair was appointed Vice President – Energy Marketing.
14. The Company is a participant in a cash pooling arrangement, but its proprietary capital ratio is above 30 percent.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 1/1	Year/Period of Report End of 2007/Q4
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	3,867,960,512	3,680,734,487
3	Construction Work in Progress (107)	200-201	1,071,388,626	487,243,640
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		4,939,349,138	4,167,978,127
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	1,931,454,524	1,850,012,155
6	Net Utility Plant (Enter Total of line 4 less 5)		3,007,894,614	2,317,965,972
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		3,007,894,614	2,317,965,972
15	Utility Plant Adjustments (116)	122	0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		180,296	1,027,089
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	57,928
20	Investments in Associated Companies (123)		22,502,888	17,544,087
21	Investment in Subsidiary Companies (123.1)	224-225	0	0
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		681,140	676,140
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		5,915,884	5,704,694
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		29,260,188	24,894,084
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		321,021	5,309,005
36	Special Deposits (132-134)		10,985,556	22,807,516
37	Working Fund (135)		38,680	58,230
38	Temporary Cash Investments (136)		17,490	3,505
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		93,443,216	81,011,049
41	Other Accounts Receivable (143)		21,261,831	2,096,320
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		1,939,209	1,820,192
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		16,983,062	50,014,360
45	Fuel Stock (151)	227	41,770,628	64,221,479
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	27,370,026	25,951,429
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	382,894	1,670,538

Name of Respondent		This Report Is:		Date of Report	Year/Period of Report
Kentucky Utilities Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) / /	End of 2007/Q4
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)Continued					
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)	
53	(Less) Noncurrent Portion of Allowances		0	0	
54	Stores Expense Undistributed (163)	227	6,454,808	6,386,539	
55	Gas Stored Underground - Current (164.1)		0	0	
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0	
57	Prepayments (165)		5,293,879	5,878,487	
58	Advances for Gas (166-167)		0	0	
59	Interest and Dividends Receivable (171)		95,727	141,035	
60	Rents Receivable (172)		0	0	
61	Accrued Utility Revenues (173)		58,867,000	41,715,000	
62	Miscellaneous Current and Accrued Assets (174)		16,145	0	
63	Derivative Instrument Assets (175)		537,979	895,627	
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0	
65	Derivative Instrument Assets - Hedges (176)		0	0	
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0	
67	Total Current and Accrued Assets (Lines 34 through 66)		281,900,733	306,339,927	
68	DEFERRED DEBITS				
69	Unamortized Debt Expenses (181)		7,281,131	5,875,218	
70	Extraordinary Property Losses (182.1)	230	0	0	
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0	
72	Other Regulatory Assets (182.3)	232	82,165,251	115,016,843	
73	Prelim. Survey and Investigation Charges (Electric) (183)		1,667,653	294,017	
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0	
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0	
76	Clearing Accounts (184)		-2,368,433	2,752,647	
77	Temporary Facilities (185)		0	0	
78	Miscellaneous Deferred Debits (186)	233	67,276,079	64,087,291	
79	Def. Losses from Disposition of Utility Plt. (187)		0	0	
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0	
81	Unamortized Loss on Required Debt (189)		10,173,667	10,327,192	
82	Accumulated Deferred Income Taxes (190)	234	50,753,516	46,004,037	
83	Unrecovered Purchased Gas Costs (191)		0	0	
84	Total Deferred Debits (lines 69 through 83)		216,948,864	244,357,245	
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		3,536,004,399	2,893,557,228	

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Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2007/Q4
FOOTNOTE DATA			

Schedule Page: 110 Line No.: 76 Column:
 The negative balance resulted from a higher level of capital additions in 2007.

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (mo, da, yr) / /	Year/Period of Report end of 2007/Q4
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)	
1	PROPRIETARY CAPITAL				
2	Common Stock Issued (201)	250-251	308,139,978	308,139,978	
3	Preferred Stock Issued (204)	250-251	0	0	
4	Capital Stock Subscribed (202, 205)	252	0	0	
5	Stock Liability for Conversion (203, 206)	252	0	0	
6	Premium on Capital Stock (207)	252	0	0	
7	Other Paid-In Capital (208-211)	253	90,000,000	15,000,000	
8	Installments Received on Capital Stock (212)	252	0	0	
9	(Less) Discount on Capital Stock (213)	254	0	0	
10	(Less) Capital Stock Expense (214)	254	321,289	321,289	
11	Retained Earnings (215, 215.1, 216)	118-119	1,016,489,982	854,131,028	
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	21,207,068	16,248,287	
13	(Less) Reaquired Capital Stock (217)	250-251	0	0	
14	Noncorporate Proprietorship (Non-major only) (218)		0	0	
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	0	0	
16	Total Proprietary Capital (lines 2 through 15)		1,435,515,739	1,193,198,004	
17	LONG-TERM DEBT				
18	Bonds (221)	256-257	332,753,140	359,384,680	
19	(Less) Reaquired Bonds (222)	256-257	0	0	
20	Advances from Associated Companies (223)	256-257	931,000,000	483,000,000	
21	Other Long-Term Debt (224)	256-257	0	0	
22	Unamortized Premium on Long-Term Debt (225)		0	0	
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0	
24	Total Long-Term Debt (lines 18 through 23)		1,263,753,140	842,384,680	
25	OTHER NONCURRENT LIABILITIES				
26	Obligations Under Capital Leases - Noncurrent (227)		0	0	
27	Accumulated Provision for Property Insurance (228.1)		0	0	
28	Accumulated Provision for Injuries and Damages (228.2)		3,098,519	0	
29	Accumulated Provision for Pensions and Benefits (228.3)		87,925,008	76,450,084	
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0	
31	Accumulated Provision for Rate Refunds (229)		0	0	
32	Long-Term Portion of Derivative Instrument Liabilities		0	0	
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0	
34	Asset Retirement Obligations (230)		30,315,059	28,481,207	
35	Total Other Noncurrent Liabilities (lines 26 through 34)		121,338,586	104,931,291	
36	CURRENT AND ACCRUED LIABILITIES				
37	Notes Payable (231)		0	0	
38	Accounts Payable (232)		161,858,433	140,112,749	
39	Notes Payable to Associated Companies (233)		23,219,454	97,043,054	
40	Accounts Payable to Associated Companies (234)		48,442,227	87,173,829	
41	Customer Deposits (235)		19,573,318	18,681,706	
42	Taxes Accrued (236)	262-263	4,089,209	5,483,045	
43	Interest Accrued (237)		1,532,755	2,081,879	
44	Dividends Declared (238)		0	0	
45	Matured Long-Term Debt (239)		0	0	
FERC FORM NO. 1 (rev. 12-03) Page 112					

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (mo, da, yr) / /	Year/Period of Report end of 2007/Q4
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (continued)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)	
46	Matured Interest (240)		0	0	
47	Tax Collections Payable (241)		3,515,457	3,344,527	
48	Miscellaneous Current and Accrued Liabilities (242)		10,758,715	10,631,560	
49	Obligations Under Capital Leases-Current (243)		0	0	
50	Derivative Instrument Liabilities (244)		152,956	119,895	
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0	
52	Derivative Instrument Liabilities - Hedges (245)		0	0	
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0	
54	Total Current and Accrued Liabilities (lines 37 through 53)		273,140,524	364,672,244	
55	DEFERRED CREDITS				
56	Customer Advances for Construction (252)		2,803,337	1,972,866	
57	Accumulated Deferred Investment Tax Credits (255)	266-267	54,989,112	13,023,775	
58	Deferred Gains from Disposition of Utility Plant (256)		0	0	
59	Other Deferred Credits (253)	269	13,436,144	7,283,142	
60	Other Regulatory Liabilities (254)	278	37,721,038	35,939,373	
61	Unamortized Gain on Reaquired Debt (257)		0	0	
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0	
63	Accum. Deferred Income Taxes-Other Property (282)		291,507,115	291,427,195	
64	Accum. Deferred Income Taxes-Other (283)		41,789,666	38,724,658	
65	Total Deferred Credits (lines 56 through 64)		442,256,410	388,371,009	
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		3,536,004,399	2,893,557,228	
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Kentucky Utilities Company		/ /	2007/Q4
FOOTNOTE DATA			

Schedule Page: 112 Line No.: 28 Column:

During 2007, Workers' Compensation was reclassified from account 232 to account 228.2, as it was determined to be long-term in nature.

