In the Matter of:

THE APPLICATION OF KENTUCKY UTILITIES	)	CASE NO.
COMPANY FOR CERTIFICATES OF PUBLIC	)	
CONVENIENCE AND NECESSITY AND	)	2011-00161
APPROVAL OF ITS 2011 COMPLIANCE PLAN	)	
FOR RECOVERY BY ENVIRONMENTAL	)	
SURCHARGE	)	

Response to the KIUC's First Set of Data Requests dated July 12, 2011

One Paper Copy for Question No. 15(c)

Filed – September 23, 2011

KENTUCKY UTILITIES COMPANY

Response to the KIUC's First Set of Data Requests Dated July 12, 2011

Case No. 2011-00161

Question No. 1-15

Witness: Daniel K. Arbough

Q1-15. Refer to page 14 lines 4-11 of Mr. Bellar's Direct Testimony wherein he addresses the Company's plans to finance the proposed environmental compliance capital costs.

a. Please provide a copy of all studies performed by or on behalf of the Company that address the Company's financing plans and/or various financing alternatives, if any. If none, then please explain why the Company has not performed any such studies.

b. Please describe the Company's analyses of project (asset based) financing for these projects, if any. Provide all assumptions, data, computations, and results. Provide a copy of all correspondence with potential funding sources.

c. Please provide a copy of all e-mails, other correspondence, and presentations to and/or from investment bankers/banks/other funding sources that address the Company's financing plans and/or various financing alternatives, if any.

A1-15. a. The Company has not performed studies on financing plans for the proposed environmental compliance capital costs. The Company has, however, established a financing structure that allows all capital to be financed in a cost-effective manner. In October 2010, a First Mortgage Bond indenture was finalized which allows for future debt issuance by the Company. Under the indenture, future debt issuances will be supported by a lien on substantially all of the fixed assets of the Company. This allows the Company to access the most liquid capital market available to it. The November 2010 transaction wherein the Company issued $1.5 billion of bonds at very attractive interest rates averaging 3.92% with an average maturity of more than 19 years is evidence of the attractive nature of this market.

b. The Company has not performed analyses of project (asset based) financing and does not engage in such financing. The existing first mortgage bond structure requires all real property to be subjected to the first mortgage lien. This limits the ability of the Company to utilize its real property as collateral in other financing structures.

c. See the attached information on CD in the folder titled Question 15(c).

Discussion Materials for LG&E and KU Energy LLC

June 14, 2011

Together we'll go far

Confidential – For Discussion & General Information Purposes Only

Contact Information

Energy & Power
Investment Banking

301 South College St
Charlotte, NC 28288

Energy & Power Investment Banking	
Brian Tate, *Managing Director & Sector Head of Power & Utilities*	(704) 383-0510
Aaron Smith, *Director*	(704) 715-8687
John Hackney, *Vice President*	(704) 715-8823
Tommy McNamara, *Associate*	(704) 715-2383
Kathryn Rasmussen, *Analyst*	(704) 715-7237

Debt Capital Markets	
Jim Williams, *Managing Director*	(704) 383-8766
Kristine Thomas, *Vice President*	(704) 715-8485
Mike Jackson, *Associate*	(704) 715-7871

Debt Capital Markets – Commercial Paper	
Brianna Provance, *Vice President*	(704) 715-0537

Table of Contents

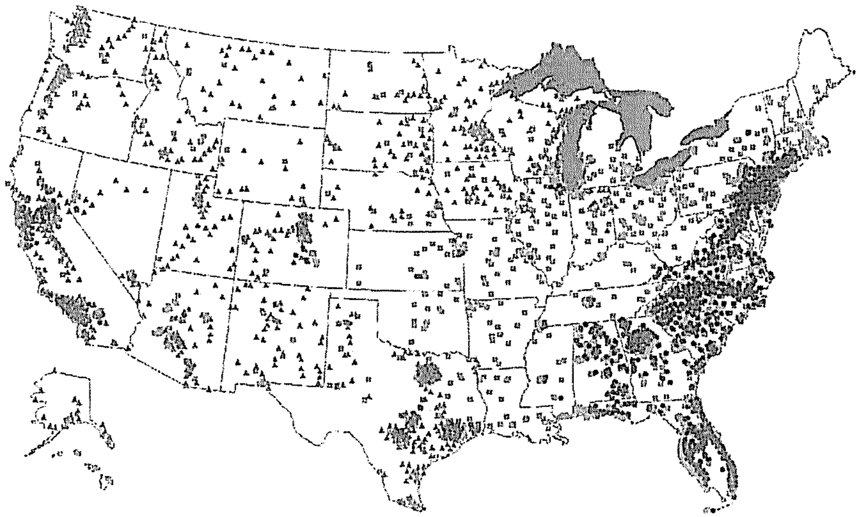
Executive Summary

Wells Fargo is pleased to meet with LKE to introduce our investment banking platform and discuss the Utility's future financing needs

- Wells Fargo Securities is pleased to have the opportunity to meet with LG&E and KU Energy LLC ("LKE" or the "Utility").
- Our agenda for today is to:
  - Introduce Wells Fargo Securities' Energy & Power Investment Banking Franchise
  - Provide an overview of the relevant developments and trends in the debt capital markets
  - Discuss upcoming financing needs at LKE and its operating utilities
  - Discuss potential upcoming commercial paper opportunities at LKE
- Wells Fargo Securities is committed to expanding its current relationship with PPL / LKE and supporting the Company with its upcoming capital markets offerings.

Wells Fargo is a Leading Investment Bank

- $1.2 trillion in assets
- 2nd largest U.S. bank by deposit share
- 2nd largest U.S. bank by market capitalization
- 3rd largest retail brokerage network



▲ Wells Fargo Retail Banking Stores (3,325)
● Legacy Wachovia Retail Banking Stores (3,343)
■ Wells Fargo Advisors (1,390)

Source: Thomson Reuters, Capital IQ, SDC, Greenwich, Mortgage Bankers Association
Notes: Market capitalization ranking based on 1/1/2011 data, other rankings based on 6/30/2010 data

Energy & Power Investment Banking Group

Exploration & Production

Midstream

Service & Supply

Refining & Marketing

Energy & Power Investment Banking
James Kipp – Group Head

Energy Coverage

Managing Directors
Jay Chernosky
Russell Clingman
David Humphreys
Paul Riddle

Directors
Jay Buckman
Chris Hewitt
Jeff Strobel

Vice Presidents
Jeff Carmichael
James Peery
Ty Peterson
Michael Shih
Iliya Filev
Ryan Stash

Power Coverage

Managing Directors
Dave Johnson
Brian Tate

Directors
Jonathan Crumpler
John Levesque
AJ Basse
Aaron Smith

Vice Presidents
John Hackney

Mergers & Acquisitions

Hugh Babowal, *Managing Director*
Stephen Gallagher, *Director*
Nick Horodinca, *Vice President*

Electric Utilities & Generation

Natural Gas Utilities

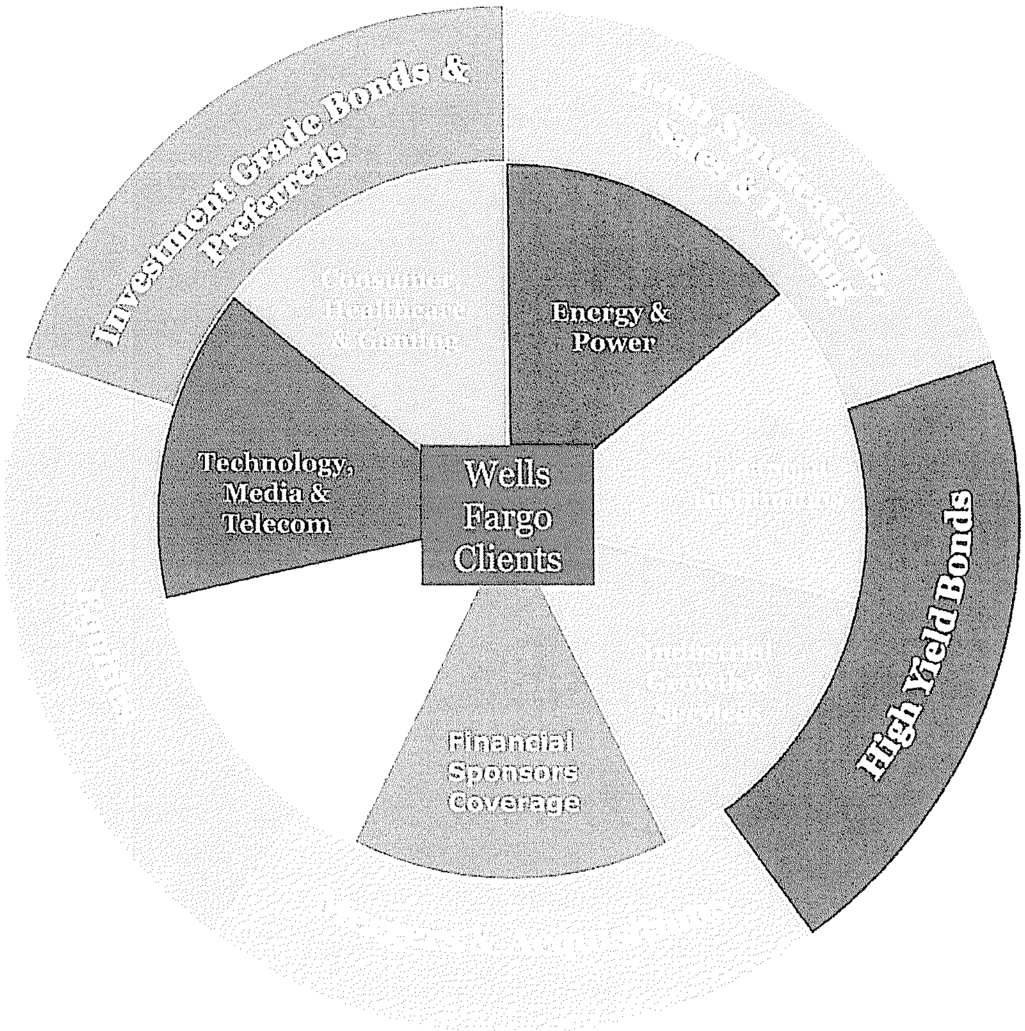
Water Utilities

Propane Distribution

Energy & Power represent core sectors for the Wells Fargo Securities Platform
Over $25 billion in capital commitments to the Energy & Power Industry (~$12 BB FROM
Senior coverage team has worked together for 20+ years
Over 40 investment banking professionals & Dedicated M&A team

Wells Fargo Investment Banking & Capital Markets: A Client Focused Culture and Franchise

- We are a customer driven business combining strong relationships and industry knowledge with superior capital markets and advisory capabilities.



Energy & Power Investment Banking

Completed over 700 engagements since 1996, including $4.3 billion in energy and utility transactions since April 2009.

Ranked #1 for bookrun Energy & Power IPO's and Follow-Ons, with 73 transactions since January 1, 2010.

Loan Syndications, Sales & Trading

Ranked #2 most active Lead Arranger of high grade loans in the U.S., leading 51 high grade transactions in LTM through 1Q 2011.

Investment Grade Bonds & Preferreds

Ranked #2 for Utility / Power bookrun deals with over $1.6 billion in total volume year to date.

High Yield Bonds

Ranked #2 underwriter for energy high yield in 2010 with 37 bookrun transactions and approximately $4.4 billion in total volume.

Wells Fargo's M&A Platform – Outstanding Mergers & Acquisitions Franchise

Outstanding Mergers & Acquisitions Franchise

- Strong M&A franchise with proven track record of superior idea generation, transaction execution and uncompromising integrity.
  - 30+ year exclusive commitment to serving advisory needs of growing companies
  - Over 40 dedicated M&A professionals (New York, Houston, Charlotte, San Francisco, and Richmond)
  - Full advisory services (sellside, buyside, strategic financial advisory, takeover defense)
- Unsurpassed track record of successful transactions.
  - Excellence in strategic advice to private and public corporations
  - Strong tradition of M&A for growth companies
  - Completed over 700 engagements since 1996
- M&A capabilities and deal flow enhanced by Wells Fargo's investment banking platform.
- Over $4.3 billion in energy and utility M&A transactions successfully executed since April 2009.

$390,000,000 EQT to sell the Big Sandy Pipeline to Spectra Energy Partners *Financial Advisor to EQT Corporation* May 11, 2011	$230,000,000 EQT has sold its Kentucky natural gas processing complex to MARKWEST *Financial Advisor to EQT Corporation* January 4, 2011	$131,800,000 NVEnergy California Electric Distribution / Generation assets have been acquired by Algonquin Power · Emera *Financial Advisor to NV Energy, Inc.* January 1, 2011

$393,000,000 Denbury Resources Inc. to sell its 47% GP and LP interests in ENP Encore Energy Partners to Vanguard *Financial Advisor to Denbury Resources Inc.* November 17, 2010	$725,000,000 Inergy, L.P. has acquired Tres Palacios *Financial Advisor to Inergy, L.P.* September 7, 2010	$686,100,000 atlas pipeline partners has sold the Elk City System to Enbridge *Financial Advisor to Atlas Pipeline Partners, L.P.* July 28, 2010	CountryMark. has acquired the assets of Core Minerals *Financial Advisor to CountryMark Cooperative, LLP* May 7, 2010	$426,500,000 SouthWest Water Company has been acquired by J.P.Morgan Asset Management · Water Asset Management, LLC *Financial Advisor to SouthWest Water Company* March 3, 2010
$289,000,000 Jones has acquired Crusader Energy Group Inc. *Financial Co-Advisor to Jones Energy, Ltd.* January 4, 2010	$223,000,000 Liberty Propane has been acquired by Inergy, L.P. *Financial Advisor to Liberty Propane, L.P.* December 31, 2009	$530,000,000 Targa Targa Resources Partners LP has acquired the Downstream Business from Targa Resources, Inc. *Financial Advisor to Targa Resources, Inc.* July 28, 2009	$365,700,000 Affiliates of Mr. Harold Hamm have acquired the Hiland companies Hiland *Financial Advisor to Mr. Harold Hamm* June 1, 2009	$294,500,000 Spectra Energy Partners has acquired NOARK Pipeline System, LP from atlas pipeline partners *Financial Advisor to Spectra Energy Partners, LP* April 8, 2009

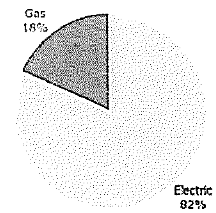
Louisville Gas & Electric Company – Gas Operations

Company Overview

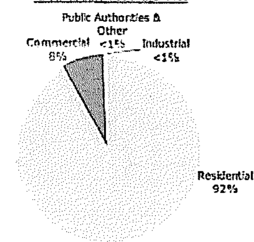
- Louisville Gas and Electric Company ("LG&E") is a regulated public utility engaged in the generation, transmission, distribution and sale of electric energy and the storage, distribution and sale of natural gas.
  - Purchased by PPL Corp. along with Kentucky Utilities in 2010 from E.ON A.G. for $7.6 billion
- Provides natural gas service to ~320,000 customers in electric service area and 8 additional counties in Kentucky.
- On July 30, 2010, the Kentucky Public Service Commission authorized a rate increase of $17.0 million (5.80% increase) for LG&E's gas utility.
  - On January 29, 2010, LG&E requested a rate increase of $22.6 million (7.70% increase) with a 11.50% ROE
  - Requested rate base of $466.5 million

Operational Overview [1]

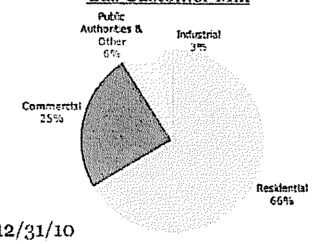
Business Mix (EBITDA)



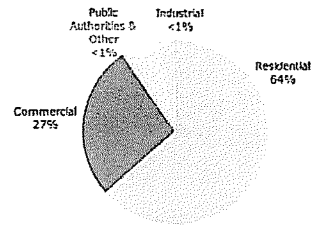
Gas Revenue Mix



Gas Customer Mix

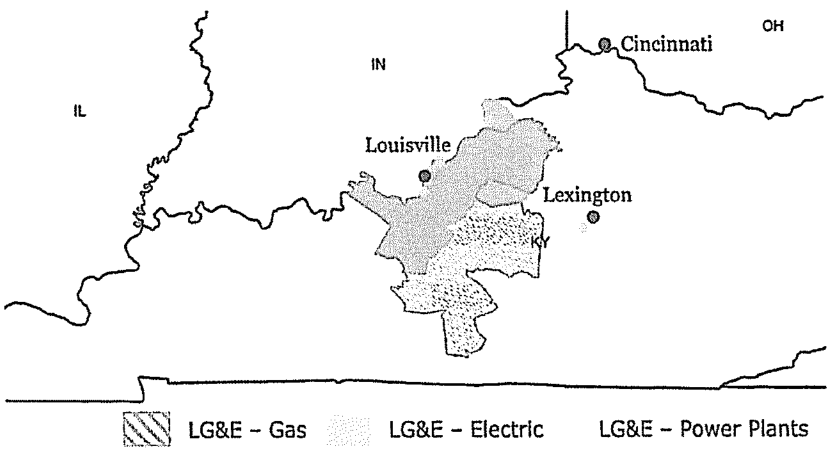


Throughput Mix



[1] As of 12/31/10

Service Territory



Source: FERC filings, SEC filings, SNL Financial

Historical Financials – Gas Operations

($ in Millions)

	Fiscal Year Ending,				
	12/31/06	12/31/07	12/31/08	12/31/09	12/31/10
Total Net Sales	$395.2	$352.7	$458.4	$361.6	$302.9
Operations Expense	(336.7)	(292.5)	(392.4)	(297.0)	(213.3)
Maintenance Expense	(11.6)	(13.3)	(16.9)	(16.4)	(17.5)
Other Taxes [1]	(5.3)	(5.6)	(5.7)	(5.6)	(5.4)
EBITDA	41.6	41.2	43.4	42.6	66.7
Dep. & Amort.	(1.5)	(1.6)	(1.5)	(2.1)	(2.1)
EBIT	40.1	39.6	41.9	40.6	64.6
Revenue Growth	*(9.5%)*	*(10.8%)*	*30.0%*	*(21.1%)*	*(16.2%)*
EBITDA Margin	*10.5%*	*11.7%*	*9.5%*	*11.8%*	*22.0%*
EBIT Margin	*10.1%*	*11.2%*	*9.1%*	*11.2%*	*21.3%*

[1] Taxes other than income taxes

Wells Fargo's Energy & Power Equity Franchise

Energy & Power Book-runners Since 01/01/10

Rank	Book-runner	# of Deals
[illegible]	Wells Fargo Securities	[illegible]
2	Citi	70
3	Bank of America Merrill Lynch	65
4	Barclays Capital	63
5	Morgan Stanley	58
6	UBS	44
7	JPMorgan	43
8	Credit Suisse	37
9	RBC Capital Markets	23
10	Goldman Sachs	15

Source: Dealogic
Includes MLPs, E&P, OFS, and Power

Utility Book-runners Since 01/01/10

Rank	Book-runner	# of Deals
[illegible]	Wells Fargo Securities	[illegible]
1	Morgan Stanley	6
1	JPMorgan	6
1	Credit Suisse	6
1	Bank of America Merrill Lynch	6
6	Barclays Capital	4
7	Citi	3
8	UBS	2
8	Janney Montgomery Scott	2
8	BMO Capital Markets	2

