

RECEIVED

FEB 22 2011

PUBLIC SERVICE
COMMISSION



a PPL company

Mr. Jeff DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

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

February 22, 2011

Rick E. Lovekamp
Manager – Regulatory Affairs
T 502-627-3780
F 502-627-3213
rick.lovekamp@lge-ku.com

**RE: *APPLICATION OF LOUISVILLE GAS AND ELECTRIC
COMPANY FOR APPROVAL OF LAND SWAP WITH, AND
LEASE OF LAND TO, LOUISVILLE METRO GOVERNMENT -
CASE NO. 2011-00014***

Dear Mr. DeRouen:

Enclosed please find and accept for filing in this proceeding the paper and electronic copies (electronic copies on CD) of three maps and plats that show in greater detail the tracts at issue in LG&E's application as requested by Commission Staff at the informal conference held on February 11, 2011.

I am also writing to confirm that: (1) LG&E has no facilities on the tract (Tract B) it proposes to transfer in fee to the Louisville Metro Government ("Louisville"); (2) Louisville, not LG&E, will pay the cost to reposition the portion of the fence that surrounds the Mill Creek Generating Station that must be moved to accommodate the trail project;¹ and (3) LG&E is leasing rather than easementing to Louisville the land contained in Tracts C, D, and E because Kentucky's recreational use statute, KRS 411.190, contains an exemption from liability for land leased to the state or any subdivision thereof for recreational purposes, but the relevant provision (KRS 411.190(5)) does not address easements.

¹ Paragraph 4 of the Sale and Purchase Contract for a Like-Kind Exchange of Real Estate and a Long-Term Lease of Real Estate, dated December 28, 2010, between LG&E and Louisville that was attached to LG&E's Application as Exhibit A allows, but does not require, LG&E to, "at its sole expense, use, reconstruct, operate, patrol, maintain, repair, replace, modify, upgrade, and remove any buildings or structures located within the leased premises" That does not preclude Louisville from bearing the costs of from repositioning the fence at issue here, which is what Louisville has committed to do.

If the Commission or Commission Staff would like any further information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Rick E. Lovekamp". The signature is written in a cursive style with a large, stylized initial "R".

Rick E. Lovekamp

Enclosures