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2007/Q4	
STATEMENT OF INCOME						
Quarterly						
1. Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.						
2. Report in column (f) the quarter to date amounts for electric utility function; in column (h) the quarter to date amounts for gas utility, and in (j) the quarter to date amounts for other utility function for the current year quarter.						
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.						
4. If additional columns are needed place them in a footnote.						
Annual or Quarterly if applicable						
5. Do not report fourth quarter data in columns (e) and (f)						
6. Report amounts for accounts 412 and 413. Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.						
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.						
8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.						
Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	1,272,548,899	1,210,019,284		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	781,485,127	770,339,126		
5	Maintenance Expenses (402)	320-323	85,242,194	72,877,246		
6	Depreciation Expense (403)	336-337	115,064,736	109,639,095		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337	199,429	296,659		
8	Amort. & Depl. of Utility Plant (404-405)	336-337	5,420,545	5,072,614		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)		2,101,203	2,044,274		
14	Taxes Other Than Income Taxes (408.1)	262-263	18,439,077	18,603,068		
15	Income Taxes - Federal (409.1)	262-263	27,762,416	48,698,525		
16	- Other (409.1)	262-263	13,060,216	11,375,572		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	40,957,117	41,108,472		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	47,805,346	40,437,777		
19	Investment Tax Credit Adj. - Net (411.4)	266	42,566,647	12,000,000		
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)		706,852	1,283,929		
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)		1,861,363	1,747,615		
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		1,081,445,468	1,047,990,012		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27		191,103,431	162,029,272		

Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2007/Q4		
STATEMENT OF INCOME FOR THE YEAR (Continued)								
<p>9. Use page 122 for important notes regarding the statement of income for any account thereof.</p> <p>10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.</p> <p>11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.</p> <p>12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.</p> <p>13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.</p> <p>14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.</p> <p>15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.</p>								
ELECTRIC UTILITY		GAS UTILITY				OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)			
							1	
1,272,548,899	1,210,019,284						2	
							3	
781,485,127	770,339,126						4	
85,242,194	72,877,246						5	
115,064,736	109,639,095						6	
199,429	296,659						7	
5,420,545	5,072,614						8	
							9	
							10	
							11	
							12	
2,101,203	2,044,274						13	
18,439,077	18,603,068						14	
27,762,416	48,696,525						15	
13,060,218	11,375,572						16	
40,957,117	41,108,472						17	
47,805,346	40,437,777						18	
42,566,647	12,000,000						19	
							20	
							21	
706,852	1,283,929						22	
							23	
1,861,363	1,747,615						24	
1,081,445,468	1,047,990,012						25	
191,103,431	182,029,272						26	

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Name of Respondent Kentucky Utilities Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2007/Q4		
STATEMENT OF INCOME FOR THE YEAR (continued)						
Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		191,103,431	162,029,272		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)					
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)					
33	Revenues From Nonutility Operations (417)		1,542,843	609,912		
34	(Less) Expenses of Nonutility Operations (417.1)					
35	Nonoperating Rental Income (418)		6,560	-385		
36	Equity in Earnings of Subsidiary Companies (418.1)	119	26,358,781	29,405,773		
37	Interest and Dividend Income (419)		2,954,429	1,457,863		
38	Allowance for Other Funds Used During Construction (419.1)		3,327,705	384,044		
39	Miscellaneous Nonoperating Income (421)		3,121,445	1,966,683		
40	Gain on Disposition of Property (421.1)		1,156,882			
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		38,466,645	33,823,990		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		480,236	82,656		
44	Miscellaneous Amortization (425)	340				
45	Donations (426.1)	340	478,457	616,224		
46	Life Insurance (426.2)		707,185	707,185		
47	Penalties (426.3)		2,004,094	62		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		965,125	1,005,100		
49	Other Deductions (426.5)		1,208,224	1,601,891		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		5,843,321	4,013,118		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	11,004	22,452		
53	Income Taxes-Federal (409.2)	262-263	88,667	2,172,669		
54	Income Taxes-Other (409.2)	262-263	-183,585	51,595		
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	2,026,463	834,249		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	504,303	376,384		
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)		591,310	1,081,872		
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		846,936	1,622,709		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		31,778,388	28,188,163		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		13,677,837	12,994,886		
63	Amort. of Debt Disc. and Expense (428)		334,935	247,830		
64	Amortization of Loss on Required Debt (428.1)		518,566	689,205		
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Required Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)	340	41,244,367	23,619,164		
68	Other Interest Expense (431)	340	1,099,347	1,108,319		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		955,807	262,752		
70	Net Interest Charges (Total of lines 62 thru 69)		55,919,245	38,396,652		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		166,962,574	151,820,783		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		166,962,574	151,820,783		

Name of Respondent Kentucky Utilities Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2007/Q4
STATEMENT OF RETAINED EARNINGS					
<p>1. Do not report Lines 49-53 on the quarterly version.</p> <p>2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.</p> <p>3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)</p> <p>4. State the purpose and amount of each reservation or appropriation of retained earnings.</p> <p>5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.</p> <p>6. Show dividends for each class and series of capital stock.</p> <p>7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.</p> <p>8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.</p> <p>9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.</p>					
Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)	
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)				
1	Balance-Beginning of Period		854,131,028	704,216,017	
2	Changes				
3	Adjustments to Retained Earnings (Account 439)				
4	FIN 48 Adjustment		355,161		
5					
6					
7					
8					
9	TOTAL Credits to Retained Earnings (Acct. 439)		355,161		
10					
11					
12					
13					
14					
15	TOTAL Debits to Retained Earnings (Acct. 439)				
16	Balance Transferred from Income (Account 433 less Account 418.1)		140,603,793	122,415,011	
17	Appropriations of Retained Earnings (Acct. 436)				
18					
19					
20					
21					
22	TOTAL Appropriations of Retained Earnings (Acct. 436)				
23	Dividends Declared-Preferred Stock (Account 437)				
24					
25					
26					
27					
28					
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)				
30	Dividends Declared-Common Stock (Account 438)				
31					
32					
33					
34					
35					
36	TOTAL Dividends Declared-Common Stock (Acct. 438)				
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings		21,400,000	27,500,000	
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		1,016,489,982	854,131,028	
	APPROPRIATED RETAINED EARNINGS (Account 215)				

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2007/Q4	
STATEMENT OF RETAINED EARNINGS				
<p>1. Do not report Lines 49-53 on the quarterly version.</p> <p>2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.</p> <p>3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)</p> <p>4. State the purpose and amount of each reservation or appropriation of retained earnings.</p> <p>5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.</p> <p>6. Show dividends for each class and series of capital stock.</p> <p>7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.</p> <p>8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.</p> <p>9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.</p>				
Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
39				
40				
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		1,016,489,982	854,131,028
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)		16,248,287	14,342,514
50	Equity in Earnings for Year (Credit) (Account 418.1)		26,358,781	29,405,773
51	(Less) Dividends Received (Debit)		21,400,000	27,500,000
52				
53	Balance-End of Year (Total lines 49 thru 52)		21,207,068	16,248,287