Source: Dealogic

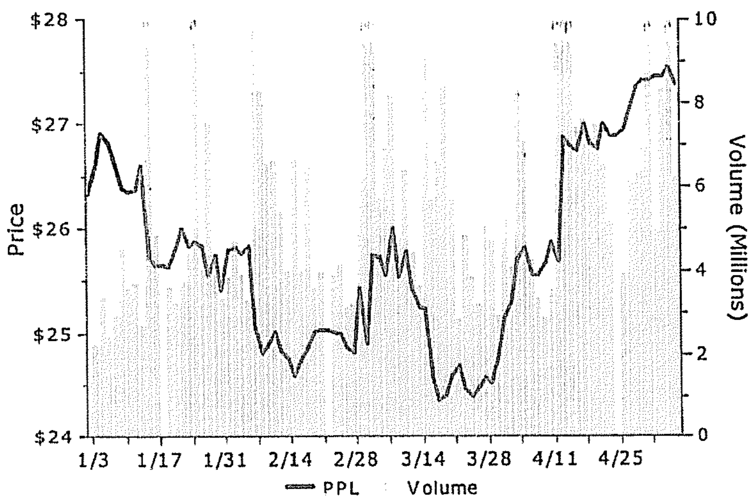
Selected Book-run Transactions

Energy IPO	$175 Million	Initial Public Offering of Common Stock	*Pending*	*Joint Book-runner*
MLP IPO	$250 Million	Initial Public Offering of Common Units	*Pending*	*Joint Book-runner*
LRR Energy	$282 Million	Initial Public Offering of Common Units	*In Registration*	*Left Book-runner*
El Paso Pipeline Partners	$483 Million	Follow-On Offering of Common Units		*Joint Book-runner*
NGL Energy Partners LP	$85 Million	Initial Public Offering of Common Units		*Left Book-runner*
TC PipeLines, LP	$345 Million	Follow-On Offering of Common Units		*Joint Book-runner*
Tesoro Logistics	$314 Million	Initial Public Offering of Common Units		*Joint Book-runner*
Buckeye Partners, L.P.	$328 Million	Follow-On Offering of Common Units		*Joint Book-runner*
ppl	$2.3 Billion	Follow-On Offering of Common Stock		*Joint Book-runner*
Energy Transfer	$718 Million	Follow-On Offering of Common Units		*Joint Book-runner*
GeoResources, Inc.	$154 Million	Follow-On Offering of Common Stock		*Left Book-runner*
	$345 Million	Initial Public Offering of Common Units		*Left Book-runner*
Westar Energy	$217 Million	Follow-On Offering of Common Stock		*Joint Book-runner*
DCP Midstream Partners	$146 Million	Follow-On Offering of Common Units		*Left Book-runner*
	$153 Million	Follow-On Offering of Common Units		*Joint Book-runner*
Exterran Partners	$169 Million	Follow-On Offering of Common Units		*Left Book-runner*
LINN Energy	$649 Million	Follow-On Offering of Units		*Joint Book-runner*
Martin Midstream Partners	$74 Million	Follow-On Offering of Common Units		*Left Book-runner*
SCANA	$304 Million	Follow-On Offering of Common Stock		*Left Book-runner*
Kodiak Oil & Gas Corp.	$158 Million	Follow-On Offering of Common Stock		*Joint Book-runner*
Enterprise Products Partners L.P.	$546 Million	Follow-On Offering of Common Units		*Joint Book-runner*
PDC Energy	$132 Million Follow-on Offering; $115 Million Convertible Notes			*Left Book-runner*
Legacy	$87 Million	Follow-On Offering of Units		*Left Book-runner*
genesisenergy	$122 Million	Follow-On Offering of Common Units		*Left book-runner*
Vanguard Natural Resources, LLC	$121 Million	Follow-On Offering of Common Units		*Left Book-runner*
ppl	$2.5 Billion	Follow-On Offering of Common Stock		*Joint Book-runner*
CenterPoint Energy	$326 Million	Follow-On Offering of Common Stock		*Joint Book-runner*
Targa	$185 Million	Follow-On Offering of Common Units		*Left Book-runner*
Chesapeake Midstream Partners	$513 Million	Initial Public Offering of Common Units		*Joint Book-runner*
Kodiak Oil & Gas Corp.	$79 Million	Follow-On Offering of Common Stock		*Joint Book-runner*
Carrizo	$76 Million	Follow-On Offering of Common Stock		*Sole Manager*
Pinnacle West	$262 Million	Follow-On Offering of Common Stock		*Joint Book-runner*
genesisenergy	$147 Million	Follow-On Offering of Common Units		*Left Book-runner*

Utility Case Study: PPL Corporation

$2.33 Billion
Follow-on Offering

Joint Book-runner
April 11, 2011



Offering Summary

- Pricing Date: 04/11/2011
- Offer Price: $25.30
- Execution: 1-Day Marketed
- All-in Cost: 5.14% (gross spread plus price movement)
- Dividend Yield at Offer: 5.53%
- Shares Offered: 92.00MM (includes over-allotment)
- Amount Offered: $2,327.6MM (includes over-allotment)
- Concurrent Offering: $850MM mandatory convertible at $50 per unit
- Yield & Conversion Premium: 8.75% up 22.5%
- Use of Proceeds: Net proceeds used to repay borrowings under PPL's bridge facility, the proceeds of which were used for the acquisition of Central Networks

Transaction Highlights

- The $2.3B PPL offering is the first equity deal in the Utility sector in five months.
- The deal is the second largest follow-on offering ever done by a Utility company. The largest deal ever was the PPL deal done in June 2010.
- The company announced on March 1st an agreement to acquire the Central Networks from E.ON A.G. for $6.4B.
  - Acquisition partially funded through this equity offering and the concurrent mandatory convertible transaction
- All-in cost of 5.1% is one of the tightest for Utility deals done since the beginning of 2010.
- Healthy mix of institutional and retail investors – 15% of the deal was allocated to retail accounts.
  - High quality institutional order book of new and existing investors
- Strong aftermarket – stock was up over 6% on day one of trading.

Investment Grade Loan Syndications Capabilities

- Wells Fargo is a top-ranked Lead Arranger of Syndicated Loans, with a strong focus in Energy & Power.
  - 3rd most active Lead Arranger of Investment Grade Loans in 2010[1]
  - 3rd most active Lead Arranger of Investment Grade and Leveraged Loans in 2010[1]
  - Top 2 in U.S. Utilities Syndications
  - Over 40 active Utility and Power lead relationships
  - 25 active Utility and Power left lead/administrative agent relationships

LTM Q1 2011 U.S. Utilities Lead Arranger (# of Deals)

Rank	Institution	# of Deals
1	Bank of America Merrill Lynch	62
2	Wells Fargo & Company	[illegible]
3	JP Morgan	50
4	Mitsubishi UFJ Financial Group	41
5	Barclays Bank Plc	28
6	RBS	25
7	Citi	23
8	BNP Paribas SA	21
9	U.S. Bancorp	17
10	Scotia Capital	16

Source: Loan Pricing Corporation

Exelon	$6.4 Billion Senior Credit Facilities	*Joint Lead Arranger*
FPL Group	$6.5 Billion Senior Credit Facilities	*Joint Lead Arranger*
Dominion	$3.0 Billion Senior Credit Facilities	*Joint Lead Arranger*
ppl	$5.0 Billion Senior Credit Facilities	*Administrative Agent / Left Lead Arranger*
Constellation Energy Group	$2.32 Billion Senior Credit Facility	*Administrative Agent / Left Lead Arranger*
integrys	$1.24 Billion Senior Credit Facilities	*Administrative Agent / Left Lead Arranger*
Duke Energy	$3.2 Billion Senior Credit Facility	*Administrative Agent / Left Lead Arranger*
PSEG	$2.1 Billion Senior Credit Facilities	*Joint Lead Arranger*
Pepco Holdings, Inc	$1.5 Billion Senior Credit Facility	*Administrative Agent / Left Lead Arranger*
SCANA Power for Living	$1.5 Billion Senior Credit Facilities	*Administrative Agent / Left Lead Arranger*
AGL Resources	$1.0 Billion Senior Credit Facility	*Administrative Agent / Left Lead Arranger*
PugetEnergy	$500 Million Senior Credit Facility	*Administrative Agent / Left Lead Arranger*

[1] Ranking based on number of deals. Source: Loan Pricing Corporation

Wells Fargo Debt Capital Markets Qualifications

- Wells Fargo Securities is a leading underwriter for public debt offerings in the Utility & Power sector.
  - Our Utility & Power DCM team has served as a lead Book-Running manager on 186 transactions, raising $61 billion in proceeds for 53 issuers since 2004 (36 of which are repeat clients).

YTD 2011 Utility & Power League Table
Proportional Credit to each Bookrunner

Rank	Lead Manager	Number of Deals	Volume ($ in MM)	Market Share
1	JPMorgan	21	$1,929.8	12.34%
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3	RBS	15	1,415.0	9.05%
4	Bank of America Merrill Lynch	15	1,273.3	8.14%
5	Morgan Stanley	14	1,217.9	7.79%
6	Barclays PLC	11	981.7	6.28%
7	Citigroup Inc.	13	911.1	5.83%
8	Goldman Sachs	8	720.8	4.61%
9	Credit Suisse	7	694.2	4.44%
10	Scotia	8	673.3	4.31%
11	Deutsche Bank	6	562.5	3.60%
12	UBS	6	433.9	2.52%
13	Bank of Tokyo Mitsubishi	6	413.2	2.77%
14	BNP Paribas	6	394.2	2.64%
15	Bank of New York	4	329.2	2.10%

Source: Thomson Financial/Bloomberg

Repeat Lead Managed Clients Since 2004

NextEra Energy, SCANA, Southern Company, UGI, PPL, American Electric Power, Energy East, Entergy, IDACORP, Puget Energy, Duke Energy, FirstEnergy, Progress Energy, Alliant Energy, OG&E, Northeast Utilities System, Dominion, Exelon

Integrys, AGL Resources, MidAmerican Energy Holdings Company, conEdison, ATC, Pepco Holdings Inc, Southern California Edison, Sempra Energy, NV Energy, Nicor, Ameren, Wisconsin Energy Corporation, PSEG, Washington Gas, NiSource, PacifiCorp, CMS Energy

Atmos Energy $400 Million Senior Unsecured Notes *Joint Book-Running Manager*	NiSource $400 Million Senior Unsecured Notes *Joint Book-Running Manager*	Puget Energy $500 Million Senior Secured Notes *Joint Book-Running Manager*	OG&E $250 Million Senior Unsecured Notes *Joint Book-Running Manager*	Duke Energy Carolinas $500 Million First Mortgage Bonds *Joint Book-Running Manager*
Gulf Power A Southern Company $125 Million Retail Senior Unsecured Notes *Joint Book-Running Manager*	PacifiCorp A MidAmerican Energy Holdings Company $400 Million First Mortgage Bonds *Joint Book-Running Manager*	SCANA Power For Living $300 Million Senior Unsecured Notes *Joint Book-Running Manager*	Entergy Entergy Mississippi, Inc. $150 Million Retail First Mortgage Bonds *Joint Book-Running Manager*	Golden State Water Company $62 Million Senior Unsecured Notes *Sole Book-Running Manager*

Retail & Hybrid Leadership

2006 - YTD 2011 Utility & Power $25 Par Offerings
Proportional Credit to Each Book Runner

Rank	Lead Manager	No. of Deals	Volume ($ in MM)	Market Share
1	Citigroup Inc.	20	$1,960.8	29.3%
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3	Morgan Stanley	18	1,306.3	19.5%
4	Bank of America Merrill Lynch	13	991.7	14.8%
5	Edward Jones	10	876.0	13.1%
6	UBS Investment Bank	10	681.3	10.2%
7	JP Morgan	5	433.3	6.5%
8	Barclays Capital / Lehman	3	187.5	2.8%

Source: Wells Fargo Securities

2006 - YTD 2011 Energy & Power Hybrid Securities
Proportional Credit to Each Lead Manager

Rank	Lead Manager	No. of Deals	Volume ($ in MM)	Market Share
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2	Bank of America Merrill Lynch	16	1,506.7	15.9%
3	JP Morgan	12	1,557.5	16.5%
4	Barclays Capital / Lehman	11	1,236.7	13.1%
5	Citigroup Inc.	10	1,283.3	13.6%
6	Morgan Stanley	10	858.3	9.1%
7	UBS Investment Bank	6	500.0	5.3%
8	Goldman, Sachs & Co.	4	375.0	4.0%
9	Credit Suisse	2	220.0	2.3%
10	SunTrust	1	100	1.1%

Source: Wells Fargo Securities

GULF POWER
A SOUTHERN COMPANY
$125 Million
Retail Senior Unsecured Notes
Joint Book-Running Manager

Entergy
Entergy Mississippi, Inc.
$150 Million
Retail First Mortgage Bonds
Joint Book-Running Manager

SCANA
POWER FOR LIVING
$150 Million
Junior Subordinated Notes
November 2009
Joint Book-Running Manager

Dominion
It all starts here.
$685 Million
Junior Subordinated Notes
June 2009
Joint Book-Running Manager

GEORGIA POWER
A SOUTHERN COMPANY
$300 Million
Retail Senior Notes
Joint Book-Running Manager

Westar Energy.
$150 Million
Retail First Mortgage Bonds
Joint Book-Running Manager

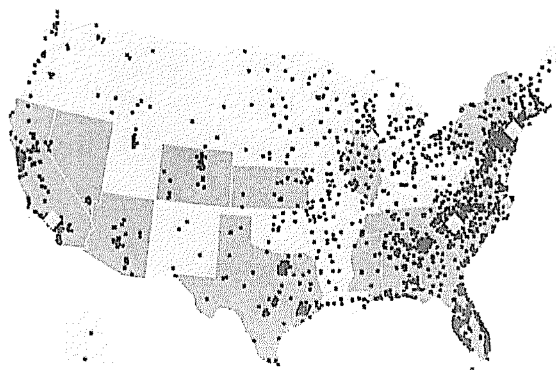
FPL GROUP CAPITAL
$375 Million
Junior Subordinated Notes
March 2009
Structuring Advisor &
Joint Book-Running Manager

Constellation Energy
$450 Million
Junior Subordinated Notes
June 2008
Joint Book-Running Manager

Wells Fargo's Bond Distribution Network

Wells Fargo delivers one of the strongest institutional and retail distribution networks on Wall Street

- Institutional distribution
  - Over 200 buyside sales representatives
  - Located in New York, Los Angeles, Chicago, Charlotte, London, Hong Kong, Tokyo and Singapore
  - Primary coverage of large insurance companies, money managers, hedge funds, pension funds and bank portfolios
- Middle market distribution
  - Focus on approximately 10,000 "Tier 2" and "Tier 3" buyside investors
  - Primary coverage of regional banks, endowments, secondary money managers & insurance companies, and small business retirement accounts
- Retail distribution
  - 3rd largest retail brokerage platform in the United States (presence in all 50 states)
  - Over 15,000 financial advisors with ~$1 trillion in assets under management
  - Primarily targets non-institutional investors such as high net-worth individuals and households



Middle Market and Retail Sales Locations
Institutional Sales Locations

Source: Wells Fargo Securities

Firm	Financial Advisors
Morgan Stanley Smith Barney [1]	18,043
Bank of America Merrill Lynch	15,498

[1] Represents estimated pro forma brokers.
Source: Company filings and press releases.

Utility & Power Secondary Support

Wells Fargo is a leading secondary market maker for Utility & Power High Grade corporate bond trading

Over the past two years, Wells Fargo has traded over $30 billion in Utility bonds in the secondary market

Wells Fargo has consistently traded 10-15% of the Utility secondary trading volume on MarketAxess (a proxy for overall market share)

Q1 2011 Utility & Power Secondary Trading League Table

Rank	Dealer	Number of Trades	Volume ($ in MM)	Market Share
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2	Undisclosed Dealer	781	355.5	9.2%
3	Undisclosed Dealer	681	300.4	7.8%
4	Undisclosed Dealer	813	292.0	7.6%
5	Undisclosed Dealer	273	278.9	7.2%
6	Undisclosed Dealer	299	201.2	5.2%
7	Undisclosed Dealer	425	193.1	5.0%
8	Undisclosed Dealer	734	190.3	4.9%
9	Undisclosed Dealer	276	183.1	4.7%
10	Undisclosed Dealer	117	151.4	3.9%

Source: MarketAxess

2010 Utility & Power Secondary Trading League Table

Rank	Dealer	Number of Trades	Volume ($ in MM)	Market Share
1	Undisclosed Dealer	2,007	1,239.2	10.7%
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3	Undisclosed Dealer	2,691	1,086.6	9.4%
4	Undisclosed Dealer	1,858	796.2	6.9%
5	Undisclosed Dealer	2,431	754.8	6.5%
6	Undisclosed Dealer	1,274	735.2	6.4%
7	Undisclosed Dealer	864	568.3	4.9%
8	Undisclosed Dealer	946	565.8	4.9%
9	Undisclosed Dealer	473	555.4	4.8%
10	Undisclosed Dealer	972	414.0	3.6%

Source: MarketAxess

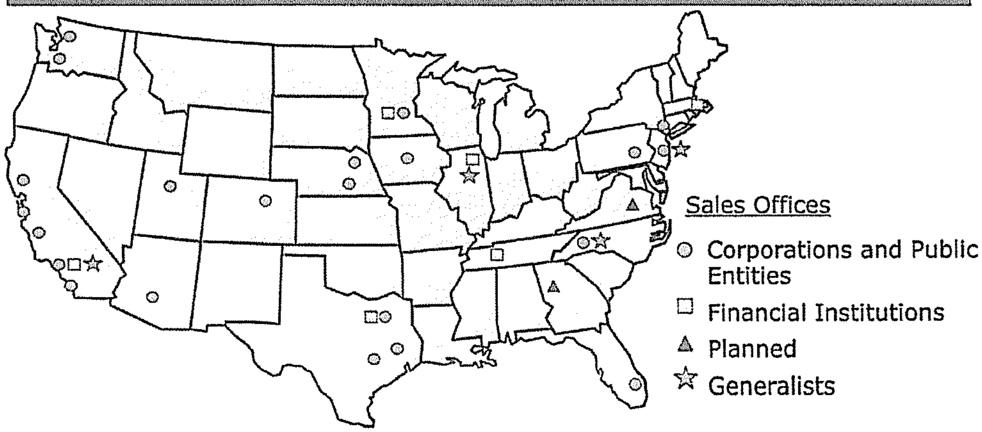
Wells Fargo Has a Leading Commercial Paper Franchise

Significant Money Market Presence with Unique Distribution Capabilities

- The Wells Fargo money markets group distributes all varieties of traditional money market instruments, including third-party CP, CDs (US and Yankee), bankers acceptances, money market funds, treasury bills, agency discount notes and VRDNs.
- In 2010, Wells Fargo sold **$6.8 trillion of money market products**, including **$630 billion of commercial paper.**
- Experienced team of sales and trading professionals:
  - 5 senior traders averaging 15+ years in the investment management business.
  - Best in class Fixed Income sales force:
    - ***Institutional:***
      - 14 Generalist sales people covering institutional accounts with >$3 billion in assets. 4 of these individuals comprise the Institutional Short-Duration sales force, exclusively covering short term Tier 1 accounts buying in the 0-5 year part of the curve.
    - ***Middle Market:***
      - 130 Corporate/Public Entity ("CPE") sales people covering corporations, public entities and non-profits with >$5 million in assets.
      - 36 Financial Institution sales people covering money managers, banks, insurance companies and trust departments with <$3 billion in assets.

- Wells Fargo covers all major institutional investors through its Institutional sales force. ***Wells Fargo is distinct, however, in that it has a sales force dedicated to covering smaller investors within the Wells Fargo franchise that encompasses thousands of accounts not covered by its major Wall Street competitors.***
- The Wells Fargo Fixed Income sales force has 25 offices coast-to-coast covering 12,000+ customers with over 16,000 accounts.
  - **1/3 of our middle market customers give us 100% of their investment business.**

Fixed Income Sales Office Locations



Source: Bloomberg and Wells Fargo Securities.

Leading Commercial Paper Franchise

- **Wells Fargo is committed to the U.S. Industrial segment of the commercial paper market.**
  - Top 5 in the overall (Tier 1 and 2) U.S. Industrial CP market.
  - Top 4 positioning in the U.S. Industrial Tier 2 CP market.

Wells Fargo is a dealer on [illegible] Power & Utility Programs ([illegible] of total) with aggregate size of [illegible]

- Wells Fargo is a dealer in commercial paper programs of 109 issuers totaling approximately $424 billion in cumulative program size.
  - Evenly split between Tier One (50%) and Tier Two (50%). Majority of clients are industrial corporations (91 clients, or 83%).

U.S. Industrial CP League Tables

Rank	Firm	Prog. Count
1	Bank of America Merrill Lynch	241
2	Goldman Sachs	190
3	JPMorgan	147
4	Citigroup	120
5	Wells Fargo	91
6	Morgan Stanley	75
7	Credit Suisse	67
8	Barclays	65
9	Deutsche Bank	25
10	Suntrust	18

Tier 2 U.S. Industrial CP League Tables

Rank	Firm	Prog. Count
1	Bank of America Merrill Lynch	124
2	Goldman Sachs	82
3	JPMorgan	70
4	Wells Fargo	58
5	Citigroup	50
6	Morgan Stanley	36
7	Barclays	35
8	Credit Suisse	33
9	Deutsche Bank	14
10	Suntrust	13

Source: Bloomberg and Wells Fargo Securities.
Note: As used on this page, "Industrial" refers to the non-ABCP and non-Financial Institution segment of the CP market.

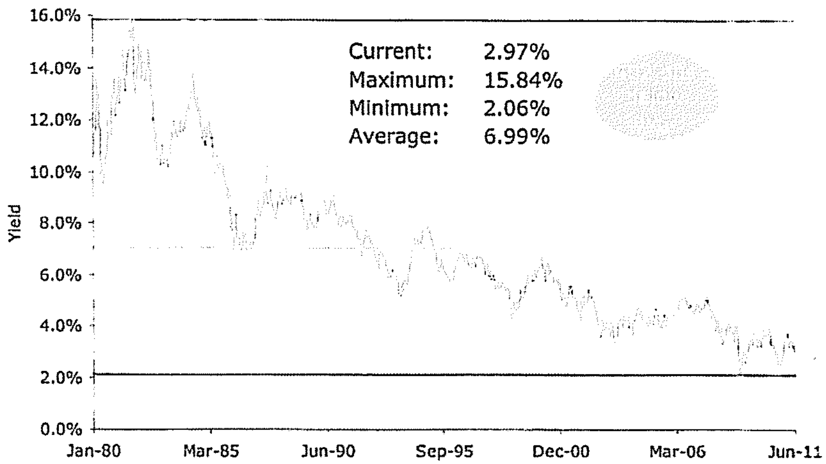
Select Power & Utility Commercial Paper Programs

Issuer	Program	Rating	Role
AGL Resources	$1.1 Billion Program	A-2/P-2	Dealer
Alabama Power	$600 Million Program	A-1/P-1	Dealer
atlantic city electric	$250 Million Program	A-2/P-2	Dealer
Atmos energy	$600 Million Program	A-2/P-2	Dealer
Basin Electric Power Cooperative	$550 Million Program	A-1/P-1	Dealer
delmarva power	$500 Million Program	A-2/P-2	Dealer
Dominion	$3 Billion Program	A-2/P-2	Dealer
Entergy	$275 Million-3 Programs	A-1+/P-1	Dealer
IDACORP	$150 Million Program	A-2/P-2	Dealer
Idaho Power	$200 Million Program	A-2/P-2	Dealer
Laclede Gas	$300 Million Program	A-1/P-2	Dealer
MidAmerican Energy	$450 Million Program	A-2/P-1	Dealer
Nebraska Public Power District	$200 Million Program	A-1/P-1	Dealer
NextEra Energy Resources	$4 Billion Program	A-2/P-2	Dealer
nicor	$1 Billion Program	A-1+/P-2	Dealer
NW Natural	$400 Million Program	A-1/P-1	Dealer
OGE Energy Corp.	$600 Million Program	A-2/P-2	Dealer
OG&E	$400 Million Program	A-2/P-1	Dealer
pepco	$700 Million Program	A-2/P-3	Dealer
Portland General Electric	$400 Million Program	A-2/P-2	Dealer
Progress Energy	$750 Million Program	A-2/P-2	Dealer
PSEG	$1 Billion Program	A-2/P-2	Dealer
Puget Sound Energy	$500 Million Program	A-2/P-3	Dealer
Virginia Electric & Power	$3 Billion Program	A-2/P-2	Dealer
Xcel Energy	$800 Million Program	A-2/P-2	Dealer

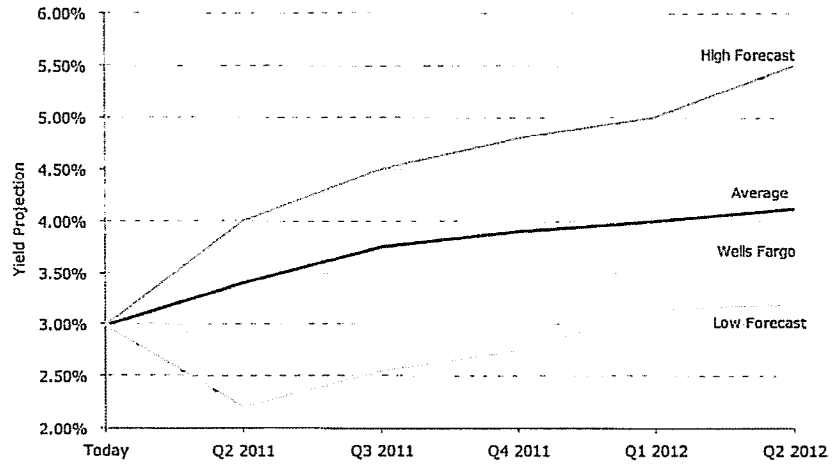
Utility & Power DCM Update

Long Term US Treasury Rates

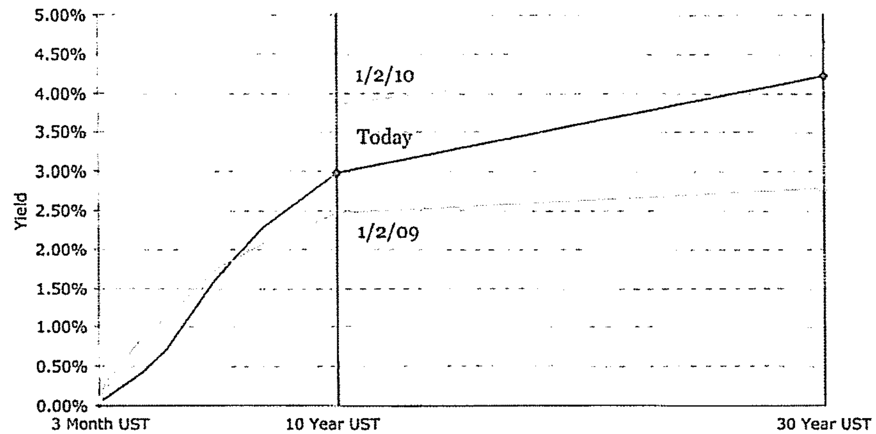
Historical 10-Year Treasury



10-Year Treasury Outlook by Major Banks



Yield Curve Comparison



Wells Fargo's Economic Forecast

(Percentage Changes)	2010A			2011A	2011E			2012E
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Real Gross Domestic Product [1]	1.7	2.6	3.1	1.8	2.0	3.0	2.8	2.2
Personal Consumption	2.2	2.4	4.0	2.2	2.1	2.0	2.1	2.0
Consumer Price Index [2]	1.8	1.2	1.2	2.2	3.5	3.8	4.0	3.4
"Core" Consumer Price Index [2]	1.0	0.9	0.6	1.1	1.4	1.6	2.1	2.2
West Texas Intermed. Oil ($/BBL) [3]	78.0	76.2	85.2	94.1	105.8	108.0	110.0	111.0
Real Disposable Income	5.6	1.0	1.1	0.8	0.6	1.1	1.4	1.2
Nonfarm Payroll Change [3]	181.0	(45.7)	138.7	165.7	147.0	168.3	175.0	180.0
Unemployment Rate (%)	9.6	9.6	9.6	8.9	9.1	8.9	8.8	8.7
Housing Starts (Millions)	0.60	0.58	0.54	0.58	0.55	0.61	0.66	0.69
Quarter End - Interest Rates (%) [4]								
Federal Funds (Target)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
3 Month LIBOR	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2 Year T-Note	0.61	0.43	0.61	0.80	0.45	0.65	1.00	1.30
5 Year T-Note	1.79	1.27	2.01	2.24	1.60	1.90	2.20	2.40
10 Year T-Note	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
30 Year T-Bond	3.91	3.69	4.34	4.51	4.10	4.30	4.50	4.70

Data as of 6/8/2011

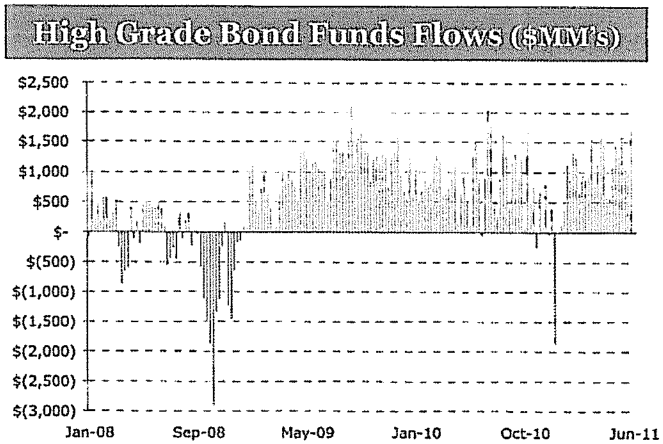
1 Compound Annual Growth Rate Qtr-over-Qtr
2 Year-over-Year Percentage Change
3 Average Monthly Change
4 End of Quarter Estimate

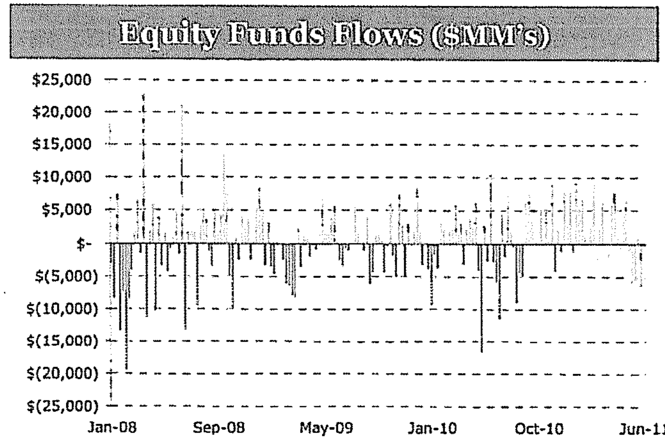
Source: Bloomberg and Wells Fargo Securities

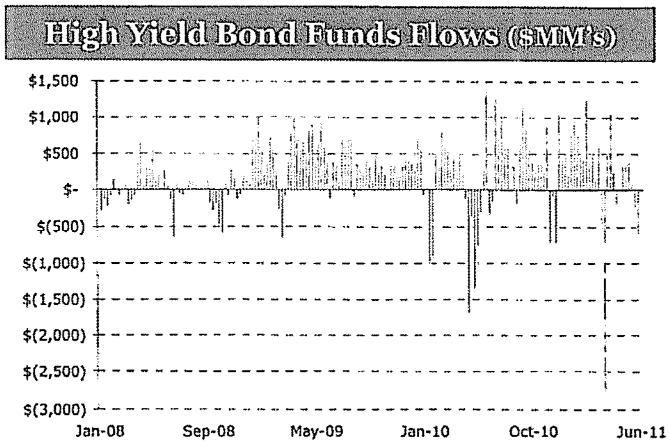
Corporate Outlook

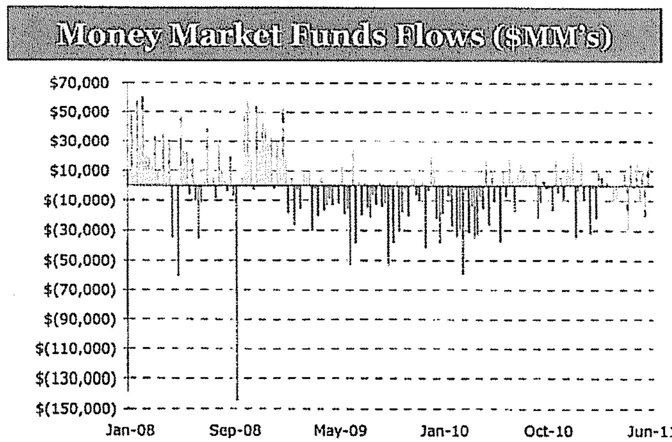
Fixed Income Commentary:

- Even as the pace of inflows has slowed, the technical backdrop remains bullish for IG credit in 2011.
- Ongoing volatility in equities, munis, sovereign debt will keep demand robust for fixed income products.
- High grade debt will remain an attractive asset class from both flight to quality (A/AA front end & floating rate debt) as well as total return (Financials & BBB Corporates).









Source: Lipper FMI

Current Execution Dynamics

Demand for high quality Utility offerings still outpaces supply as evidenced by the minimal new issue concessions and strong performance in the secondary market of recent transactions

Recent Deal Performance of Corporate Issuers

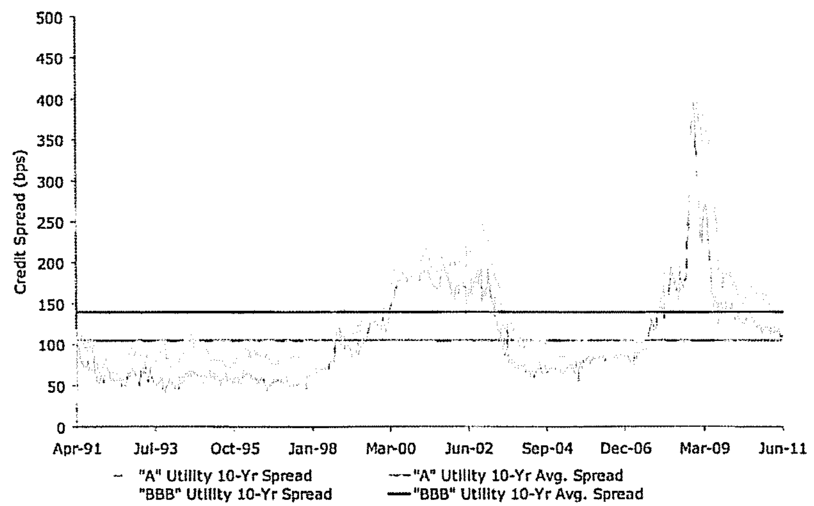
6/7/2011	**Atmos Energy Corp.**	**Baa1**	**BBB+**	**$400**	**30YR**	**mid 100s**	**130 area**	**125**	**-10**	**5.6x**	0
6/7/2011	**NextEra Energy Capital Holdings**	**Baa1**	**BBB+**	**$400**	**10YR**	**mid 100s**	**150 area**	**148**	**0**	**1.8x**	7
6/7/2011	**NiSource Finance Corp.**	**Baa3**	**BBB-**	**$400**	**30YR**	**165-170**	**165-170**	**170**	**10**	**1.8x**	0
6/6/2011	**Florida Power & Light Co.**	**Aa3**	**A**	**$250**	**30YR**	**90 area**	**90 area**	**87**	**5**	**3.0x**	0
6/2/2011	Southern Natural Gas	Baa3	BB	$300	10YR	mid 100s	145 area	140	0	4.0x	0
6/1/2011	ING Bank NV	Aa3	A+	$600	10YR	210 area	210 area	210	10	1.6x	-4
5/31/2011	**Puget Energy**	**Ba1**	**BB+**	**$500**	**10YR**	**high 200s**	**300 area**	**294.8**	**15**	**2.0x**	10
5/25/2011	Hewlett-Packard	A2	A	$1,250	10YR	115-120	120 area	120	20	2.0x	-3
5/25/2011	**Duquesne Light Holdings**	**Ba1**	**BBB-**	**$350**	**10YR**	**300 area**	**290 +/- 10**	**280**	**10**	**2.9x**	0
5/24/2011	Caterpillar Inc.	A2	A	$1,250	10YR	high 80s-90	87.5 area	85	10	2.4x	-4
5/24/2011	**Oklahoma Gas & Electric**	**A2**	**BBB+**	**$250**	**30YR**	**120 area**	**110 +/- 5**	**105**	**0**	**4.0x**	3
5/24/2011	Barrick North America Finance	Baa1	A-	$1,350	10YR	130 area	130 area	130	10	2.3x	2
5/20/2011	CSX Corp	Baa3	BBB	$350	10YR	mid 120s	115-120	115	5	5.4x	5
5/19/2011	BlackRock Inc.	A1	A+	$750	10YR	115 area	115	115	5	4.0x	-1
5/19/2011	**Public Service of New Hampshire**	**A3**	**A-**	**$122**	**10YR**	**mid-high 90s**	**90 +/- 2.5**	**88**	**5**	**N/A**	0
5/18/2011	Walt Disney	A2	A	$500	10YR	low 60s	60	60	5	2.0x	9
5/18/2011	**Alabama Power**	**A2**	**A**	**$200**	**10YR**	**75 area**	**85 +/- 3**	**82**	**0**	**2.5x**	5
5/18/2011	**Alabama Power**	**A2**	**A**	**$250**	**30YR**	**90 area**	**95-100**	**95**	**5**	**3.0x**	2
5/17/2011	Johnson & Johnson	Aaa	AAA	$450	10YR	low 50s	57 area	55	10	1.5x	-3
5/17/2011	McDonalds	A2	A	$400	10YR	high 60s	58 +/- 3	58	5	3.0x	0
5/17/2011	**South Carolina Electric & Gas**	**A3**	**A**	**$100**	**30YR**	**N/A**	**N/A**	**105**	**10**	**2.4x**	0
5/17/2011	Rio Tinto Finance	A3	A-	$1,000	10YR	110 area	105 area	103	4	2.0x	5
5/17/2011	Aetna	Baa1	A-	$500	10YR	115-120	120 area	118	10	2.0x	-3
5/16/2011	Google Inc.	Aa2	AA-	$1,000	10YR	60s	60 area	58	0	3.5x	10
5/16/2011	Texas Instruments Inc.	A1	A+	$1,000	5YR	mid 60s	60-65	60	0	2.0x	3
5/16/2011	**Duke Energy Carolinas**	**A1**	**A**	**$500**	**10YR**	**80 area**	**75 +/- 2**	**75**	**0**	**2.0x**	2
5/16/2011	Burlington Northern Santa Fe	A3	BBB+	$250	10YR	very low 100s	100-105	100	0	3.0x	4
5/16/2011	Kellogg Co.	A3	BBB+	$250	10YR	high 80s	80-85	80	-5	6.0x	1
5/16/2011	**Great Plains Energy, Inc.**	**Baa3**	**BBB-**	**$350**	**10YR**	**high 180s**	**175 area**	**170**	**N/A**	**7.4x**	-8
5/13/2011	Xerox Corp.	A3	BBB+	$700	7YR	160 area	145	145	5	6.0x	-1
5/12/2011	**Southern California Edison**	**A1**	**A**	**$500**	**10YR**	**80 area**	**75-80**	**75**	**5**	**3.0x**	0
5/11/2011	**Detroit Edison Co.**	**A2**	**A**	**$250**	**10YR**	**80 area**	**77-80**	**77**	**4**	**3.0x**	3
5/10/2011	Philip Morris International	A2	A	$350	10YR	95 area	95-100	100	13	2.3x	-4
5/10/2011	Bank of America	A2	A	$2,000	10YR	High 180s	187.5 area	185	0	2.0x	5
5/10/2011	**Pacific Gas & Electric Co.**	**A3**	**BBB+**	**$300**	**10YR**	**120 area**	**110 area**	**108**	**5**	**10.0x**	-1
5/10/2011	Ventas Realty Corp.	Baa3	BBB-	$700	10YR	175 area	170 area	165	0	2.0x	10
5/9/2011	IBM Corp.	Aa3	A+	$1,000	3YR	Low 40s	40 area	37	0	1.5x	-1
5/9/2011	**PacifiCorp**	**A2**	**A**	**$400**	**10YR**	**N/A**	**75 area**	**73**	**0**	**1.5x**	-1
5/9/2011	CVS Caremark	Baa2	BBB+	$550	10YR	115-120	120 area	115	0	1.3x	10
5/9/2011	**Nevada Power Co.**	**Baa3**	**BBB**	**$250**	**30YR**	**115-120**	**120 area**	**115**	**0**	**6.0x**	-4
								YTD Average:	4.5	3.8x	