Name of Respondent		This Report Is:	Date of Report	Year/Period of Report
Kentucky Utilities Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	End of 2007/Q4
STATEMENT OF CASH FLOWS				
<p>(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.</p> <p>(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</p> <p>(3) Operating Activities - Other: include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</p> <p>(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USoA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>				
Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)	
1	Net Cash Flow from Operating Activities:			
2	Net Income (Line 78(c) on page 117)	166,962,574	151,820,783	
3	Noncash Charges (Credits) to Income:			
4	Depreciation and Depletion	115,264,165	109,935,754	
5	Amortization of Plant	5,420,545	5,072,614	
6				
7				
8	Deferred Income Taxes (Net)	-1,604,551	10,301,779	
9	Investment Tax Credit Adjustment (Net)	41,975,337	10,918,128	
10	Net (Increase) Decrease in Receivables	-15,534,506	-6,154,811	
11	Net (Increase) Decrease in Inventory	20,963,985	-10,174,514	
12	Net (Increase) Decrease in Allowances Inventory	1,287,644	-210,851	
13	Net Increase (Decrease) in Payables and Accrued Expenses	-78,888,022	44,723,474	
14	Net (Increase) Decrease in Other Regulatory Assets	32,851,592	-81,702,098	
15	Net Increase (Decrease) in Other Regulatory Liabilities	1,781,663	4,314,684	
16	(Less) Allowance for Other Funds Used During Construction	4,283,511	646,796	
17	(Less) Undistributed Earnings from Subsidiary Companies	4,958,781	1,905,773	
18	Other (provide details in footnote):	18,256,233	21,169,077	
19	Change in Other Deferred Debits	-3,188,788	-912,810	
20	Change in Other Deferred Credits	6,153,002	-8,202,494	
21				
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	302,458,581	248,346,146	
23				
24	Cash Flows from Investment Activities:			
25	Construction and Acquisition of Plant (including land):			
26	Gross Additions to Utility Plant (less nuclear fuel)	-743,093,685	-370,912,355	
27	Gross Additions to Nuclear Fuel			
28	Gross Additions to Common Utility Plant			
29	Gross Additions to Nonutility Plant			
30	(Less) Allowance for Other Funds Used During Construction	-4,283,511	-646,796	
31	Other (provide details in footnote):	-433,540	-1,606,960	
32				
33				
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-739,243,714	-371,872,519	
35				
36	Acquisition of Other Noncurrent Assets (d)			
37	Proceeds from Disposal of Noncurrent Assets (d)			
38	Loss from Disposal of Fixed Assets	-741,720		
39	Investments in and Advances to Assoc. and Subsidiary Companies			
40	Contributions and Advances from Assoc. and Subsidiary Companies			
41	Disposition of Investments in (and Advances to)			
42	Associated and Subsidiary Companies			
43				
44	Purchase of Investment Securities (a)			
45	Proceeds from Sales of Investment Securities (a)			

Name of Respondent		This Report Is:	Date of Report	Year/Period of Report
Kentucky Utilities Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	End of 2007/Q4
STATEMENT OF CASH FLOWS				
<p>(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as Investments, fixed assets, intangibles, etc.</p> <p>(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</p> <p>(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</p> <p>(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>				
Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)	
46	Loans Made or Purchased			
47	Collections on Loans			
48	Change in Long-Term Investments	-186,190	-165,426	
49	Net (Increase) Decrease in Receivables			
50	Net (Increase) Decrease in Inventory			
51	Net (Increase) Decrease in Allowances Held for Speculation			
52	Net Increase (Decrease) in Payables and Accrued Expenses			
53	Other (provide details in footnote):			
54	Change in Restricted Cash	11,821,428	-1,209,169	
55				
56	Net Cash Provided by (Used in) Investing Activities			
57	Total of lines 34 thru 55)	-728,360,196	-373,247,114	
58				
59	Cash Flows from Financing Activities:			
60	Proceeds from Issuance of:			
61	Long-Term Debt (b)	526,750,683	132,224,311	
62	Preferred Stock			
63	Common Stock			
64	Other (provide details in footnote):			
65				
66	Net Increase in Short-Term Debt (c)		27,378,054	
67	Other (provide details in footnote):			
68				
69				
70	Cash Provided by Outside Sources (Total 61 thru 69)	526,750,683	159,602,365	
71				
72	Payments for Retirement of:			
73	Long-term Debt (b)	-107,000,000	-36,000,000	
74	Preferred Stock			
75	Common Stock			
76	Other (provide details in footnote):			
77				
78	Net Decrease in Short-Term Debt (c)	-73,823,600		
79	Change in Contributed Capital	75,000,000		
80	Dividends on Preferred Stock			
81	Dividends on Common Stock			
82	Net Cash Provided by (Used in) Financing Activities			
83	(Total of lines 70 thru 81)	420,927,083	123,602,365	
84				
85	Net Increase (Decrease) in Cash and Cash Equivalents			
86	(Total of lines 22,57 and 83)	-4,974,532	-1,298,603	
87				
88	Cash and Cash Equivalents at Beginning of Period	5,313,043	6,611,646	
89				
90	Cash and Cash Equivalents at End of period	338,511	5,313,043	

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Kentucky Utilities Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2007/Q4
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 13 Column:

Previous Year to Date, as originally filed	\$ 21,439,326
Adjusted for Noncash Accrued Capital Expenditures	23,284,148

Restated Previous Year to Date	\$ 44,723,474

Schedule Page: 120 Line No.: 18 Column: b

Other operating cash flows:

Net salvage and cost of removal	\$ (2,308,564)
Depreciation charged to balance sheet accounts	597,905
Amortization of Debt Expenses	280,364
Amortization of Loss on Bonds	518,566
Net decrease in Prepayments	584,608
Net decrease in Derivative Assets	341,503
Net increase in Preliminary Survey	(1,373,637)
Net decrease in Clearing Accounts	5,121,080
Net increase in Customer Advances for Construction	830,470
Net increase in Asset Retirement Obligations	1,833,853
Net increase in Provision for Postretirement Benefits	11,474,924
Net adjustment to Retained Earnings (Effect of FIN 48)	355,161

Total	\$ 18,256,233

Schedule Page: 120 Line No.: 18 Column:

Other operating cash flows:

Net salvage and cost of removal	\$ (4,900,433)
Depreciation charged to balance sheet accounts	622,436
Amortization of Debt Expenses	247,821
Amortization of Loss on Bonds	689,205
Net decrease in Prepayments	(2,442,585)
Net increase in Derivative Assets	723,632
Net increase in Preliminary Survey	(294,017)
Net decrease in Clearing Accounts	(1,822,901)
Net increase in Other Comprehensive Income	19,336,791
Net decrease in Customer Advances for Construction	481,230
Net increase in Asset Retirement Obligations	1,682,524
Net decrease in Provision for Postretirement Benefits	6,845,374

Total	\$ 21,169,077

Schedule Page: 120 Line No.: 26 Column:

Previous Year to Date, as originally filed	\$(347,628,207)
Adjusted for Noncash Accrued Capital Expenditures	(23,284,148)

Restated Previous Year to Date	\$ (370,912,355)

Schedule Page: 120 Line No.: 31 Column: b

Long Term Debt Mark-to-Market	\$ (433,540)
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In 2007, \$53 million of bonds were extinguished. This amount represents the fair value hedge adjustments on those bonds, as prescribed by SFAS 133, as amended.

Schedule Page: 120 Line No.: 31 Column:

Long Term Debt Mark-to-Market	\$ (1,606,960)
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Name of Respondent Kentucky Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2007/Q4
FOOTNOTE DATA			

In 2007, \$53 million of bonds were extinguished. This amount represents the fair value hedge adjustments on those bonds, as prescribed by SFAS 133, as amended.

Schedule Page: 120 Line No.: 90 Column: b

Cash and cash equivalents is comprised of the following amounts:

Cash (Acct 131)	\$ 321,021
Temporary Cash Investments (Acct 136)	17,490

Total Cash and Cash Equivalents at End of Period	\$ 338,511

Schedule Page: 120 Line No.: 90 Column:

Cash and cash equivalents is comprised of the following amounts:

Cash (Acct 131)	\$ 5,309,005
Special Deposits (Accts 132-134)	533
Temporary Cash Investments (Acct 136)	3,505

Total Cash and Cash Equivalents at End of Period	\$ 5,313,043

*The remaining balance of \$22,806,983 is Restricted Cash (Acct 134)

Name of Respondent Kentucky Utilities Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 11	Year/Period of Report End of 2007/Q4
NOTES TO FINANCIAL STATEMENTS			
<p>1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, Unamortized Loss on Recquired Debt, and 257, Unamortized Gain on Recquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.</p> <p>7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.</p> <p>8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.</p> <p>9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.</p>			
PAGE 122 INTENTIONALLY LEFT BLANK SEE PAGE 123 FOR REQUIRED INFORMATION.			