20 10 0 -10
Change in Spread (bps)

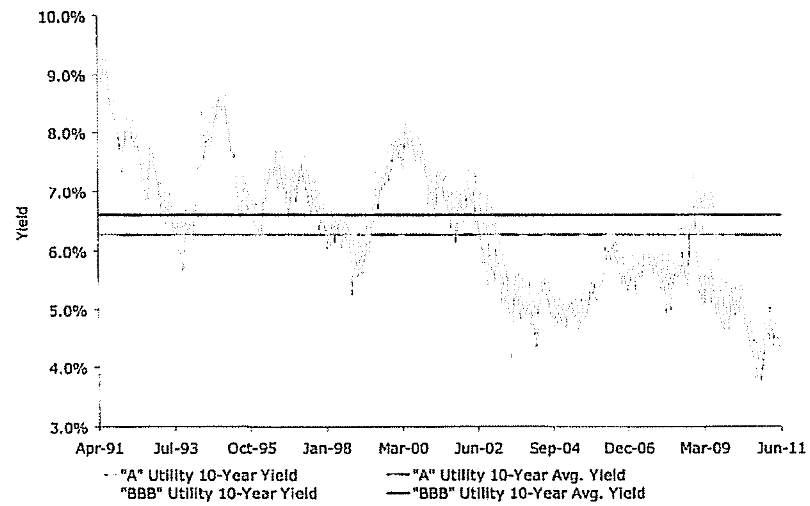
Note: Utility deals in **bold** formatting
Source: Bloomberg and Wells Fargo Securities

Spread & Rate Environment

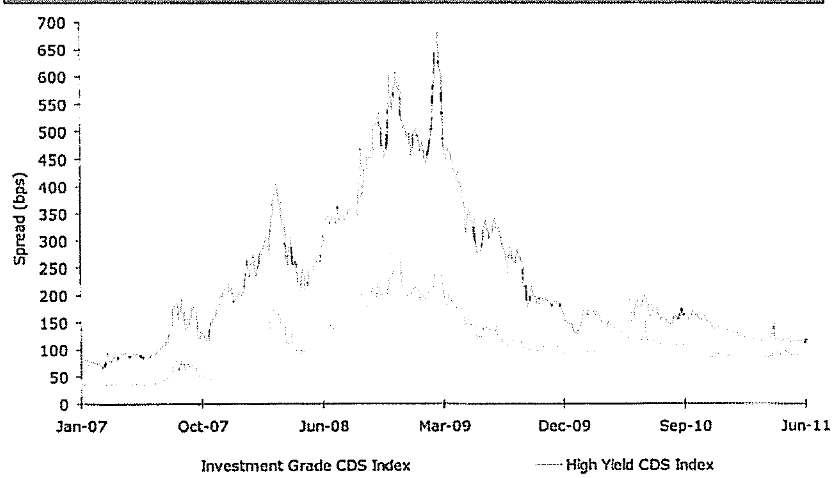
Historical Utility / Power Spreads



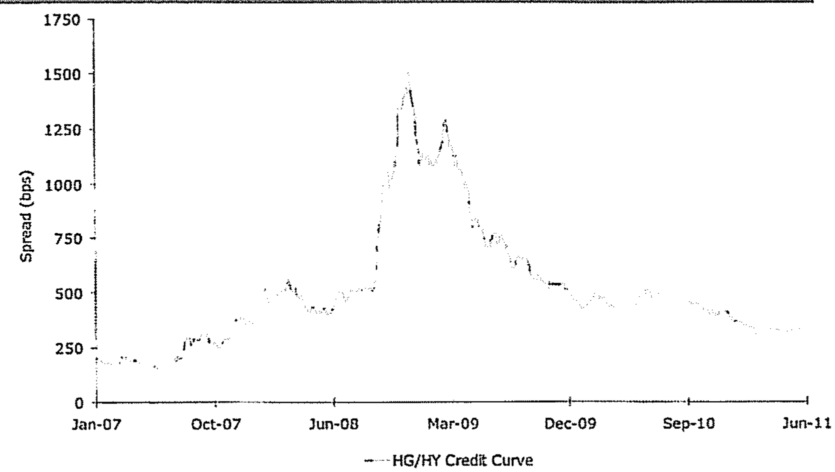
Historical Utility / Power Yields



CDS Spreads: IG v. HY



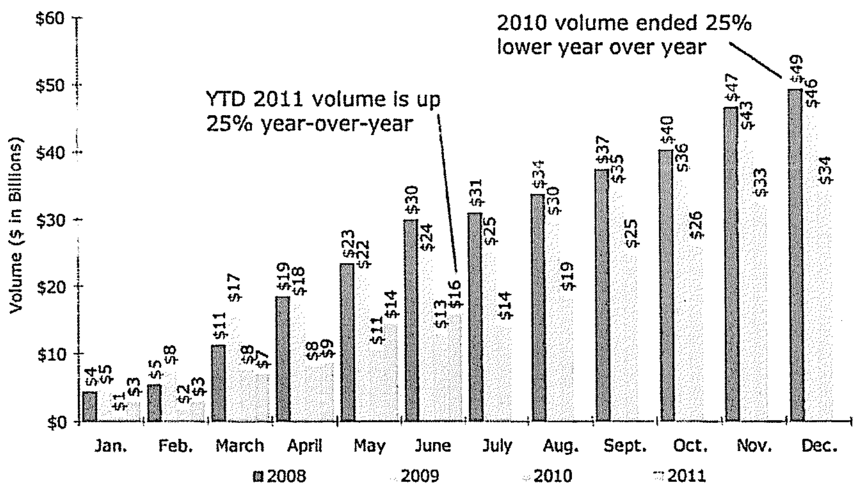
IG / HY Spread Differential



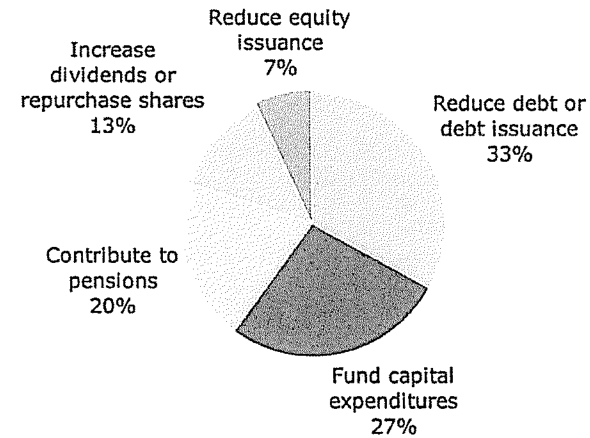
Source: Bloomberg, Mark-It Partners and Wells Fargo Securities

Bond Market Technicals Remain Strong

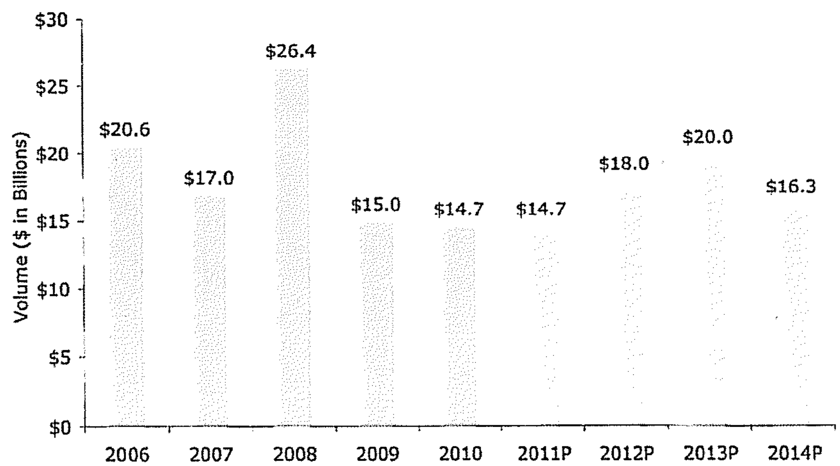
Cumulative Utility Sector New Issue Supply



Projected Allocation of Bonus Depreciation Benefits



Utility Bond Maturities



Source: Wells Fargo Securities, Lipper FMI, S&P

Utility Capital Expenditure Trends

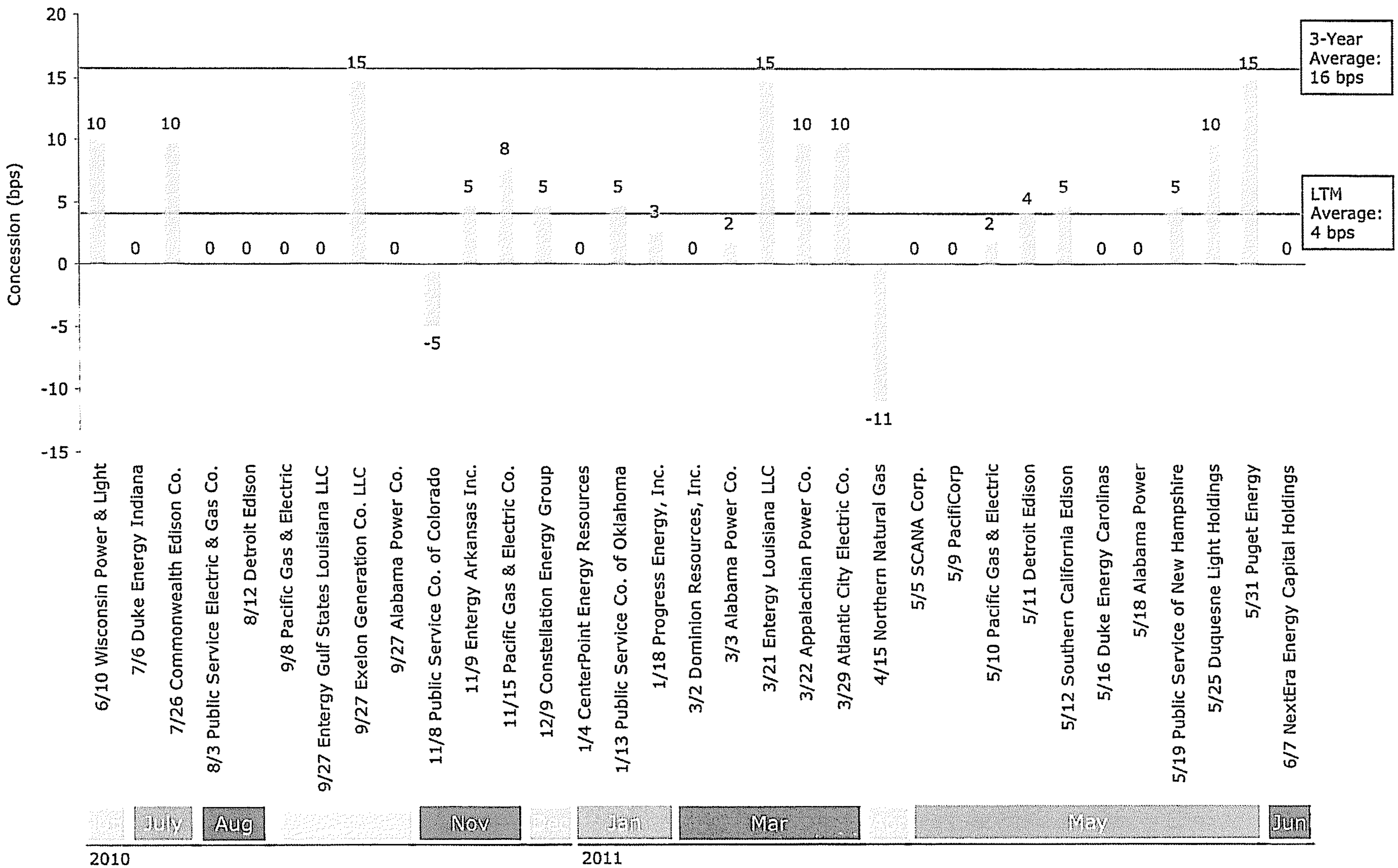
Recent Utility & Power Transactions

$7.3 billion, or 46% of YTD 2011 Utility supply, was issued in roughly a one-month period

Issue Date	Issuer	Security	Ratings Moody's	Ratings S&P	Amount ($ Millions)	Tenor	Coupon	Spread At Issue	Market
6/7/11	Atmos Energy Corp.	Senior Unsecured	Baa1	BBB+	$400	30.0yrs	5.500%	125bps	Institutional
6/7/11	NextEra Energy Capital Holdings Inc.	Senior Unsecured	Baa1	BBB+	400	10.0yrs	4.500%	148bps	Institutional
6/7/11	NiSource Finance Corp.	Senior Unsecured	Baa3	BBB-	400	30.0yrs	5.950%	170bps	Institutional
6/6/11	Florida Power & Light Co.	First Mortgage	Aa3	A	250	30.0yrs	5.125%	87bps	Institutional
5/31/11	Puget Energy Inc.	Senior Secured	Ba1	BB+	500	10.3yrs	6.000%	294.8bps	Institutional
5/25/11	Duquesne Light Holdings Inc.	Senior Unsecured	Ba1	BBB-	350	10.5yrs	5.900%	280bps	Institutional
5/24/11	Oklahoma Gas & Electric Co.	Senior Unsecured	A2	BBB+	250	30.0yrs	5.250%	105bps	Institutional
5/19/11	Public Service Co. of New Hampshire	First Mortgage	A3	A-	122	10.0yrs	4.050%	88bps	Institutional
5/19/11	DTE Energy Co.	Senior Unsecured FRN	Baa2	BBB	300	2.0yrs	3ML+70bps	N/A	Institutional
5/18/11	Alabama Power	Senior Unsecured	A2	A	200	10.0yrs	3.950%	82bps	Institutional
5/18/11	Alabama Power	Senior Unsecured	A2	A	250	30.0yrs	5.200%	95bps	Institutional
5/17/11	South Carolina Electric & Gas (reopen)	First Mortgage	A3	A	100	30.0yrs	5.450%	105bps	Institutional
5/16/11	Duke Energy Carolinas	First Mortgage	A1	A	500	10.0yrs	3.900%	75bps	Institutional
5/16/11	Great Plains Energy Inc.	Senior Unsecured	Baa3	BBB-	350	10.0yrs	4.850%	170bps	Institutional
5/12/11	Gulf Power Co.	Senior Unsecured	A3	A	125	40NC5	5.750%	N/A	Retail
5/12/11	Southern California Edison Co.	First Mortgage	A1	A	500	10.0yrs	3.875%	75bps	Institutional
5/11/11	Detroit Edison Co.	G&R Mortgage	A2	A	250	10.0yrs	3.900%	77bps	Institutional
5/10/11	Pacific Gas & Electric Co.	Senior Unsecured	A3	BBB+	300	10.0yrs	4.250%	108bps	Institutional
5/10/11	Entergy Mississippi	First Mortgage	Baa1	A-	125	5.0yrs	3.250%	137.5bps	Institutional
5/10/11	Ipalco Enterprises	Senior Unsecured	Ba1	BB+	400	7.0yrs	5.000%	445bps	Institutional
5/9/11	PacifiCorp	First Mortgage	A2	A	400	10.0yrs	3.850%	73bps	Institutional
5/9/11	Nevada Power Co.	G&R Mortgage	Baa3	BBB	250	30.0yrs	5.450%	115bps	Institutional
5/9/11	CMS Energy Corp.	Senior Unsecured	Ba1	BB+	250	3.0yrs	2.750%	185bps	Institutional
5/5/11	SCANA Corp.	Senior Unsecured	Baa2	BBB	300	10.0yrs	4.750%	160bps	Institutional
4/18/11	PPL WEM Holdings plc	Senior Unsecured	Baa3	BBB-	460	5.0yrs	3.900%	185bps	Institutional
4/18/11	PPL WEM Holdings plc	Senior Unsecured	Baa3	BBB-	500	10.0yrs	5.375%	200bps	Institutional
4/15/11	Northern Natural Gas Co.	Senior Unsecured	A2	A	200	10.0yrs	4.250%	84bps	Institutional
4/12/11	Georgia Power Co.	Senior Unsecured	A3	A	250	5.0yrs	3.000%	80bps	Institutional
4/12/11	Entergy Mississippi, Inc.	First Mortgage	Baa1	A-	150	40NC5	6.000%	N/A	Retail
4/11/11	Golden State Water Co.	Senior Unsecured	A2	A+	62	30.0yrs	6.000%	135.2bps	Institutional
3/29/11	Atlantic City Electric Co.	First Mortgage	A3	A	200	10.0yrs	4.350%	90bps	Institutional
3/28/11	Keyspan Gas East Corp.	Senior Unsecured	A3	A	500	30.0yrs	5.819%	130bps	Institutional
3/22/11	Appalachian Power Co.	Senior Unsecured	Baa2	BBB	350	10.0yrs	4.600%	130bps	Institutional
3/22/11	Puget Sound Energy	First Mortgage	A3	A-	300	30.0yrs	5.638%	118bps	Institutional
3/21/11	Entergy Louisiana	First Mortgage	A3	A-	200	10.0yrs	4.800%	150bps	Institutional
3/17/11	Sempra Energy	Senior Unsecured	Baa1	BBB+	500	3.0yrs	2.000%	100bps	Institutional
3/17/11	Sempra Energy	Senior Unsecured FRN	Baa1	BBB+	300	3.0yrs	3ML+76bps	N/A	Institutional
3/16/11	AGL Capital Corp.	Senior Unsecured	Baa1	BBB+	500	30.0yrs	5.875%	150bps	Institutional
3/7/11	Southern California Edison Co.	Perpetual Preferred	Baa2	BBB-	125	PerpNC5	6.500%	N/A	Institutional
3/3/11	Alabama Power	Senior Unsecured	A2	A	250	10.0yrs	5.500%	90bps	Institutional
3/2/11	Dominion Resources	Senior Unsecured	Baa2	A-	400	3.0yrs	1.800%	68bps	Institutional
3/2/11	Dominion Resources	Senior Unsecured	Baa2	A-	500	10.0yrs	4.450%	105bps	Institutional
1/20/11	South Carolina Electric & Gas Co.	First Mortgage	A3	A	250	30.0yrs	5.450%	90bps	Institutional
1/18/11	Progress Energy, Inc.	Senior Unsecured	Baa2	BBB	500	10.0yrs	4.400%	108bps	Institutional
1/13/11	Georgia Power Co.	Senior Unsecured FRN	A3	A	300	2NC1	3ML+27bps	N/A	Institutional
1/13/11	Public Service Co. of Oklahoma	Senior Unsecured	Baa1	BBB	250	10.0yrs	4.400%	115bps	Institutional
1/12/11	Elm Road Gen. Station Supercritical, LLC	Lease-Backed	A1	A-	205	20/12yr	4.673%	130bps	Institutional
1/12/11	Elm Road Gen. Station Supercritical, LLC	Lease-Backed	A1	A-	215	30/26yr	5.848%	130bps	Institutional
1/10/11	Commonwealth Edison Co.	First Mortgage	Baa1	A-	600	3.0yrs	1.625%	70bps	Institutional
1/4/11	CenterPoint Energy Resources Corp.	Senior Unsecured	Baa3	BBB	250	10.0yrs	4.500%	120bps	Institutional
1/4/11	CenterPoint Energy Resources Corp.	Senior Unsecured	Baa3	BBB	300	30.0yrs	5.850%	145bps	Institutional