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2007/Q4
Kentucky Utilities Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

INDEX OF ABBREVIATIONS

AG	Attorney General of Kentucky
ARO	Asset Retirement Obligation
BART	Best Available Retrofit Technology
CAIR	Clean Air Interstate Rule
CAMR	Clean Air Mercury Rule
CCN	Certificate of Public Convenience and Necessity
Clean Air Act Company	The Clean Air Act, as amended in 1990 KU
CT	Combustion Turbines
DSM	Demand Side Management
ECR	Environmental Cost Recovery
EEl	Electric Energy, Inc.
E.ON	E.ON AG
E.ON U.S.	E.ON U.S. LLC (formerly LG&E Energy LLC and LG&E Energy Corp.)
E.ON U.S. Services	E.ON U.S. Services Inc. (formerly LG&E Energy Services Inc.)
EPA	U.S. Environmental Protection Agency
EPAct 2005	Energy Policy Act of 2005
FAC	Fuel Adjustment Clause
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
FGD	Flue Gas Desulfurization
Fidelia	Fidelia Corporation (an E.ON affiliate)
FIN	FASB Interpretation No.
GHG	Greenhouse Gas
IBEW	International Brotherhood of Electrical Workers
IRP	Integrated Resource Plan
IRS	Internal Revenue Service
Kentucky Commission	Kentucky Public Service Commission
KIUC	Kentucky Industrial Utility Consumers, Inc.
KU	Kentucky Utilities Company
Kwh	Kilowatt hours
LG&E	Louisville Gas and Electric Company
LG&E Energy	LG&E Energy LLC (now E.ON U.S. LLC)
MISO	Midwest Independent Transmission System Operator, Inc.
MMBtu	Million British thermal units
Moody's	Moody's Investor Services, Inc.
MVA	Megavolt-ampere
Mw	Megawatts
Mwh	Megawatt hours
NOV	Notice of Violation
NOx	Nitrogen Oxide
OMU	Owensboro Municipal Utilities
OVEC	Ohio Valley Electric Corporation
PUHCA 2005	Public Utility Holding Company Act of 2005
S&P	Standard & Poor's Rating Services
SCR	Selective Catalytic Reduction

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Kentucky Utilities Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

SFAS	Statement of Financial Accounting Standards
SIP	State Implementation Plan
SO ₂	Sulfur Dioxide
TC2	Trimble County Unit 2
VDT	Value Delivery Team Process
Virginia Commission	Virginia State Corporation Commission

Kentucky Utilities Company
Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies

KU, incorporated in Kentucky in 1912 and in Virginia in 1991, is a regulated public utility engaged in the generation, transmission, distribution and sale of electric energy in Kentucky, Virginia and Tennessee. KU provides electricity to approximately 506,000 customers in 77 counties in central, southeastern and western Kentucky, to approximately 30,000 customers in 5 counties in southwestern Virginia and 5 customers in Tennessee. KU's coal-fired electric generating stations produce most of KU's electricity. The remainder is generated by a hydroelectric power plant and natural gas and oil fueled CTs. In Virginia, KU operates under the name Old Dominion Power Company. KU also sells wholesale electric energy to 12 municipalities.

KU is a wholly-owned subsidiary of E.ON U.S., formerly known as LG&E Energy LLC. E.ON U.S. is an indirect wholly-owned subsidiary of E.ON, a German corporation, making KU an indirect wholly-owned subsidiary of E.ON. KU's affiliate, LG&E, is a regulated public utility engaged in the generation, transmission, distribution and sale of electric energy and the distribution and sale of natural gas in Kentucky.

Certain reclassification entries have been made to the previous years' financial statements to conform to the 2007 presentation with no impact on net assets, liabilities and capitalization or previously reported net income and cash flows.

Presentation. The accompanying financial statements are prepared on the regulatory basis of accounting in accordance with the requirements of the FERC, which is a comprehensive basis of accounting other than generally accepted accounting principles. The significant differences between Generally Accepted Accounting Principles (GAAP) and FERC reporting are as follows:

- Restricted cash is recorded in cash on the balance sheet for FERC reporting and presented as a separate line item for GAAP statements;
- Certain costs of removal obligations are recorded in accumulated depreciation for FERC reporting and recorded in regulatory liabilities for GAAP reporting;
- Long-term and short-term bonds are recorded in total in the long-term debt section for FERC reporting and are presented separately in current liabilities for the short-term portion and in long-term debt for the long-term portion for GAAP reporting; and

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NOTES TO FINANCIAL STATEMENTS (Continued)			

- Deferred taxes are shown gross for FERC reporting in the balance sheet (a deferred asset and a deferred liability are recorded), for GAAP reporting the deferred taxes are netted together and recorded as a liability.

Regulatory Accounting. KU is subject to SFAS No. 71, under which regulatory assets are created based on expected recovery from customers in future rates to defer costs that would otherwise be charged to expense. Likewise, regulatory liabilities are created based on expected return to customers in future rates to defer credits that would otherwise be reflected as income, or, in the case of costs of removal, are created to match long-term future obligations arising from the current use of assets. The accounting for regulatory assets and liabilities is based on specific ratemaking decisions or precedent for each item as prescribed by the FERC, the Kentucky Commission or the Virginia Commission. See Note 2, Rates and Regulatory Matters, for additional detail regarding regulatory assets and liabilities.

Cash and Cash Equivalents. KU considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Restricted Cash. Proceeds from bond issuances for environmental equipment (primarily related to the installation of FGDs) are held in trust pending expenditure for qualifying assets.

Allowance for Doubtful Accounts. The allowance for doubtful accounts is based on the ratio of the amounts charged-off during the last twelve months to the retail revenues billed over the same period multiplied by the retail revenues billed over the last four months. Accounts with no payment activity are charged-off after four months, although collection efforts continue thereafter.

Materials and Supplies. Fuel and other materials and supplies inventories are accounted for using the average-cost method. Emission allowances are included in other materials and supplies and are not currently traded by KU. At December 31, 2007 and 2006, the emission allowances inventory was less than \$1 million and approximately \$2 million, respectively.

Other Property and Investments. Other property and investments on the balance sheets consists of KU's investment in EEI, economic development loans provided to various communities in KU's service territory, KU's investment in OVEC, funds related to KU's long-term purchased power contract with OMU and non-utility plant.

Although KU holds investment interests in OVEC and EEI, it is not the primary beneficiary, therefore, neither are consolidated into KU's financial statements. KU and 11 other electric utilities are participating owners of OVEC, located in Piketon, Ohio. OVEC owns and operates two power plants that burn coal to generate electricity, Kyger Creek Station in Ohio and Clifty Creek Station in Indiana. Pursuant to current contractual arrangements, KU's share of OVEC's output is 2.5%, approximately 55 Mw of generation capacity.

As of December 31, 2007 and 2006, KU's investment in OVEC totaled less than \$1 million and is accounted for under the cost method of accounting. KU's maximum exposure to loss as a result of its involvement with OVEC is limited to the value of its investment. In the event of the inability of OVEC to fulfill its power provision requirements, KU anticipates substituting such power supply with either owned generation or market purchases

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NOTES TO FINANCIAL STATEMENTS (Continued)			

and believes it would generally recover associated incremental costs through regulatory rate mechanisms. See Note 9, Commitments and Contingencies, for further discussion of developments regarding KU's ownership interests and power purchase rights.

KU owns 20% of the common stock of EEI, which owns and operates a 1,162-Mw generating station in southern Illinois. Prior to 2006, KU was entitled to take 20% of the available capacity of the station under a pricing formula comparable to the cost of other power generated by KU. This contract governing the purchases from EEI terminated on December 31, 2005. Since December 31, 2005, EEI has sold power under general market-based pricing and terms. KU has not contracted with EEI for power under the new arrangements, but maintains its 20% ownership in the common stock of EEI. Replacement power for the EEI capacity has been largely provided by KU generation.

KU's investment in EEI is accounted for under the equity method of accounting and, as of December 31, 2007 and 2006, totaled \$23 million and \$18 million, respectively. KU's direct exposure to loss as a result of its involvement with EEI is generally limited to the value of its investment.

Utility Plant. KU's utility plant is stated at original cost, which includes payroll-related costs such as taxes, fringe benefits and administrative and general costs. Construction work in progress has been included in the rate base for determining retail customer rates in Kentucky. KU has not recorded a significant allowance for funds used during construction.

The cost of plant retired or disposed of in the normal course of business is deducted from plant accounts and such cost is charged to the reserve for depreciation. When complete operating units are disposed of, appropriate adjustments are made to the reserve for depreciation and gains and losses, if any, are recognized.

Depreciation and Amortization. Depreciation is provided on the straight-line method over the estimated service lives of depreciable plant. The amounts provided were approximately 3.2% in 2007 and 3.1% in 2006 of average depreciable plant. Of the amount provided for depreciation at December 31, 2007 and 2006, approximately 0.5% was related to the retirement, removal and disposal costs of long lived assets.

Unamortized Debt Expense. Debt expense is capitalized in deferred debits and amortized using the straight line method, which approximates the effective interest method, over the lives of the related bond issues.

Income Taxes. Income taxes are accounted for under SFAS No. 109, *Accounting for Income Taxes* and FIN 48, *Accounting for Uncertainty in Income Taxes, an Interpretation of SFAS No. 109*. In accordance with these statements, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as measured by enacted tax rates that are expected to be in effect in the periods when the deferred tax assets and liabilities are expected to be settled or realized. Significant judgment is required in determining the provision for income taxes, and there are transactions for which the ultimate tax outcome is uncertain. FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Uncertain tax positions are analyzed periodically and adjustments are made when events occur to warrant a change. See Note 6, Income Taxes.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Deferred Income Taxes. Deferred income taxes are recognized at currently enacted tax rates for all material temporary differences between the financial reporting and income tax bases of assets and liabilities.

Investment Tax Credits. The EPAct 2005 added Section 48A to the Internal Revenue Code, which provides for an investment tax credit to promote the commercialization of advanced coal technologies that will generate electricity in an environmentally responsible manner. KU and LG&E received an investment tax credit related to TC2, for more details see Note 6, Income Taxes. Investment tax credits prior to 2006 resulted from provisions of the tax law that permitted a reduction of KU's tax liability based on credits for construction expenditures. Deferred investment tax credits are being amortized to income over the estimated lives of the related property that gave rise to the credits.

Revenue Recognition. Revenues are recorded based on service rendered to customers through month-end. KU accrues an estimate for unbilled revenues from each meter reading date to the end of the accounting period based on allocating the daily system net deliveries between billed volumes and unbilled volumes. The allocation is based on a daily ratio of the number of meter reading cycles remaining in the month to the total number of meter reading cycles in each month. Each day's ratio is then multiplied by each day's system net deliveries to determine an estimated billed and unbilled volume for each day of the accounting period. The unbilled revenue estimates included in accounts receivable were \$59 million and \$42 million at December 31, 2007 and 2006, respectively.

Fuel Costs. The cost of fuel for generation is charged to expense as used.

Management's Use of Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accrued liabilities, including legal and environmental, are recorded when they are probable and estimable. Actual results could differ from those estimates.

Recent Accounting Pronouncements. The following are recent accounting pronouncements affecting KU:

SFAS No. 160

In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements*, which is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. The objective of this statement is to improve the relevance, comparability and transparency of financial information in a reporting entity's consolidated financial statements. The Company expects the adoption of SFAS No. 160 to have no impact on its statements of operations, financial position and cash flows.

SFAS No. 159

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial*

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Liabilities – Including an Amendment of FASB Statement No. 115. SFAS No. 159 permits entities to choose to measure many financial instruments and certain other assets and liabilities at fair value on an instrument-by-instrument basis (the fair value option). Unrealized gains and losses on items for which the fair value option has been elected are to be recognized in earnings at each subsequent reporting date. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007. SFAS No. 159 was adopted effective January 1, 2008 and had no impact on the statements of operations, financial position and cash flows.

SFAS No. 157

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*, which, except as described below, is effective for fiscal years beginning after November 15, 2007. This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. SFAS No. 157 does not expand the application of fair value accounting to new circumstances. In February 2008, the FASB issued FASB Staff Position 157-2, *Effective Date of FASB Statement No. 157*, which delays the effective date of SFAS No. 157 for all nonfinancial assets and liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually), to fiscal years beginning after November 15, 2008 and interim periods within those fiscal years. SFAS No. 157 was adopted effective January 1, 2008, except as it applies to those nonfinancial assets and liabilities, and had no impact on the statements of operations, financial position and cash flows, however, the Company will provide additional disclosures relating to its financial derivatives, AROs and pension assets as required in 2008.

FIN 48

In July 2006, the FASB issued FIN 48 which clarifies the accounting for the uncertainty of income tax positions recognized in an enterprise's financial statements in accordance with SFAS No. 109. This interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

The evaluation of a tax position in accordance with FIN 48 is a two-step process. The first step is recognition based on the determination of whether it is "more likely than not" that a tax position will be sustained upon examination. The second step is to measure a tax position that meets the "more likely than not" threshold. The tax position is measured as the amount of potential benefit that exceeds 50% likelihood of being realized.

FIN 48 is effective for fiscal years beginning after December 15, 2006, and was adopted effective January 1, 2007. The impact of FIN 48 on the statements of operations, financial position and cash flows was not material.

Note 2 - Rates and Regulatory Matters

KU is subject to the jurisdiction of the Kentucky Commission, the Virginia Commission, the Tennessee Regulatory Authority and the FERC in virtually all matters related to electric utility regulation, and as such, its accounting is subject to SFAS No. 71. Given its competitive position in the marketplace and the status of regulation in Kentucky and Virginia, KU has no plans or intentions to discontinue its application of SFAS No. 71.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Rate Case

In December 2003, KU filed an application with the Kentucky Commission requesting an adjustment in KU's rates. The revenue increase requested was \$58 million. In June 2004, the Kentucky Commission issued an Order approving an increase in KU's base rates of approximately \$46 million (7%). The rate increase took effect on July 1, 2004.

Final proceedings took place during the first quarter of 2006 concerning the sole remaining open issue relating to state income tax rates used in calculating the granted rate increase. On March 31, 2006, the Kentucky Commission issued an Order resolving this issue in KU's favor consistent with the original rate increase order.

Regulatory Assets and Liabilities

The following regulatory assets and liabilities were included in the balance sheets as of December 31:

(in millions)	<u>2007</u>	<u>2006</u>
ARO	\$ 24	\$ 22
MISO exit	20	20
FAC	17	16
Unamortized loss on bonds	10	10
ECR	11	10
Other	<u>4</u>	<u>5</u>
Subtotal	86	83
Pension and postretirement benefits	<u>28</u>	<u>64</u>
Total regulatory assets	<u>\$ 114</u>	<u>\$ 147</u>
Accumulated cost of removal of utility plant	\$ 310	\$ 297
Deferred income taxes – net	22	27
Other	<u>10</u>	<u>6</u>
Total regulatory liabilities	<u>\$ 342</u>	<u>\$ 330</u>

KU does not currently earn a rate of return on the FAC regulatory asset, which is a separate recovery mechanism with recovery within twelve months. No return is earned on the pension and postretirement benefits regulatory asset which represents the changes in funded status of the plans. The Company will seek recovery of this asset in future proceedings with the Kentucky and Virginia Commissions. No return is currently earned on the ARO asset. This regulatory asset will be offset against the associated regulatory liability, ARO asset and ARO liability at the time the underlying asset is retired. The MISO exit amount represents the costs relating to the withdrawal from MISO membership. KU will seek recovery of this asset in future proceedings with the Kentucky and Virginia Commissions. KU currently earns a rate of return on the remaining regulatory assets. Other regulatory assets include VDT costs, the merger surcredit and deferred storm costs. Other regulatory liabilities include DSM and MISO costs included in base rates that will be netted against costs of withdrawing from the MISO in the next rate case.