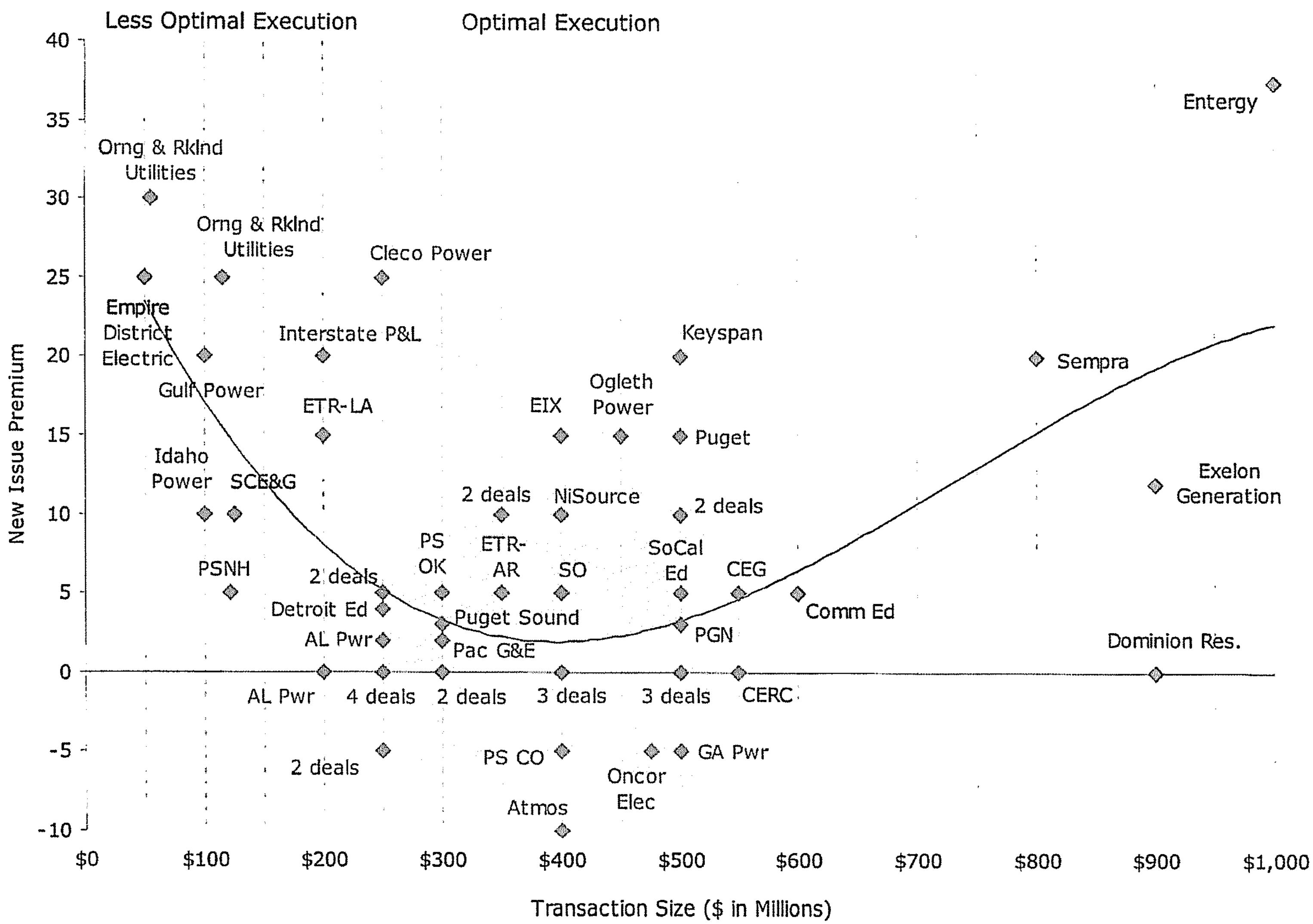
Source: Bloomberg and Wells Fargo Securities

Historic 10 Year Utility New Issue Concessions



Source: Wells Fargo Securities

Execution Comparison of Recent Utility Offerings

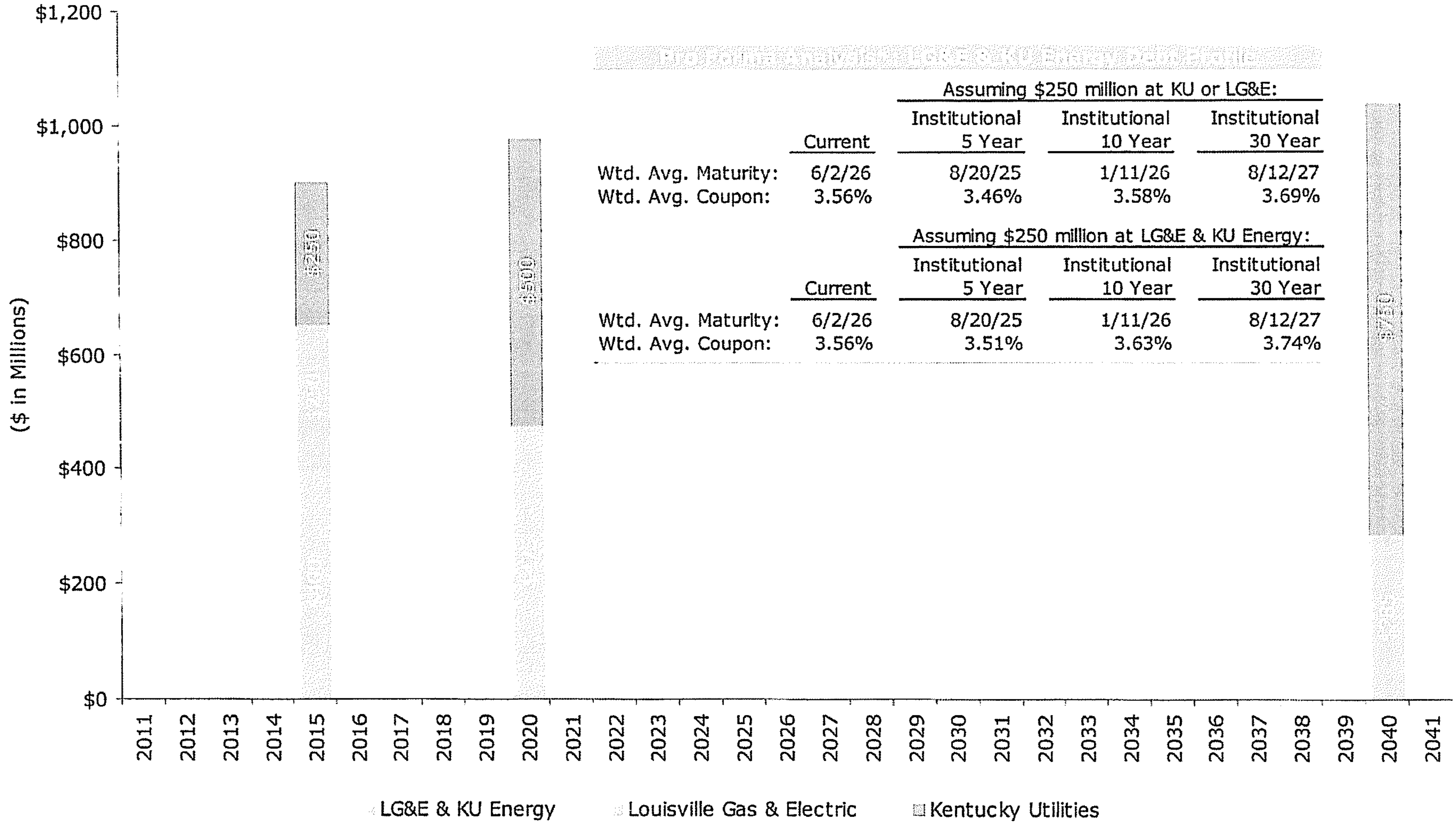


*Includes High Grade Utility offerings 8/1/2010 thru 5/31/2011
Source: Wells Fargo Securities

DCM Financing Considerations

Effect of Issuance on LG&E & KU Energy s Debt Maturity Profile

LG&E & KU Energy Consolidated Debt Profile



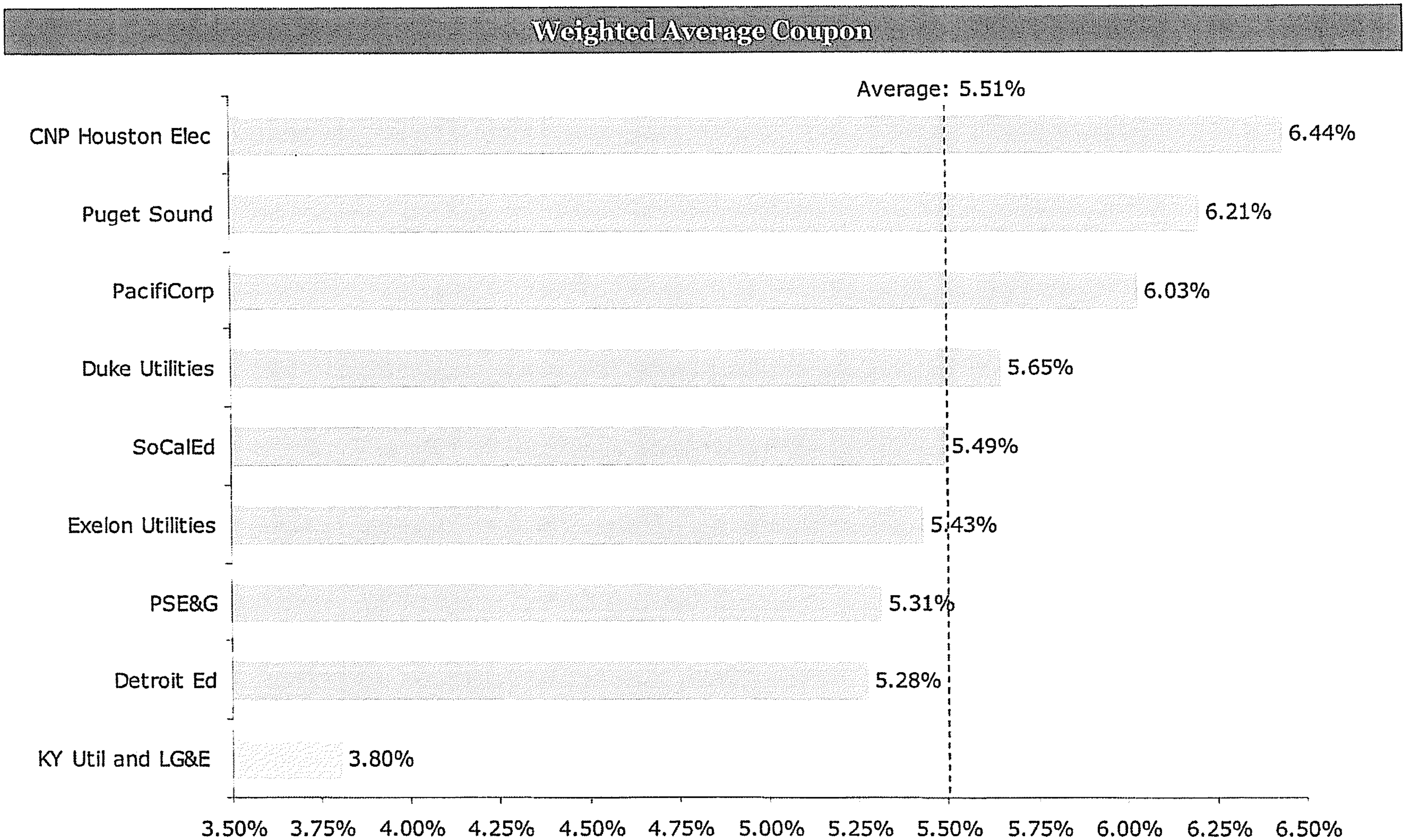
Pro Forma Analysis*: LG&E & KU Energy Debt Profile

	Current	Assuming $250 million at KU or LG&E: Institutional 5 Year	Institutional 10 Year	Institutional 30 Year
Wtd. Avg. Maturity:	6/2/26	8/20/25	1/11/26	8/12/27
Wtd. Avg. Coupon:	3.56%	3.46%	3.58%	3.69%

	Current	Assuming $250 million at LG&E & KU Energy: Institutional 5 Year	Institutional 10 Year	Institutional 30 Year
Wtd. Avg. Maturity:	6/2/26	8/20/25	1/11/26	8/12/27
Wtd. Avg. Coupon:	3.56%	3.51%	3.63%	3.74%

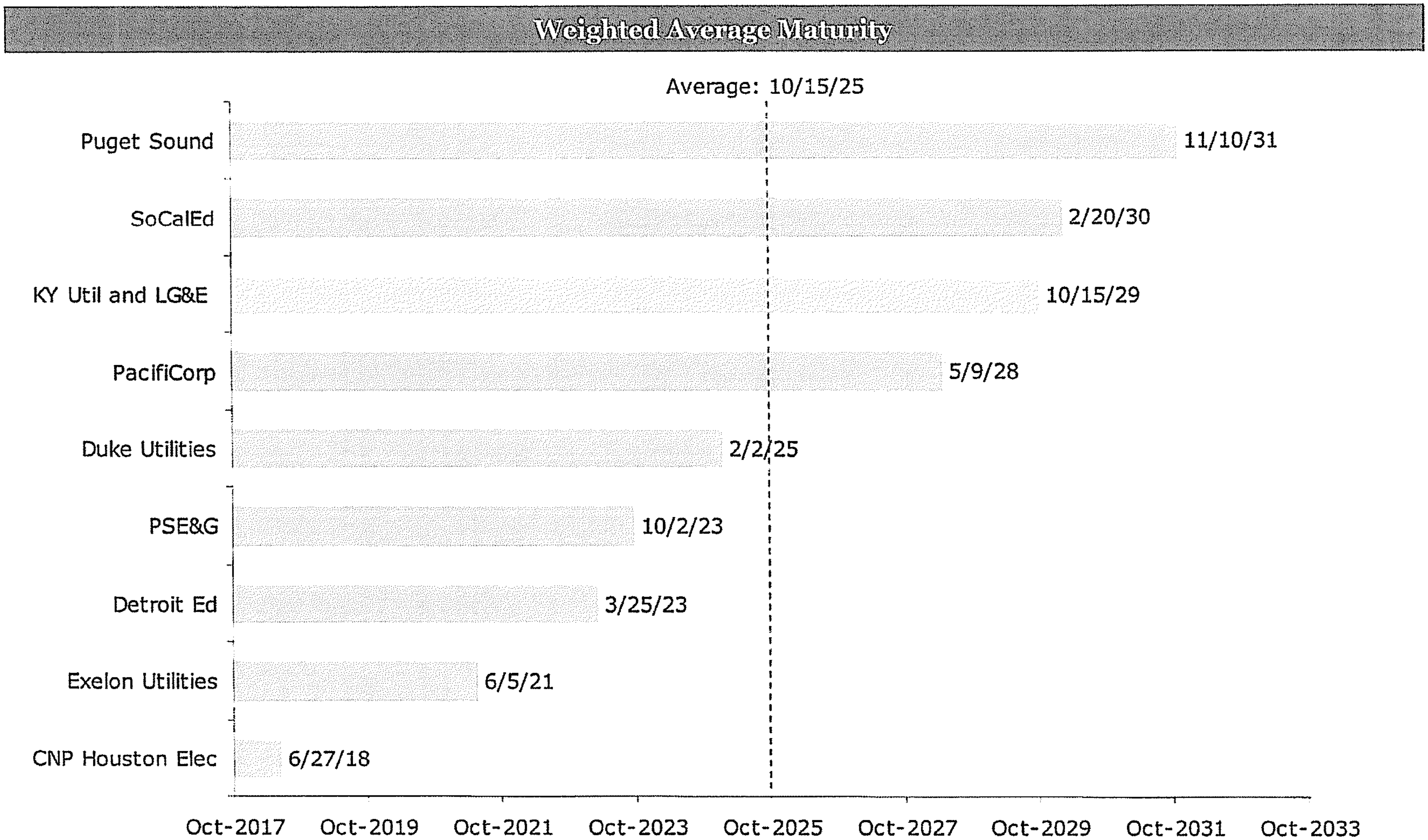
*Pro forma issuance scenarios assume maturities of July 1st in all cases
Source: Bloomberg and Wells Fargo Securities

Fixed Income Portfolio Analysis: Operating Companies



*Duke Utilities includes Duke Energy Carolinas, Duke Energy Indiana, Duke Energy Kentucky and Duke Energy Ohio
Exelon Utilities includes PECO Energy and Commonwealth Edison
Source: Bloomberg

Fixed Income Portfolio Analysis: Operating Companies



*Duke Utilities includes Duke Energy Carolinas, Duke Energy Indiana, Duke Energy Kentucky and Duke Energy Ohio
Exelon Utilities includes PECO Energy and Commonwealth Edison
Source: Bloomberg