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ARO. A summary of KU's net ARO assets, regulatory assets, liabilities and cost of removal established under FIN 47, *Accounting for Conditional Asset Retirement Obligations, an Interpretation of SFAS No. 143*, and SFAS No. 143, *Accounting for Asset Retirement Obligations*, follows:

(in millions)	ARO Net Assets	ARO Liabilities	Regulatory Assets	Regulatory Liabilities	Accumulated Cost of Removal	Cost of Removal Depreciation
As of December 31, 2005	\$ 6	\$(27)	\$20	\$(2)	\$ 2	\$ 1
ARO accretion	-	(1)	1	-	-	-
ARO depreciation	(1)	-	1	-	-	-
As of December 31, 2006	5	(28)	22	(2)	2	1
ARO accretion	-	(2)	2	-	-	-
As of December 31, 2007	<u>\$ 5</u>	<u>\$(30)</u>	<u>\$24</u>	<u>\$(2)</u>	<u>\$ 2</u>	<u>\$ 1</u>

Pursuant to regulatory treatment prescribed under SFAS No. 71, an offsetting regulatory credit was recorded in depreciation and amortization in the income statement of \$2 million in 2007 and 2006 for the ARO accretion and depreciation expense. KU AROs are primarily related to the final retirement of assets associated with generating units. For assets associated with AROs, the removal cost accrued through depreciation under regulatory accounting is established as a regulatory liability pursuant to regulatory treatment prescribed under SFAS No. 71. There were no FIN 47 net asset additions during 2007 or 2006. For the years ended December 31, 2007 and 2006, KU recorded less than \$1 million of depreciation expense related to the cost of removal of ARO related assets. An offsetting regulatory liability was established pursuant to regulatory treatment prescribed under SFAS No. 71.

KU transmission and distribution lines largely operate under perpetual property easement agreements which do not generally require restoration upon removal of the property. Therefore, under SFAS No. 143, no material asset retirement obligations are recorded for transmission and distribution assets.

MISO Exit. Following receipt of applicable FERC, Kentucky Commission and other regulatory orders, KU withdrew from the MISO effective September 1, 2006. Specific proceedings regarding the costs and benefits of the MISO and exit matters had been underway since July 2003. Since the exit from the MISO, KU has been operating under a FERC-approved open access-transmission tariff. KU now contracts with the Tennessee Valley Authority to act as its transmission Reliability Coordinator and Southwest Power Pool, Inc. to function as Independent Transmission Organization, pursuant to FERC requirements.

KU and the MISO have agreed upon overall calculation methods for the contractual exit fee to be paid by the Company following its withdrawal. In October 2006, KU paid approximately \$20 million to the MISO pursuant to an invoice regarding the exit fee and made related FERC compliance filings. The Company's payment of this exit fee amount was with reservation of its rights to contest the amount, or components thereof, following a continuing review of its calculation and supporting documentation. In December 2006, KU provided notice to the MISO of its disagreement with the calculation of the exit fee. KU and the MISO have resolved their dispute regarding the calculation of the exit fee and, in November 2007, filed an application with the FERC for approval of a recalculation agreement. In March 2008, the FERC approved the parties' recalculation of the exit fee, and the approved agreement provides KU with an immediate recovery of \$1 million and will provide an estimated

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\$3 million over the next eight years for credits realized from other payments the MISO will receive, plus interest. Orders of the Kentucky Commission approving the Company's exit from the MISO have authorized the establishment of a regulatory asset for the exit fee, subject to adjustment for possible future MISO credits, and a regulatory liability for certain revenues associated with former MISO administrative charges, which may continue to be collected via base rates. The treatment of the regulatory asset and liability will be determined in KU's next rate case, however, the Company historically has received approval to recover and refund regulatory assets and liabilities.

FAC. KU's retail rates contain an FAC, whereby increases and decreases in the cost of fuel for generation are reflected in the rates charged to retail customers. The FAC allows the Company to adjust customers' accounts for the difference between the fuel cost component of base rates and the actual fuel cost, including transportation costs. Refunds to customers occur if the actual costs are below the embedded cost component. Additional charges to customers occur if the actual costs exceed the embedded cost component. The amount of the regulatory asset or liability is the amount that has been under- or over-recovered due to timing or adjustments to the mechanism.

The Kentucky Commission requires public hearings at six-month intervals to examine past fuel adjustments, and at two-year intervals to review past operations of the fuel clause and transfer of the then current fuel adjustment charge or credit to the base charges.

In January 2008, the Kentucky Commission initiated a routine examination of KU's FAC for the six-month period May 1, 2007 through October 31, 2007. Data discovery is ongoing and a public hearing is scheduled in March 2008.

In August 2007, the Kentucky Commission initiated a routine examination of KU's FAC for the six-month period of November 1, 2006 through April 30, 2007. Data discovery has concluded and a public hearing was held in October 2007. The Kentucky Commission issued an Order in January 2008, approving the charges and credits billed through the FAC during the review period.

In December 2006, the Kentucky Commission initiated its periodic two-year review of KU's past operations of the fuel clause and transfer of fuel costs from the FAC to base rates for November 1, 2004 through October 31, 2006. In March 2007, the KIUC challenged KU's recovery of approximately \$5 million in aggregate fuel costs KU incurred during a period prior to its exit from the MISO and requested the Kentucky Commission disallow this amount. A public hearing was held in May 2007. In October 2007, the Kentucky Commission issued its Order approving the calculation and application of KU's FAC charges and fuel procurement practices and indicated that KU was in compliance with the provisions of Administrative Regulation 807 KAR 5:5056. The Kentucky Commission further approved KU's recommendation for the transfer of fuel cost from the FAC to base rates. In November 2007, the KIUC filed a petition for rehearing, claiming the Kentucky Commission misinterpreted the KIUC's arguments in the proceeding. In the same month, the Kentucky Commission issued an Order denying the KIUC's request for rehearing. An appeal was not filed by the KIUC.

In July 2006, the Kentucky Commission initiated a six-month review of the FAC for KU for the period of November 1, 2005 through April 30, 2006. The Kentucky Commission issued an Order in November 2006, approving the charges and credits billed through the FAC during the review period.

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In January 2003, the Kentucky Commission reviewed KU's FAC for the six-month period ended October 31, 2001. The Kentucky Commission ordered KU to reduce its fuel costs for purposes of calculating its FAC by less than \$1 million. At issue was the purchase of approximately 102,000 tons of coal from Western Kentucky Energy Corp., a non-regulated affiliate, for use at KU's Ghent facility. The Kentucky Commission further ordered that an independent audit be conducted to examine operational and management aspects of both KU's and LG&E's fuel procurement functions. The final report's recommendations, issued in February 2004, related to documentation and process improvements. Management Audit Action Plans were agreed upon by KU and the Kentucky Commission Staff in the second quarter of 2004, and resulted in Audit Progress Reports being filed by KU with the Kentucky Commission. In February 2007, the Kentucky Commission staff indicated that KU fully complied with all audit recommendations and that no further reports are required.

KU also employs an FAC mechanism for Virginia customers that uses an average fuel cost factor based primarily on projected fuel costs. The fuel cost factor may be adjusted annually for over or under collections of fuel costs from the previous year. In February 2007, KU filed an application with the Virginia Commission seeking approval of an increase of approximately \$4 million in its fuel cost factor to reflect higher fuel costs incurred and under-collected during 2006, and anticipated higher fuel costs to be incurred in 2007. The Virginia Commission approved KU's request in April 2007. In February 2008, KU filed an application with the Virginia Commission seeking approval of a decrease of 0.599 cents/KWh in its fuel cost factor applicable during the billing period April 2008 through March 2009. The decrease was requested because KU has fully recovered its under-recovered fuel expenses from the prior periods.

Unamortized Loss on Bonds. The costs of early extinguishment of debt, including call premiums, legal and other expenses, and any unamortized balance of debt expense are amortized using the straight line method, which approximates the effective interest method, over the life of either replacement debt (in the case of refinancing) or the original life of the extinguished debt.

ECR. Kentucky law permits KU to recover the costs of complying with the Federal Clean Air Act, including a return of operating expenses, and a return of and on capital invested, through the ECR mechanism. The amount of the regulatory asset or liability is the amount that has been under- or over-recovered due to timing or adjustments to the mechanism.