Operating Company Bondholders vs. Comps

($ in Thousands) Issuer: Investors Ratings:	KY Utilities and Louisville G&E A2/A-	Detroit Edison A2/A	SoCal Edison A1/A	Duke Utilities* Avg. A2/A	PacifiCorp A2/A	PSE&G A2/A-	Exelon Utilities* Avg. A3/A-	Puget Sound A3/A-	CenterPoint Houston A3/BBB+	Total Holdings
BlackRock Financial Management Inc.	93,763	56,262	206,028	364,726	196,032	135,573	242,952	41,693	19,866	1,356,895
TIAA-CREF	72,400	74,250	174,136	301,770	198,690	150,868	197,683	86,465	40,953	1,297,215
Northwest Mutual	30,000	147,895	239,108	185,522	167,112	180,725	142,018	40,575	28,324	1,161,279
Metropolitan Life Insurance Co.	51,015	145,710	99,350	149,993	105,730	104,525	230,072	104,170	128,964	1,119,529
Delaware Investments	38,550	48,000	218,043	198,145	218,307	101,685	120,274	55,794	51,500	1,050,298
Pacific Investment Management Co.	35,430	48,418	160,765	235,157	155,989	97,033	145,932	102,376	41,712	1,022,812
GE Asset Management Inc.	37,500	122,435	153,563	176,873	96,849	145,349	124,492	82,630	8,000	947,691
Prudential Investment Management	34,520	73,134	219,307	207,859	102,811	88,311	107,069	45,283	41,175	919,469
New York Life Investment Management LLC	22,533	57,346	120,538	129,890	86,634	104,116	104,793	50,598	66,097	742,545
Wellington Management Co. LLP	1,663	5,369	220,251	159,025	145,011	74,324	81,775	41,706	916	730,040
Deutsche Asset Management	22,372	76,573	111,402	136,495	99,347	120,721	107,625	28,795	14,769	718,099
Manulife Asset Management (John Hancock)	36,000	9,830	109,136	189,684	54,456	81,132	83,400	98,350	48,148	710,136
The Vanguard Group Inc.	55,227	7,009	116,923	157,441	46,369	78,526	184,517	29,175	32,605	707,792
Hartford Investment Management Co.	37,758	50,658	157,456	122,474	53,624	72,510	119,885	13,633	22,950	650,948
AEGON USA Investment Management LLC	36,000	38,500	133,878	182,728	85,750	28,750	54,951	19,500	6,000	586,057
PPM America Inc.	25,000	26,400	92,858	183,503	58,345	35,000	80,167	31,636	51,000	583,909
AIG Asset Management (US) LLC	56,600	59,935	20,526	170,551	85,920	41,902	77,851	42,013	18,338	573,636
Columbia Management Investment Advisers	-	49,594	60,090	183,636	55,481	80,627	42,319	-	93,685	565,432
Unum Group	-	17,800	96,445	117,700	28,000	-	54,889	127,920	93,850	536,604
AllianceBernstein LP	18,359	63,559	90,702	115,022	39,623	26,617	74,985	2,071	75,695	506,633
ING Investment Management	1,721	3,671	58,423	142,266	74,484	50,799	83,484	8,000	21,130	443,978
Allstate Investment Management Co.	30,000	37,000	34,595	75,500	53,500	32,500	75,950	27,808	29,658	396,511
Thrivent Investment Management Inc.	15,000	46,000	63,451	87,750	36,000	17,000	61,501	23,000	23,400	373,102
Fort Washington Investment Advisors Inc.	12,000	34,940	22,963	66,635	59,609	47,165	63,177	30,751	3,351	340,591
Wells Capital Management Inc.	5,975	26,297	83,172	65,101	43,509	29,856	45,142	17,079	20,419	336,550
Allianz Investment Company LLC	23,500	5,000	61,070	80,121	40,193	20,000	38,368	53,133	14,925	336,310
USAA Investment Management Co.	-	44,500	58,313	42,090	2,000	-	34,000	89,050	33,500	303,453
Principal Global Investors LLC	11,340	14,310	28,185	83,269	39,115	33,471	38,642	2,200	20,000	270,532
Goldman Sachs Asset Management	6,133	10,058	23,108	34,445	35,193	1,106	88,173	57,233	10,006	265,455
Aviva Investors North America Inc.	4,500	10,000	65,835	58,700	15,100	9,000	21,500	52,067	11,130	247,832
Conning Asset Management Co.	-	19,298	25,000	69,525	18,492	49,149	35,481	8,863	3,650	229,458
Guggenheim Partners LLC	5,233	28,721	50,932	46,184	14,214	16,325	22,772	26,748	14,342	225,471
Protective Life Corp.	-	47,585	21,825	57,600	12,524	-	33,285	45,905	-	218,724
The Travelers Companies Inc.	12,000	25,868	20,495	40,647	25,965	33,000	42,503	6,000	8,565	215,043
American Equity Investment Life Insurance Cc	36,000	-	27,500	59,631	20,650	15,375	21,500	13,750	17,835	212,241
PineBridge Investments LLC	31,400	51,905	2,543	44,699	21,999	28,521	18,790	25	854	200,736
Nationwide Insurance Co.	195	-	51,365	15,750	82,030	15,177	29,073	-	-	193,590
Babson Capital Management LLC	2,500	35,750	1,115	47,280	17,335	24,040	13,775	23,225	18,000	183,020
United American Insurance Co.	-	12,250	-	50,000	-	15,000	32,625	52,450	-	162,325
White Mountains Advisors LLC	10,000	800	-	19,500	34,000	10,000	18,750	31,000	27,250	151,300
Total Reported	**$ 1,151,442**	**$ 2,130,919**	**$ 4,195,904**	**$ 6,794,505**	**$ 3,466,808**	**$ 2,719,939**	**$ 4,525,768**	**$ 2,166,461**	**$ 1,475,862**	**$ 28,627,608**
Percent of Outstandings Reported	*56.6%*	*72.2%*	*61.9%*	*59.8%*	*62.0%*	*68.8%*	*57.5%*	*65.5%*	*79.1%*	*65.5%*

*Duke Utilities includes Duke Energy Carolinas, Duke Energy Indiana, Duke Energy Kentucky and Duke Energy Ohio
Exelon Utilities includes PECO Energy and Commonwealth Edison
Source: eMAXX

Indicative Pricing: June 13, 2011

Kentucky Utilities, Louisville Gas & Electric (First Mortgage: A2 / A-)

Market	Institutional			Retail		
Tenor	5 year	10 year	30 year	10 year / NC 5	40 year / NC 5	Perp / NC 5 Preferred
Ratings	A2 / A-	A2 / A-	A2 / A-	A2 / A-	A2 / A-	Baa3 / BBB-
Pay Frequency	Semi-Annual	Semi-Annual	Semi-Annual	Quarterly	Quarterly	Quarterly
Reference Benchmark	5 YR UST	10 YR UST	4.75% due '41	10 YR UST	4.75% due '41	4.75% due '41
Benchmark Yield	1.57%	2.97%	4.18%	2.97%	4.18%	4.18%
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Underwriting Fee	0.600%	0.650%	0.875%	2.500%	3.150%	3.150%
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Mid Swap Rate	1.81%	3.08%	3.93%	NA	NA	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	

Current Trading Level of Secondary Comparables

Issuer	Ticker	Security	Size ($ MM)	Coupon	Maturity	Years to Maturity	Ratings Moody's	Ratings S&P	Current Trading Data Benchmark	T-Spread	G-Spread	Yield	Price
Kentucky Utilities	PPL	First Mortgage	$ 500	3.250%	11/1/2020	9.4	A2	A-	10YR	73 bps	85 bps	3.696%	$ 96.49
Kentucky Utilities	PPL	First Mortgage	$ 750	5.125%	11/1/2040	29.4	A2	A-	30YR	90 bps	90 bps	5.081%	$ 100.66
Duke Energy Carolinas	DUK	First Mortgage	$ 500	3.900%	6/15/2021	10.0	A1	A	10YR	77 bps	77 bps	3.736%	$ 101.36
Public Service Co. of Colorado	XEL	First Mortgage	$ 400	3.200%	11/15/2020	9.4	A2	A	10YR	67 bps	60 bps	3.636%	$ 96.55
Florida Power Corp.	PGN	First Mortgage	$ 250	4.550%	4/1/2020	8.8	A2	A	10YR	65 bps	70 bps	3.616%	$ 106.98
PacifiCorp	BRK	First Mortgage	$ 400	3.850%	6/15/2021	10.0	A2	A	10YR	76 bps	76 bps	3.726%	$ 101.03
Detroit Edison Co.	DTE	First Mortgage	$ 250	3.900%	6/1/2021	10.0	A2	A	10YR	80 bps	80 bps	3.766%	$ 101.10
PECO Energy Co.	EXC	First Mortgage	$ 300	5.950%	10/1/2036	25.3	A1	A-	30YR	100 bps	105 bps	5.181%	$ 110.76
Public Service Electric & Gas	PEG	First Mortgage	$ 250	3.500%	8/15/2020	9.2	A2	A-	10YR	65 bps	83 bps	3.616%	$ 99.10
Potomac Electric Power Co.	POM	First Mortgage	$ 500	6.500%	11/15/2037	26.4	A3	A	30YR	90 bps	90 bps	5.081%	$ 120.50
PPL Electric Utilities	PPL	First Mortgage	$ 300	6.250%	5/15/2039	27.9	A3	A-	30YR	100 bps	100 bps	5.181%	$ 115.68

Indicative Pricing: June 13, 2011

15bps PREMIUM TO GO UNSECURED

LG&E & KU Energy LLC (Senior Unsecured: Baa2 / BBB-)

Market	Institutional			Retail		
Tenor	5 year	10 year	30 year	10 year / NC 5	40 year / NC 5	Perp / NC 5 Preferred
Ratings	Baa2 / BBB-	Baa2 / BBB-	Baa2 / BBB-	Baa2 / BBB-	Baa2 / BBB-	Ba1 / BBB-
Pay Frequency	Semi-Annual	Semi-Annual	Semi-Annual	Quarterly	Quarterly	Quarterly
Reference Benchmark	5 YR UST	10 YR UST	4.75% due '41	10 YR UST	4.75% due '41	4.75% due '41
Benchmark Yield	1.57%	2.97%	4.18%	2.97%	4.18%	4.18%
[redacted]						
Underwriting Fee	0.600%	0.650%	0.875%	2.500%	3.150%	3.150%
[redacted]						
Mid Swap Rate	1.81%	3.08%	3.93%	NA	NA	
[redacted]						

Current Trading Level of Secondary Comparables

Issuer	Ticker	Security	Size ($ MM)	Coupon	Maturity	Years to Maturity	Ratings: Moody's	Ratings: S&P	Current Trading Data: Benchmark	T-Spread	G-Spread	Yield	Price
LG&E & KU Energy LLC	PPL	Sr. Unsecured	$ 475	3.750%	11/15/2020	9.4	Baa2	BBB-	10YR	130 bps	142 bps	4.266%	$ 96.03
Dominion Resources, Inc.	D	Sr. Unsecured	$ 500	4.450%	3/15/2021	9.8	Baa2	A-	10YR	105 bps	109 bps	4.016%	$ 103.47
Xcel Energy	XEL	Sr. Unsecured	$ 550	4.700%	5/15/2020	8.9	Baa1	BBB+	10YR	90 bps	115 bps	3.866%	$ 106.24
Progress Energy	PGN	Sr. Unsecured	$ 500	4.400%	1/15/2021	9.6	Baa2	BBB	10YR	100 bps	108 bps	3.966%	$ 103.43
Exelon Corp.	EXC	Sr. Unsecured	$ 500	6.150%	6/15/2035	24.0	Baa1	BBB-	30YR	167 bps	172 bps	5.851%	$ 103.83
DTE Energy Inc.	DTE	Sr. Unsecured	$ 400	6.375%	4/15/2033	21.9	Baa2	BBB	30YR	135 bps	140 bps	5.531%	$ 110.61
Edison International	EIX	Sr. Unsecured	$ 400	3.750%	9/15/2017	6.3	Baa2	BBB-	7YR	125 bps	127 bps	3.965%	$ 98.81
TECO Finance Inc.	TE	Sr. Unsecured	$ 300	5.150%	3/15/2020	8.8	Baa3	BBB	10YR	120 bps	148 bps	4.166%	$ 107.15

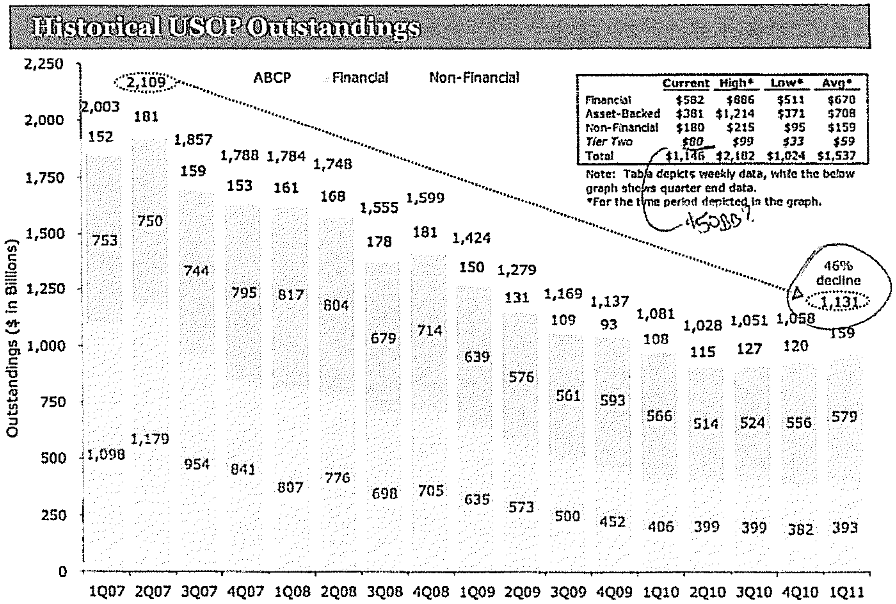
Source: Wells Fargo Securities and Bloomberg

Commercial Paper Market Update

Commercial Paper Market Update

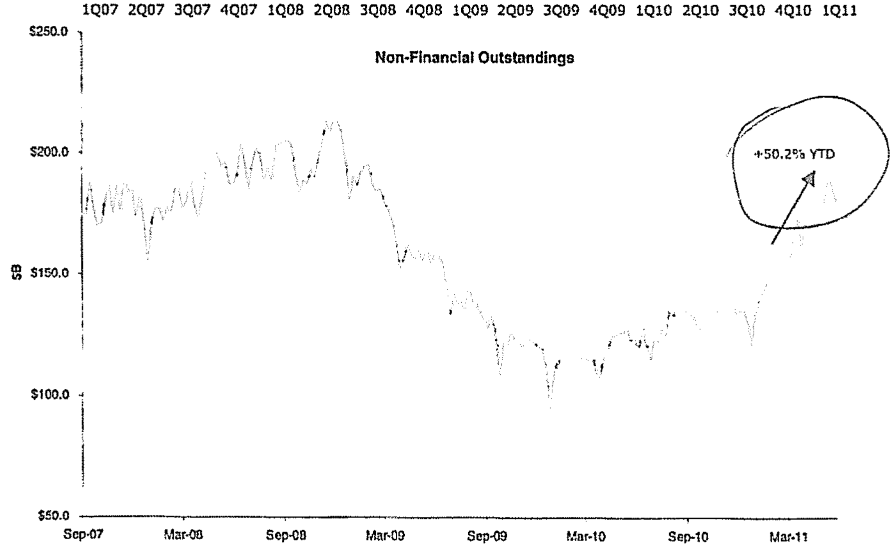
- **Supply/demand** dynamics in the CP market remain skewed in favor of issuers.
  - CP outstandings have shrunk from a peak of $2.2T to $1.1T.
  - MMF assets stand at $2.7T and U.S. corporations hold $1.9T in cash and liquid assets.
- CP **rates** remain attractive:
  - T1 avg: L -5bps to flat area / T2 avg: L +15-20bps area
- CP **maturities** continue to lengthen:
  - T1 avg: 52.7 days / T2 avg: 27.6 days
- The uncertain future **regulatory environment** continues to weigh on the market, with Dodd-Frank, the President's Working Group report/potential further 2a-7 reforms, Basel II and III and new securitization rules being digested by the market.
- **Pressures on MMFs** continue given the persistent low rate environment and more stringent regulations. As a result, fund profitability has suffered and consolidation has accelerated – the number of taxable funds fell from 710 to 651 throughout 2010.
- Wells Fargo's economists expect the **Federal Funds Target Rate** to remain at 0.25% until 2Q2012.

Source: Bloomberg/Crane/Federal Reserve/Investment Company Institute/Moody's



	Current	High*	Low*	Avg*
Financial	$582	$886	$511	$670
Asset-Backed	$381	$1,214	$371	$708
Non-Financial	$180	$215	$95	$159
Tier Two	*$80*	*$99*	*$33*	*$59*
Total	$1,146	$2,182	$1,024	$1,537

Note: Table depicts weekly data, while the below graph shows quarter end data.
*For the time period depicted in the graph.



Wells Fargo U.S. Economic Forecast

Wells Fargo U.S. Economic Forecast

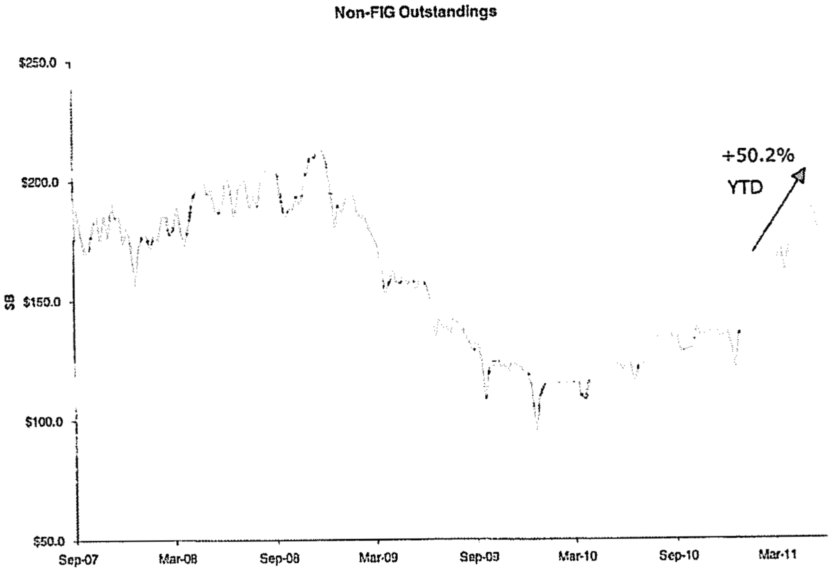
	Actual								Forecast							
	2009				2010				2011				2012			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Real Gross Domestic Product (a)	-4.9	-0.7	1.6	5.0	3.7	1.7	2.6	3.1	1.8	2.0	3.0	2.8	[illegible]	2.6	[illegible]	2.8
Personal Consumption	-0.5	-1.6	2.0	0.9	1.9	2.2	2.4	4.0	2.2	2.1	2.0	2.1	2.0	2.2	2.2	2.3
Business Fixed Investment	-35.2	-7.5	-1.7	-1.4	7.8	17.2	10.0	7.7	3.4	16.9	7.7	9.5	8.2	10.2	10.0	10.2
Equipment and Software	-31.6	0.2	4.2	14.6	20.5	24.8	15.4	7.7	11.6	7.8	8.9	11.0	8.8	11.0	10.2	10.0
Structures	-41.0	-20.2	-12.4	-29.2	-17.8	-0.5	-3.6	7.7	-16.8	6.8	3.5	4.0	5.8	7.0	9.0	11.0
Residential Construction	-36.2	-19.7	10.6	-0.8	-12.3	25.6	-27.3	3.3	-3.3	3.3	2.5	4.5	7.0	9.0	11.0	12.5
Government Purchases	-3.0	6.2	1.6	-1.4	-1.6	3.9	3.9	-1.7	-5.1	-1.0	-1.7	-1.7	-1.4	-1.2	-0.5	-0.2
Net Exports	-389.2	-342.0	-390.8	-330.1	-338.4	-449.0	-505.0	-397.7	-398.5	-388.2	-377.4	-369.4	-373.4	-380.9	-393.7	-409.1
Pct. Point Contribution to GDP	2.9	1.5	-1.4	1.9	-0.3	-3.5	-1.7	3.3	-0.1	0.3	0.3	0.2	-0.1	-0.2	-0.4	-0.4
Inventory Change	-125.8	-161.8	-128.2	-36.7	44.1	68.8	121.4	16.2	52.2	18.7	42.0	50.0	54.0	59.0	63.0	67.2
Pct. Point Contribution to GDP	-1.1	-1.0	1.1	2.8	2.6	0.8	1.6	-3.4	1.2	-1.0	0.7	0.2	0.1	0.1	0.1	0.1
Nominal GDP	-3.9	-0.4	2.3	4.7	4.8	3.7	4.6	3.5	3.8	4.1	5.1	4.9	4.3	4.7	4.9	5.0
Real Final Sales	-3.9	0.2	0.4	2.1	1.1	0.9	0.9	6.7	0.6	3.3	2.3	2.6	2.1	2.4	2.5	2.6
Retail Sales (b)	-10.3	-10.6	-7.7	1.1	5.3	6.8	5.6	7.7	8.2	8.4	8.3	6.5	5.2	5.3	6.7	7.4
Inflation Indicators (b)																
"Core" PCE Deflator	1.6	1.5	1.3	1.7	1.8	1.5	1.2	0.8	0.9	1.1	1.5	1.9	2.0	2.0	2.0	2.1
Consumer Price Index	-0.2	-1.0	-1.6	1.5	2.4	1.8	1.2	1.2	2.2	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
"Core" Consumer Price Index	1.8	1.8	1.5	1.7	1.3	1.0	0.9	0.6	1.1	1.4	1.6	2.1	2.2	2.2	2.2	2.3
Producer Price Index	-2.3	-4.1	-5.2	1.5	5.1	4.3	3.7	3.8	5.1	6.7	6.9	6.4	4.3	3.9	4.0	4.0
Employment Cost Index	2.1	1.8	1.5	1.4	1.7	1.9	1.9	2.0	2.0	1.7	1.7	1.9	2.2	1.9	1.8	2.0
Real Disposable Income (a)	0.4	5.9	-4.4	0.0	1.3	5.6	1.0	1.1	0.8	0.6	1.1	1.4	1.2	1.6	1.8	2.1
Nominal Personal Income (b)	-1.7	-2.1	-2.3	-0.9	2.1	2.6	3.5	3.8	4.7	4.4	4.5	4.4	3.1	2.7	2.6	2.6
Industrial Production (a)	-18.9	-11.5	5.3	5.6	8.1	7.1	6.7	3.1	4.6	2.5	6.9	3.0	3.4	3.9	4.0	4.1
Capacity Utilization	69.7	67.7	68.9	70.3	72.3	74.0	75.5	76.1	76.8	76.9	77.4	77.6	77.9	78.1	78.4	78.7
Corporate Profits Before Taxes (b)	-17.3	-11.4	-3.9	42.5	37.6	37.0	26.4	18.3	8.5	6.2	6.2	6.7	6.9	7.2	7.5	7.6
Corporate Profits After Taxes	-10.1	-3.1	0.4	41.9	27.0	26.5	16.2	13.7	6.5	5.7	6.2	7.7	8.3	8.6	8.8	8.9
Federal Budget Balance (c)	-448.9	-304.9	-329.4	-388.1	-328.9	-287.0	-290.2	-369.0	-460.4	-275.5	-345.0	-390.0	-400.0	-145.0	-165.0	-215.0
Current Account Balance (d)	-95.6	-84.4	-97.5	-100.9	-108.7	-122.7	-125.5	-113.3	-135.0	-145.0	-155.0	-160.0	-165.0	-165.0	-170.0	-175.0
Trade Weighted Dollar Index (e)	83.2	77.7	74.3	74.8	76.1	78.8	73.6	73.2	70.6	69.0	69.5	71.0	73.0	75.0	76.0	77.0
Nonfarm Payroll Change (f)	-780.7	-516.0	-255.7	-135.3	39.3	181.0	-45.7	138.7	165.7	147.0	168.3	175.0	180.0	185.0	185.0	190.0
Unemployment Rate	8.2	9.3	9.7	10.0	9.7	9.6	9.6	9.6	8.9	[illegible]	[illegible]	[illegible]	[illegible]	8.6	[illegible]	[illegible]
Housing Starts (g)	0.53	0.53	0.59	0.57	0.61	0.60	0.58	0.54	0.58	0.55	0.61	0.66	0.69	0.74	0.78	0.83
Light Vehicle Sales (h)	9.6	9.7	11.6	10.8	11.0	11.3	11.6	12.3	13.0	12.5	13.2	13.5	13.7	13.9	14.1	14.3
Crude Oil - WTI - Front Contract (i)	43.08	59.62	68.30	76.19	78.72	78.03	76.20	85.17	94.10	105.80	108.00	110.00	111.00	111.00	112.00	112.00
Quarter-End Interest Rates (j)																
Federal Funds Target Rate	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	[illegible]	0.50	0.75	[illegible]
3 Month LIBOR	1.19	0.60	0.29	0.25	0.29	0.53	0.29	0.30	0.30	0.30	0.35	0.40	0.40	0.65	0.90	1.40
Prime Rate	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.50	3.75	4.25
Conventional Mortgage Rate	5.00	5.42	5.06	4.93	4.97	4.74	4.35	4.71	4.84	4.50	4.80	5.00	5.20	5.40	5.50	5.60
3 Month Bill	0.21	0.19	0.14	0.06	0.16	0.18	0.16	0.12	0.09	0.10	0.15	0.20	0.45	0.95	1.45	1.65
2 Year Note	0.81	1.11	0.95	1.14	1.02	0.61	0.42	0.61	0.80	0.40	0.70	1.00	1.30	1.40	1.60	1.90
5 Year Note	1.67	2.54	2.31	2.69	2.55	1.79	1.27	2.01	2.24	1.60	1.90	2.20	2.40	2.60	2.80	2.90
10 Year Note	2.71	3.53	3.31	3.85	3.84	2.97	2.53	3.30	3.47	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
30 Year Bond	3.56	4.32	4.03	4.63	4.72	3.91	3.69	4.34	4.51	4.10	4.30	4.50	4.70	4.90	5.00	5.10

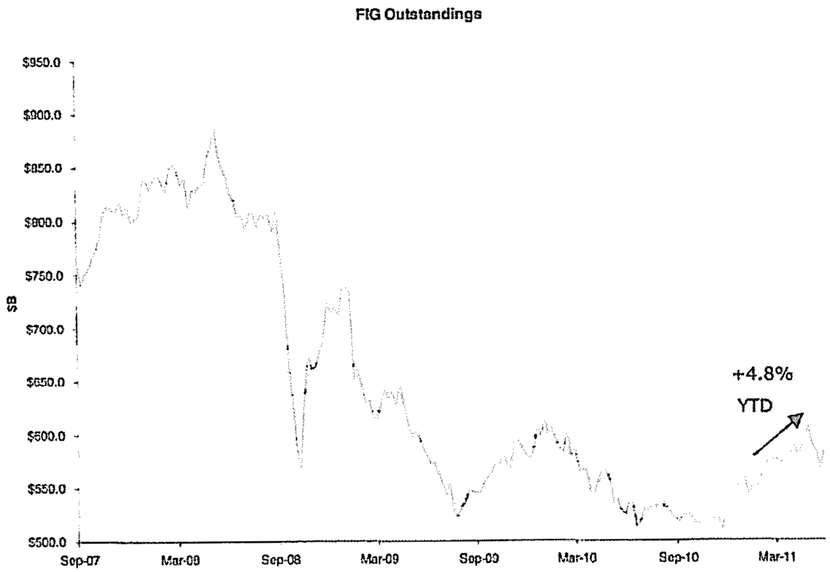
Forecast as of: June 8, 2011

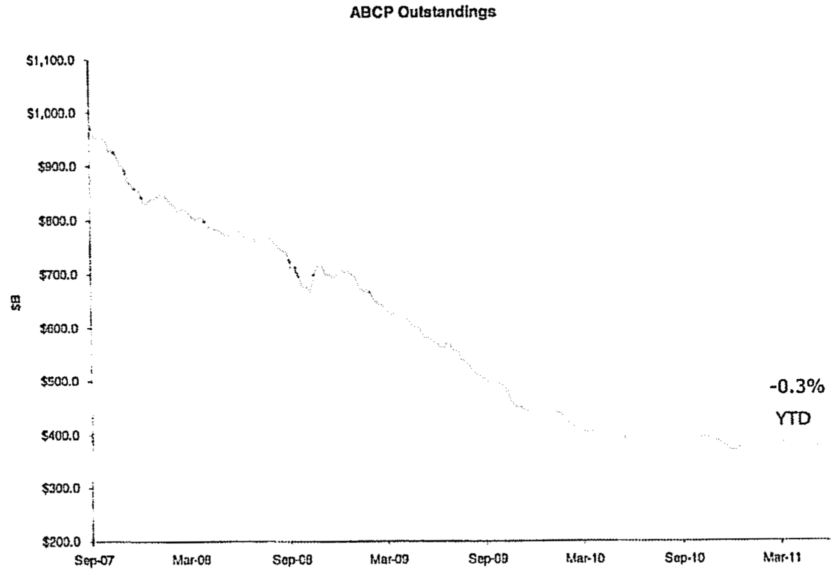
Notes: (a) Compound Annual Growth Rate Quarter-over-Quarter
(b) Year-over-Year Percentage Change
(c) Quarterly Sum - Billions USD; Annual Data Represents Fiscal Yr.
(d) Quarterly Sum - Billions USD
(e) Federal Reserve Major Currency Index, 1973=100 - Quarter End
(f) Average Monthly Change
(g) Millions of Units
(h) Quarterly Data - Average Monthly SAAR; Annual Data - Actual Total Vehicles Sold
(i) Quarterly Average of Daily Close
(j) Annual Numbers Represent Averages

Commercial Paper Outstandings by Sector

- The non-FIG sector has shown the strongest rebound in supply post-crisis. Continued gradual increases in corporate borrowings are expected, but will hinge on the expansion of the overall economy.
- ABCP supply has stabilized, however the future of this market will largely hinge on the regulatory environment.
- While FIG outstandings have whip-sawed over the past several years, the market remains at contracted levels. Bank capital regulations continue to re-shape the front-end funding landscape.





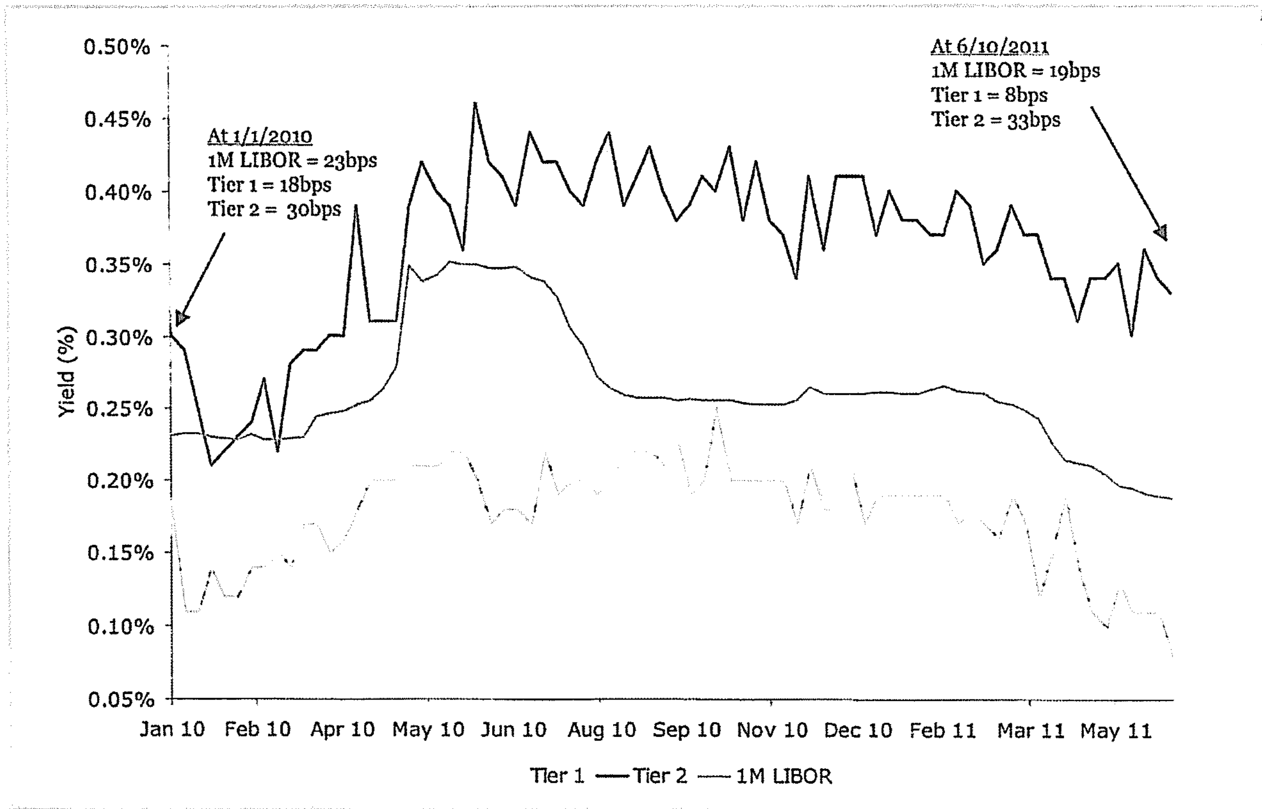


Source: Federal Reserve / Bloomberg

Commercial Paper Rates

- CP rates remain near all-time lows, and have largely been range-bound over recent months. Recent tightening in the repo market (caused primarily by a change in the FDIC fee structure for banks) has caused other front-end products, including CP, to trade down.

30-Day Rates (Offer Side)

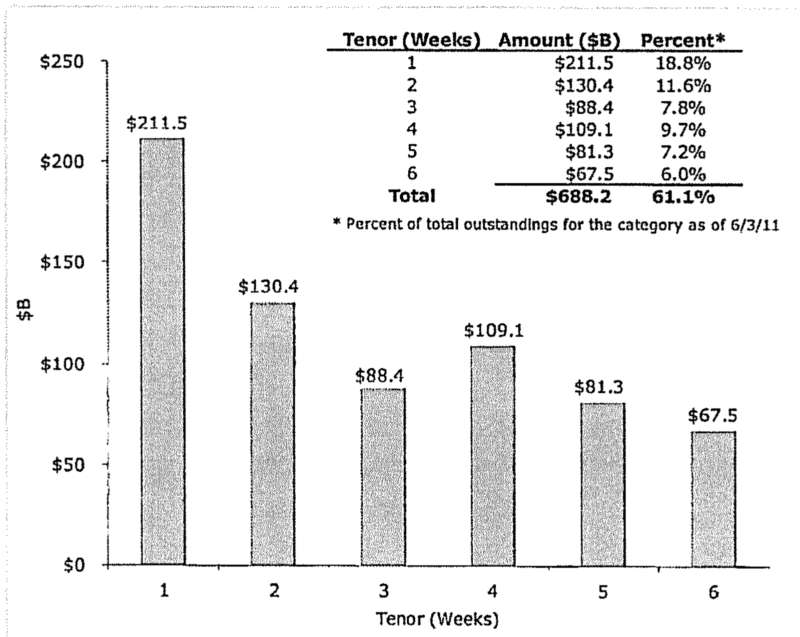


Source: Federal Reserve / Bloomberg

CP Maturities

- **61%** ($688B) of all outstanding commercial paper has maturities of **six weeks or less. 19%** ($212B) has a maturity of **one week or less.**
- **81%** ($58B) of Tier 2 outstanding commercial paper maturities of **six weeks or less. 34%** ($24B) has a maturity of **one week or less.**
- The dollar-weighted average maturity of all outstanding commercial paper is **45.7 days:**
  - **Asset-backed** issuers – **38.7 days**
  - **Tier 1** (A-1/P-1) issuers – **52.7 days**
  - **Tier 2** (A-2/P-2) issuers – **27.6 days**

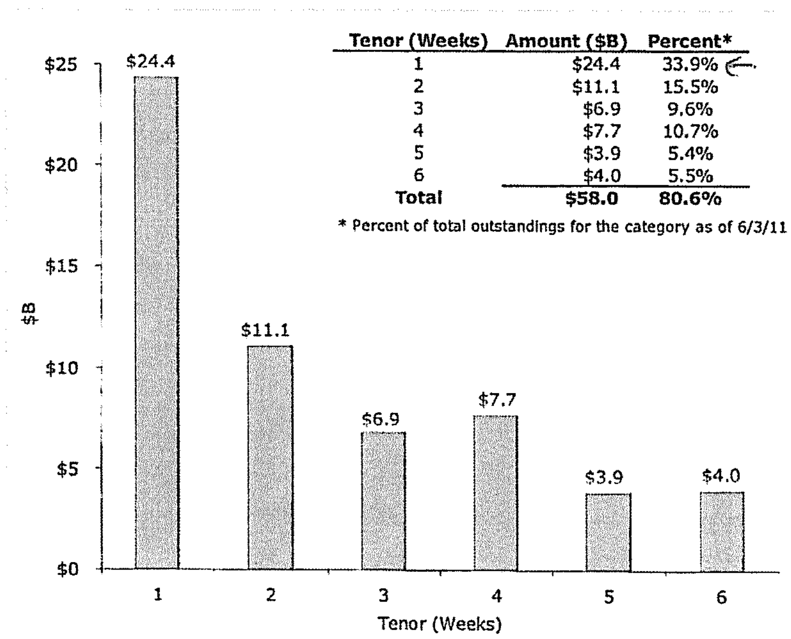
Weekly Totals of Maturing CP – Overall Market



Tenor (Weeks)	Amount ($B)	Percent*
1	$211.5	18.8%
2	$130.4	11.6%
3	$88.4	7.8%
4	$109.1	9.7%
5	$81.3	7.2%
6	$67.5	6.0%
Total	**$688.2**	**61.1%**

* Percent of total outstandings for the category as of 6/3/11

Weekly Totals of Maturing CP – Tier 2



Tenor (Weeks)	Amount ($B)	Percent*
1	$24.4	33.9%
2	$11.1	15.5%
3	$6.9	9.6%
4	$7.7	10.7%
5	$3.9	5.4%
6	$4.0	5.5%
Total	**$58.0**	**80.6%**

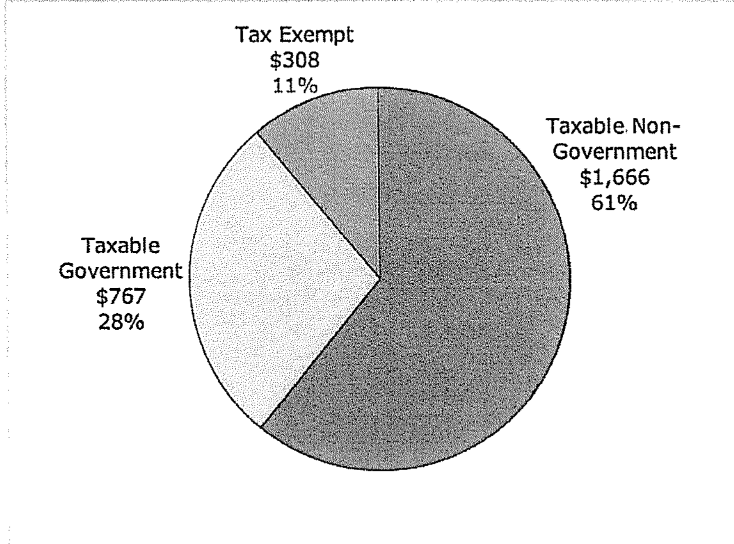
* Percent of total outstandings for the category as of 6/3/11

Source: Federal Reserve / Wells Fargo Securities

Money Market Fund Landscape

- Prime (taxable non-government) funds currently hold $1.7T in assets, or 61% of all money fund assets.
  - Taxable funds ($2.4T total assets) are subject to the new 10% daily liquidity requirements, or a current implied daily liquidity amount of $243B.
  - All funds ($2.7T total assets) are subject to the 30% weekly liquidity requirement, or a current implied weekly liquidity amount of $822B.