In September 2007, the Kentucky Commission initiated six-month and two-year reviews for periods ending October 31, 2006 and April 30, 2007, respectively, of KU's environmental surcharge. Data discovery concluded in December 2007, and all parties to the case submitted requests with the Kentucky Commission to waive rights to a hearing on this matter. The case is submitted for decision and an order is anticipated in the second quarter of 2008.

In June 2006, KU filed an application for a CCN to construct an SCR at the Ghent station and to amend its ECR plan with the Kentucky Commission seeking approval to recover investments in environmental upgrades at the Company's generating facilities. The estimated capital cost of the upgrades for the years 2008 through 2010 is approximately \$125 million, of which approximately \$115 million is for the Air Quality Control System at TC2. A final Order was issued by the Kentucky Commission in December 2006, approving all expenditures and investments as submitted. In October 2007, KU met with the Kentucky Commission and other interested parties

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to discuss the status of the Ghent Unit 2 SCR construction. KU informed the Kentucky Commission that construction of the Ghent Unit 2 SCR was not going to commence before the CCN expired in December 2007, due to a change in the economics for the project. The CCN expired in December 2007, and KU has delayed construction of the Ghent Unit 2 SCR.

In April 2006, the Kentucky Commission initiated six-month and two-year reviews of KU's environmental surcharge for six-month periods ending July 2003, January 2004, January 2005, July 2005 and January 2006 and for the two-year period ending July 2004. A final Order was received in January 2007, approving the charges and credits billed through the ECR during the review period as well as approving billing adjustments, a roll-in to base rates, revisions to the monthly surcharge filing and the rate of return on capital.

VDT. In December 2001, the Kentucky Commission issued an Order approving a settlement agreement allowing KU to set up a regulatory asset of \$54 million for workforce reduction costs and begin amortizing it over a five-year period starting in April 2001. Some employees rescinded their participation in the voluntary enhanced severance program which, along with the non-recurring charge of \$7 million for FERC and Virginia jurisdictions, thereby decreased the charge to the regulatory asset from \$64 million to \$54 million. The Order reduced revenues by approximately \$11 million through a surcredit on bills to ratepayers over the same five-year period, reflecting a sharing (40% to the ratepayers and 60% to KU) of savings as stipulated by KU, net of amortization costs of the workforce reduction. The five-year VDT amortization period expired in March 2006.

As part of the settlement agreement in the rate case, in September 2005, KU filed with the Kentucky Commission a plan for the future ratemaking treatment of the VDT surcredit and costs. In February 2006, the AG, KIUC and KU reached a settlement agreement on the future ratemaking treatment of the VDT surcredits and costs and subsequently submitted a joint motion to the Kentucky Commission to approve the unanimous settlement agreement. Under the terms of the settlement agreement, the VDT surcredit will continue at the current level until such time as KU files for a change in base rates. The Kentucky Commission issued an Order in March 2006, approving the settlement agreement.

Merger Surcredit. As part of the LG&E Energy merger with KU Energy Corporation in 1998, KU estimated non-fuel savings over a ten-year period following the merger. Costs to achieve these savings were deferred and amortized over a five-year period pursuant to regulatory orders. In approving the merger, the Kentucky Commission adopted KU's proposal to reduce its retail customers' bills based on one-half of the estimated merger-related savings, net of deferred and amortized amounts, over a five-year period. The surcredit mechanism provides that 50% of the net non-fuel cost savings estimated to be achieved from the merger be provided to ratepayers through a monthly bill credit, and 50% be retained by KU over a five-year period. In that same order, the Kentucky Commission required KU, after the end of the five-year period, to present a plan for sharing with ratepayers the then-projected non-fuel savings associated with the merger. KU submitted this filing in January 2003, proposing to continue to share with ratepayers, on a 50%/50% basis, the estimated fifth-year gross level of non-fuel savings associated with the merger. In October 2003, the Kentucky Commission issued an Order approving a settlement agreement reached with the parties in the case. According to the Order, KU's merger surcredit would remain in place for another five-year term beginning July 1, 2003, the merger savings would continue to be shared 50% with ratepayers and 50% with shareholders and KU would file a plan for the merger surcredit six months before its expiration.

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In December 2007, KU submitted to the Kentucky Commission its plan to allow the merger surcredit to terminate as scheduled on June 30, 2008. The Kentucky Commission has not issued a procedural schedule for this proceeding.

Deferred Storm Costs. Based on an Order from the Kentucky Commission in June 2004, KU reclassified from maintenance expense to a regulatory asset, \$4 million related to costs not reimbursed from the 2003 ice storm. These costs will be amortized through June 2009. KU earns a return of these amortized costs, which are included in KU's jurisdictional operating expenses.

Pension and Postretirement Benefits. KU adopted SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans*, in 2006. This statement requires employers to recognize the over-funded or under-funded status of a defined benefit pension and postretirement plan as an asset or liability in the balance sheet and to recognize through comprehensive income the changes in the funded status in the year in which the changes occur. Under SFAS No. 71, KU can defer recoverable costs that would otherwise be charged to expense or equity by non-regulated entities. Current rate recovery in Kentucky and Virginia is based on SFAS No. 87, *Employers' Accounting for Pensions*, and SFAS No. 106, *Employers' Accounting for Postretirement Benefits Other than Pensions*, both of which were amended by SFAS No. 158. Regulators have been clear and consistent with their historical treatment of such rate recovery, therefore, KU has recorded a regulatory asset representing the probable recovery of the portion of the change in funded status of the pension and postretirement plans that is expected to be recovered. The regulatory asset will be adjusted annually as prior service cost and actuarial gains and losses are recognized in net periodic benefit cost.

Accumulated Cost of Removal of Utility Plant. As of December 31, 2007 and 2006, KU has segregated the cost of removal, previously embedded in accumulated depreciation, of \$310 million and \$297 million, respectively, in accordance with FERC Order No. 631. This cost of removal component is for assets that do not have a legal ARO under SFAS No. 143. For reporting purposes in the balance sheets, KU has presented this cost of removal as a regulatory liability pursuant to SFAS No. 71.

Deferred Income Taxes – Net. Deferred income taxes represent the future income tax effects of recognizing the regulatory assets and liabilities in the income statement. Deferred income taxes are recognized at currently enacted tax rates for all material temporary differences between the financial reporting and income tax bases of assets and liabilities.

DSM. KU's rates contain a DSM provision. The provision includes a rate mechanism that provides for concurrent recovery of DSM costs and provides an incentive for implementing DSM programs. The provision allows KU to recover revenues from lost sales associated with the DSM programs based on program plan engineering estimates and post-implementation evaluations.

In July 2007, KU and LG&E filed an application with the Kentucky Commission requesting an order approving enhanced versions of the existing DSM programs along with the addition of several new cost effective programs. The total annual budget for these programs is approximately \$26 million, an increase over the existing annual budget of approximately \$10 million. Data discovery concluded in November 2007, and the Community Action Council ("CAC") for Lexington-Fayette, Bourbon, Harrison and Nicholas counties and the

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Kentucky Association for Community Action ("KACA"), filed a motion for hearing. In January 2008, the CAC and KACA filed a motion with the Kentucky Commission to withdraw the request because the parties reached a settlement. The Kentucky Commission is allowing the current tariffs to remain in effect until a final order is issued.

Other Regulatory Matters

Utility Competition in Virginia. The Commonwealth of Virginia passed the Virginia Electric Utility Restructuring Act in 1999. This act gave Virginia customers the ability to choose their electric supplier. Rates are capped at current levels through December 2010. The Virginia Commission will continue to require each Virginia utility to make annual filings of either a base rate change or an Annual Informational Filing consisting of a set of standard financial schedules. The Virginia Commission Staff will issue a Staff Report regarding the individual utility's financial performance during the historic 12-month period. The Staff Report can lead to an adjustment in rates, but through December 2010, rates are subject to the capped rate period and essentially "frozen". In April 2007, Virginia passed legislation terminating this competitive market and commencing re-regulation of utility rates in Virginia. The new act will end the cap on rates at the end of 2008, rather than through December 2010, and end customer choice for most consumers in the applicable regions of the state. Thereafter, a hybrid model of regulation is expected to apply in Virginia, whereby utility rates would be reviewed every two years and a utility's rate of return on equity shall not be set lower than the average of the rates of return for other regional utilities, with certain caps, floors or adjustments. The legislation was effective in July 2007, and also includes a 10% nonbinding goal for renewable power generation by 2022, as well as incentives for new generation, including renewables. Under the legislation, KU retains an existing exemption from customer choice and other restructuring activities as applicable to KU's limited service territory in Virginia. However, subject to future developments, KU may or may not undertake such a rate proceeding in the first six months of 2009 based on calendar year 2008 financial data under the hybrid model of regulation, or make biennial rate filings with the Virginia Commission thereafter.

Regional Reliability Council. KU has changed its regional reliability council membership from the Reliability First Corporation to the SERC Reliability Corporation ("SERC"), effective January 1, 2007. Regional reliability councils are industry consortiums that promote, coordinate and ensure the reliability of the bulk electric supply systems in North America.

TC2 CCN Application. A CCN application for construction of the new, base-load, coal fired unit TC2, which will be jointly owned by KU and LG&E, was approved by the Kentucky Commission in November 2005, and initial CCN applications for three transmission lines were approved in September 2005 and May 2006. In August 2006, KU obtained dismissal of a judicial review of such CCN approvals by certain property owners. In December 2007, the Kentucky Court of Appeals reversed and remanded the lower Court's dismissal. Both parties have filed for reconsideration of elements of the appellate court's ruling. The transmission lines are also subject to routine regulatory filings and the right-of-way acquisition process. See Note 9, Commitments and Contingencies, for further discussion regarding the TC2 air permit.

Ghent FGD Inquiry. In October 2006, the Kentucky Commission commenced an inquiry into elements of KU's planned construction of one of its three new FGDs at the Ghent generating station. The proceeding requested, and KU provided, additional information regarding configuration details, expenditures and the

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proposed construction sequence applicable to future construction phases of the Ghent FGD project. In January 2007, the Kentucky Commission issued an Order completing its inquiry in the matter and confirming its approval of KU's construction plan. The Order also provided general guidance for jurisdictional utilities regarding applicable information and data requirements for future CCN applications and subsequent proceedings.

Market-Based Rate Authority. In July 2006, the FERC issued an Order in KU's market-based rate proceeding accepting KU's further proposal to address certain market power issues the FERC had claimed would arise upon an exit from the MISO. In particular, KU received permission to sell power at market-based rates at the interface of control areas in which it may be deemed to have market power, subject to a restriction that such power not be collusively re-sold back into such control areas. However, restrictions exist on sales by KU of power at market-based rates in the KU/LG&E and Big Rivers Electric Corporation control areas. In June 2007, the FERC issued Order No. 697 implementing certain reforms to market-based rate regulations, including restrictions similar to those previously in place for KU's power sales at control area interfaces. As a condition of receiving and retaining market-based rate authority, KU must comply with applicable affiliate restrictions set forth in the FERC's regulation.

FERC Audit Results. In July 2006, the FERC issued a final report under a routine audit that its Office of Enforcement (formerly its Office of Market Oversight and Investigations) had conducted regarding the compliance of E.ON U.S. and its subsidiaries, including KU, under the FERC's standards of conduct and codes of conduct requirements, as well as other areas. The final report contained certain findings calling for improvements in E.ON U.S. and its subsidiaries' structures, policies and procedures relating to transmission, generation dispatch, energy marketing and other practices. E.ON U.S. and its subsidiaries have agreed to certain corrective actions and have submitted procedures related to such corrective actions to the FERC. The corrective actions are in the nature of organizational and operational improvements as described above and are not expected to have a material adverse impact on the Company's results of operations or financial condition.

Mandatory Reliability Standards. As a result of EPAct 2005, certain formerly voluntary reliability standards became mandatory in June 2007, and authority was delegated to various regional reliability organizations ("RRO") by the Electric Reliability Organization, which was authorized by the FERC to enforce compliance with such standards, including promulgating new standards. Failure to comply with mandatory reliability standards can subject a registered entity to sanctions, including potential fines of up to \$1 million per day as well as non-monetary penalties, depending upon the circumstances of the violation. KU is a member of the SERC, which acts as KU's RRO. The SERC is currently assessing KU's compliance with certain existing mitigation plans resulting from a prior RRO's audit of various reliability standards. While KU believes itself to be in substantial compliance with the mandatory reliability standards generally, KU cannot predict the outcome of the current SERC proceeding or of other analysis which may be conducted regarding compliance with particular reliability standards.

IRP. Integrated resource planning regulations in Kentucky require major utilities to make triennial IRP filings with the Kentucky Commission. In April 2005, KU and LG&E filed their 2005 joint IRP with the Kentucky Commission. The IRP provides historical and projected demand, resource and financial data, and other operating performance and system information. The AG and the KIUC were granted intervention in the IRP proceeding. The Kentucky Commission issued its staff report with no substantive issues noted and closed the

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case by Order in February 2006. KU and LG&E will submit the next joint triennial filing in April 2008.

PUHCA 2005. E.ON, KU's ultimate parent, is a registered holding company under PUHCA 2005. E.ON, its utility subsidiaries, including KU, and certain of its non-utility subsidiaries, are subject to extensive regulation by the FERC with respect to numerous matters, including: electric utility facilities and operations, wholesale sales of power and related transactions, accounting practices, issuances and sales of securities, acquisitions and sales of utility properties, payments of dividends out of capital and surplus, financial matters and inter-system sales of non-power goods and services. KU believes that it has adequate authority (including financing authority) under existing FERC orders and regulations to conduct its business and will seek additional authorization when necessary.

EPAAct 2005. The EPAAct 2005 was enacted in August 2005. Among other matters, this comprehensive legislation contains provisions mandating improved electric reliability standards and performance; granting enhanced civil penalty authority to the FERC; providing economic and other incentives relating to transmission, pollution control and renewable generation assets; increasing funding for clean coal generation incentives; repealing the Public Utility Holding Company Act of 1935; enacting PUHCA 2005 and expanding FERC jurisdiction over public utility holding companies and related matters via the Federal Power Act and PUHCA 2005.

In February 2006, the Kentucky Commission initiated an administrative proceeding to consider the requirements of the EPAAct 2005, Subtitle E Section 1252, Smart Metering, which concerns time-based metering and demand response, and Section 1254, Interconnections. EPAAct 2005 requires each state regulatory authority to conduct a formal investigation and issue a decision on whether or not it is appropriate to implement certain Section 1252, Smart Metering standards within eighteen months after the enactment of EPAAct 2005 and to commence consideration of Section 1254, Interconnection standards within one year after the enactment of EPAAct 2005. Following a public hearing with all Kentucky jurisdictional electric utilities, in December 2006, the Kentucky Commission issued an Order in this proceeding indicating that the EPAAct 2005 Section 1252, Smart Metering and Section 1254, Interconnection standards should not be adopted. However, all five Kentucky Commission jurisdictional utilities are required to file real-time pricing pilot programs for their large commercial and industrial customers. KU developed a real-time pricing pilot for large industrial and commercial customers and filed the details of the plan with the Kentucky Commission in April 2007. Data discovery concluded in July 2007, and no parties to the case requested a hearing. In February 2008, the Kentucky Commission issued an Order approving the real-time pricing pilot program proposed by KU for implementation within approximately eight months. KU will notify the Kentucky Commission 10 days prior to the actual implementation date and will file annual reports on the program within 90 days of each plan year-end for the 3-year pilot period.

Green Energy Riders. In February 2007, KU and LG&E filed a Joint Application and Testimony for Proposed Green Energy Riders. The AG and KIUC were granted full intervention. In May 2007, a Kentucky Commission Order was issued authorizing KU to establish Small and Large Green Energy Riders, allowing customers to contribute funds to be used for the purchase of renewable energy credits.

Home Energy Assistance Program. In July 2007, KU filed an application with the Kentucky Commission for the establishment of a new Home Energy Assistance program. During September 2007, the Kentucky Commission approved KU's new five-year program as filed, effective in October 2007. The program terminates