Money Market Funds Assets ($B; as of 6/8)

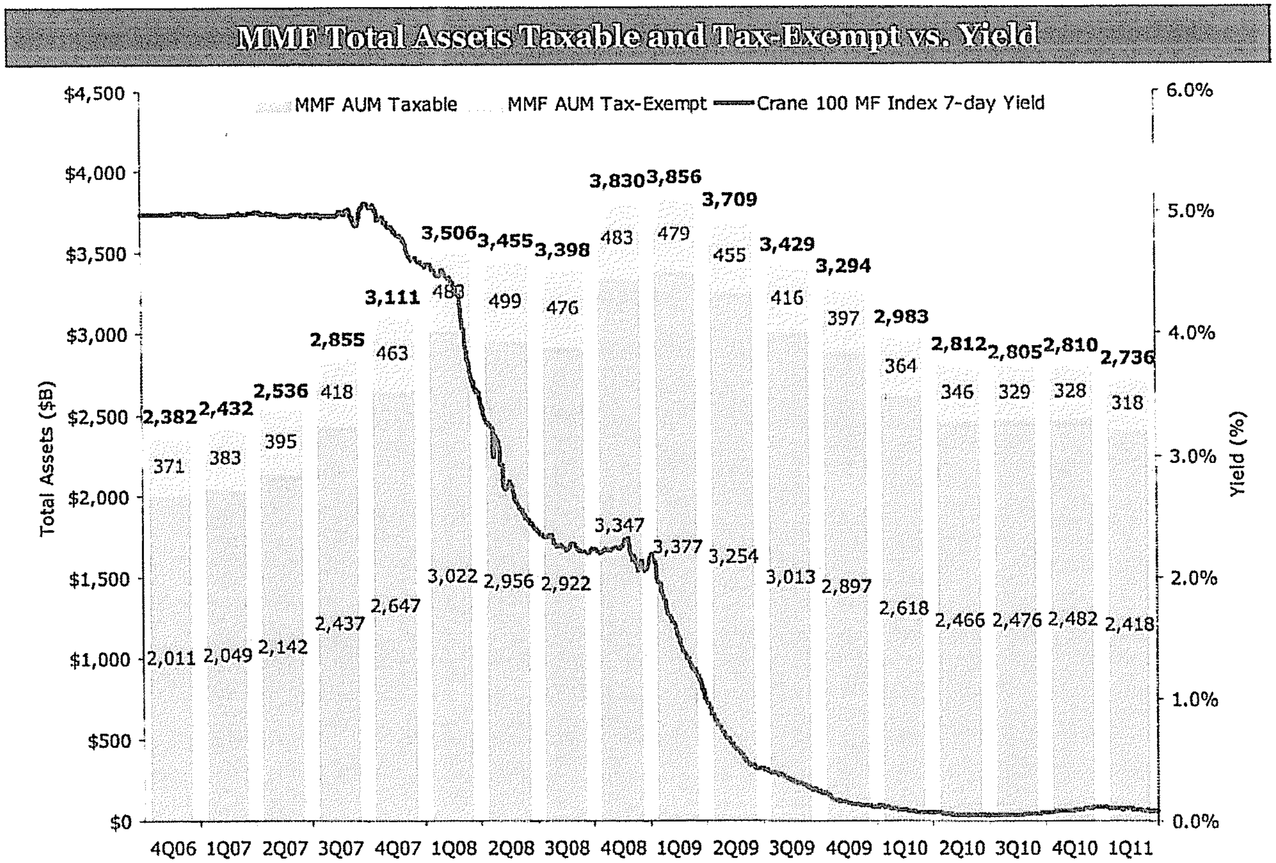


Source: Investment Company Institute / SEC

Money Market Funds Contraction

Expected trends in asset flows:

- Continued consolidation of money fund complexes (ICI estimates that the number of MMFs has shrunk from over 2,000 in 2008 to 1,775 at the end of 2010).
- Further increases in outflows driven by continued low yields/flat front-end curve, and increased risk appetite.
- Reallocation of front end investments:
  - Possible influx of non-2a7 short-duration funds and separate accounts.
  - Direct investing by the middle market.



Source: Bloomberg, ICI. Data as of 4/1/10.

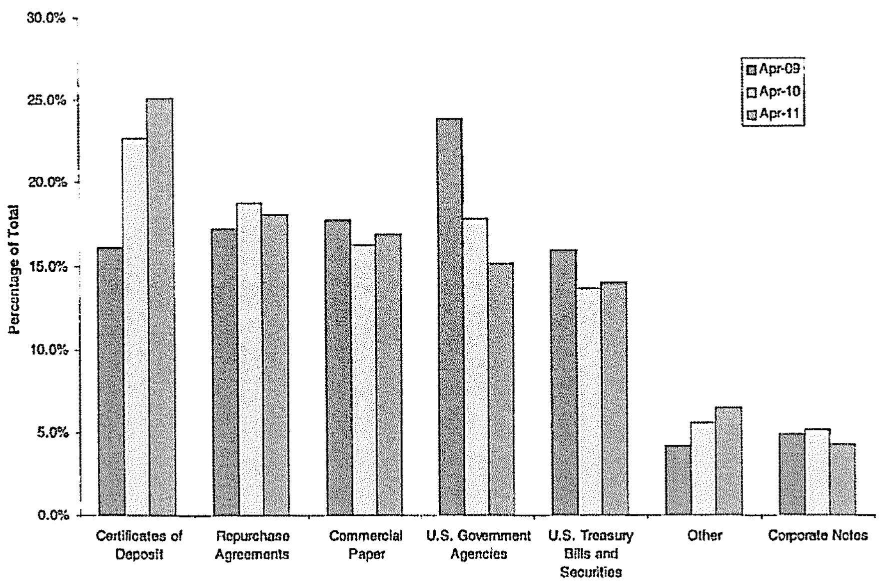
US Taxable MMF Holdings

- MMF assets have declined approximately 30% since the peak in January 2009.
- Formerly the #1 holding of MMFs, CP is now the #3 holding behind CDs and Repo.

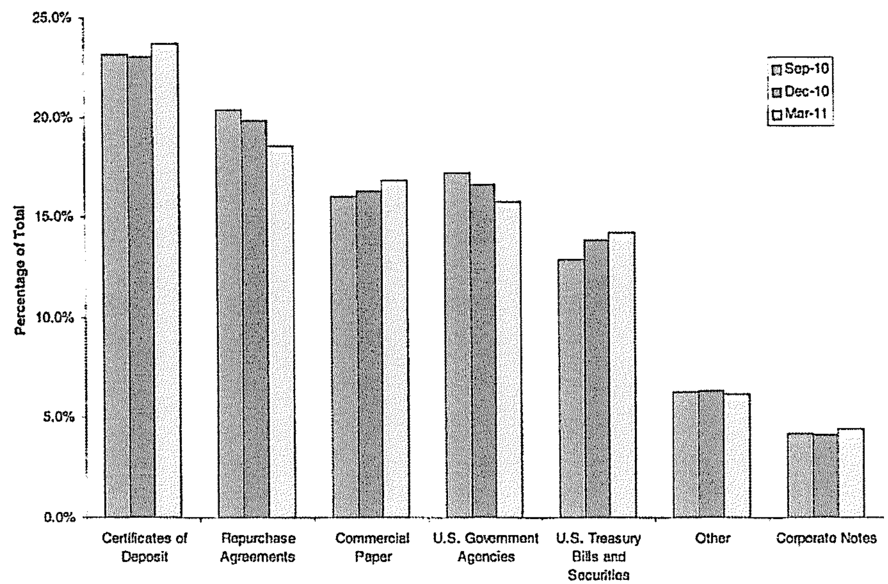
Certificates of Deposit	$609.8	25.2%	$568.0	22.7%	$538.8	16.2%
Repurchase Agreements	$437.7	18.1%	$469.8	18.8%	$574.4	17.2%
Commercial Paper	$409.6	16.9%	$407.0	16.3%	$591.3	17.7%
U.S. Government Agencies	$366.9	15.1%	$446.0	17.8%	$794.1	23.8%
U.S. Treasury Bills and Securities	$338.8	14.0%	$342.7	13.7%	$531.6	15.9%
Other	$156.5	6.5%	$140.0	5.6%	$140.1	4.2%
Corporate Notes	$103.1	4.3%	$129.2	5.2%	$163.9	4.9%

Certificates of Deposit	$574.7	23.8%	$570.9	23.1%	$572.5	23.2%
Repurchase Agreements	$448.1	18.6%	$489.9	19.8%	$503.4	20.4%
Commercial Paper	$406.2	16.8%	$401.9	16.2%	$394.4	16.0%
U.S. Government Agencies	$381.0	15.8%	$410.7	16.6%	$424.1	17.2%
U.S. Treasury Bills and Securities	$344.6	14.3%	$342.0	13.8%	$317.0	12.8%
Other	$149.6	6.2%	$156.9	6.3%	$154.4	6.3%
Corporate Notes	$106.7	4.4%	$103.4	4.2%	$104.0	4.2%

US Taxable MMF Holdings - Annual



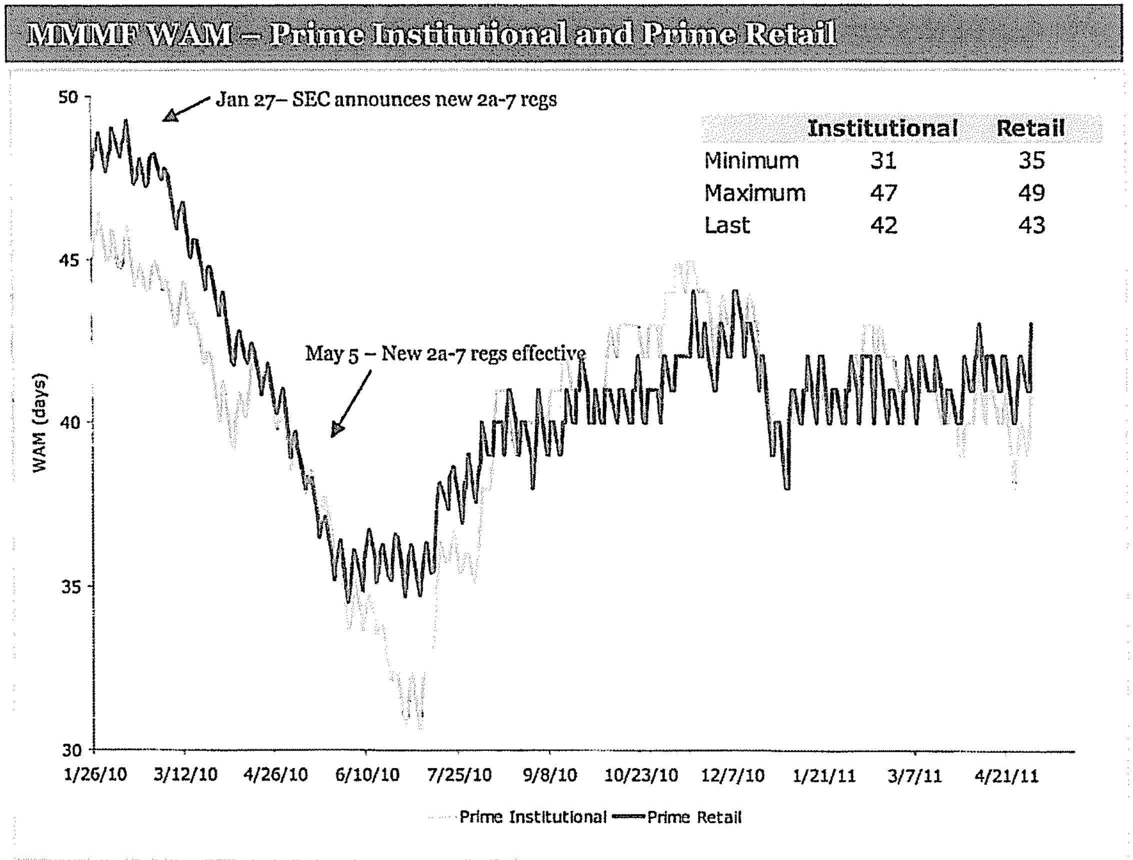
US Taxable MMF Holdings - Quarterly



Source: Investment Company Institute

Money Market Fund Portfolio WAM

- Money funds gradually shortened the average maturity of their portfolios in response to the amendments to Rule 2a-7.
- After bottoming out in 2Q10 in response to Euro-zone concerns, WAMs rebounded into year end.
- WAMs have primarily remained in the 40-45 day range YTD.



Source: iMoneynet

Commencing a New CP Program

Commercial Paper Considerations

- Pricing in the commercial paper market is currently compelling. Below are general indicative rates.

As of 6/13/2011

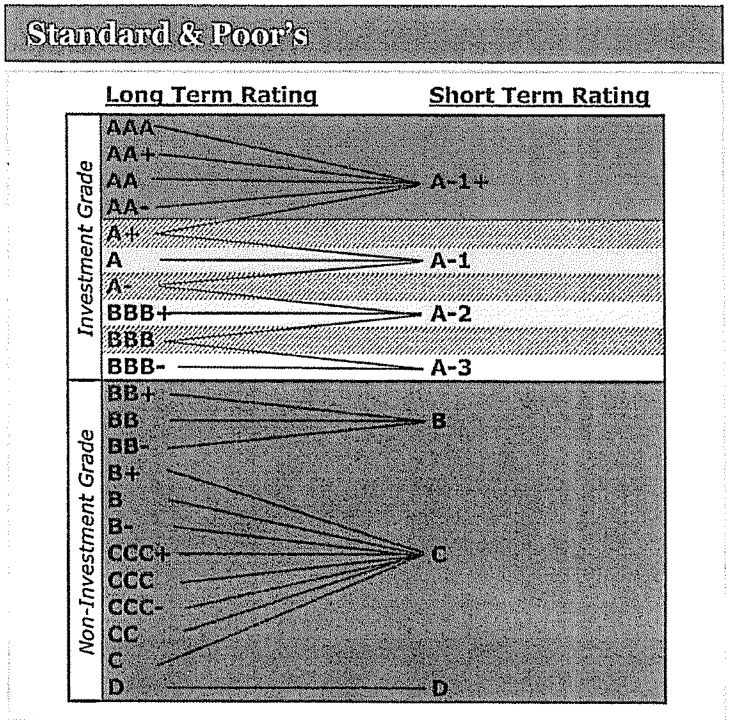
Tenor	All-in Rates A-1/P-1	All-in Rates A-2/P-2	LIBOR
Overnight	15bps	32bps	13bps
1 Week	16bps	33bps	16bps
2 Weeks	17bps	34bps	17bps
3 Weeks	18bps	36bps	18bps
1 Month	19bps	38bps	19bps
2 Months	22bps	40bps	22bps
3 Months	25bps	44bps	25bps

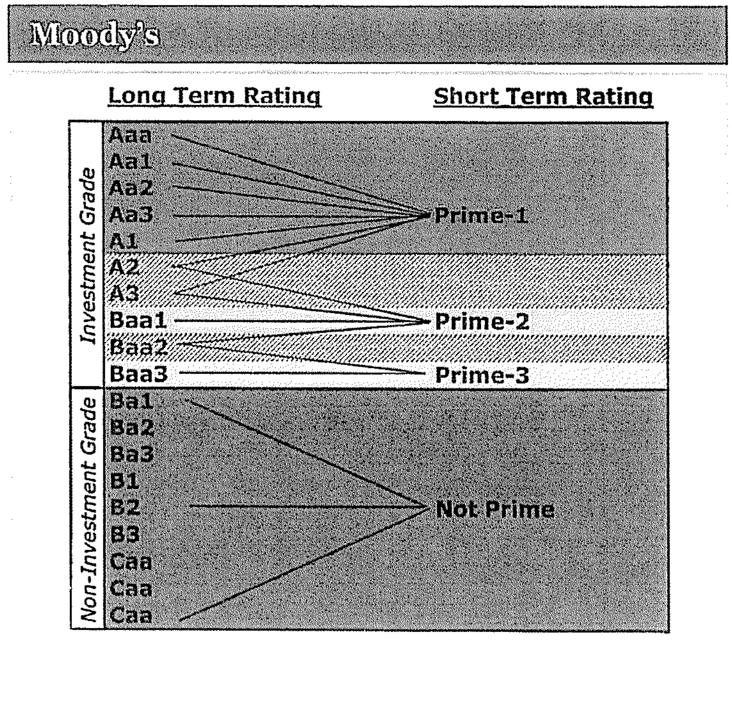
- Benefits of commercial paper include:
  - Generally the most attractively priced funding alternative available.
  - Provides flexible means to manage short term funding needs.
  - Broadens investor base (key CP buyers include money market funds, insurance companies, corporations, public entities and financial institutions).

- Considerations related to commercial paper include:
  - Requires underlying CP backstop facility.
  - Floating rate exposure.
  - Refinancing risk.
  - Rating downgrades can impact market access/pricing.

Correlation of Short and Long Term Ratings

- The rating agencies provide general guidelines to map long term to short term ratings.
- Issuer's generally enjoy access to the commercial paper market down to A-2/P-2 levels. There is still a market for split rated (A-2/P-3 or A-3/P-2), albeit at higher rates and with less liquidity. A-3/P-3 issuers generally have extremely limited, if any, access to the market.





Source: Wells Fargo Securities, Standard & Poor's, Moody's Investor Services.

U.S. Corporate Commercial Paper Landscape

Commentary

- The list below shows all dealer placed U.S. corporate commercial paper programs that are $100-500 million in size. Asset-backed, financial institution, single rating and directly placed programs are excluded.

- The average number of dealers per program is <u>2.4</u>. The number of dealers in a CP program is typically determined based on program size, expected volume levels, credit profile and relationship considerations.

Dealer Placed U.S. Corporate Commercial Paper Programs ($100MM - $500MM in size)

($MM) Issuer	CP Ratings S&P	CP Ratings Moody's	Program Size	# of Dealers
Boral Industries Inc	A-2	P-2	$500	1
Cigna Corporation	A-2	P-2	$500	3
Cooper US Inc	A-1	P-2	$500	2
Dairy Farmers Of America	A-2	P-2	$500	3
Deer Park Refining LP	A-1	P-1	$500	1
Delmarva Power & Light	A-2	P-2	$500	4
Dr. Pepper Snapple Group	A-2	P-2	$500	3
Fluor Corp	A-2	P-2	$500	2
Hasbro Inc	A-2	P-2	$500	3
Minnesota Power Inc	A-2	P-2	$500	1
Mobil Oil Corp Emp Stock	A-1+	P-1	$500	1
Potomac Electric Power	A-2	P-2	$500	5
Progress Energy Inc	A-2 *+	P-2	$500	4
Public Service Colorado	A-2	P-2	$500	2
Puget Sound Energy Inc	A-2	P-2	$500	4
Sharp Electronics Corp	A-2	P-1 *-	$500	6
Sherwin-Williams Co	A-1	P-2	$500	2
Snap-On Inc	A-2	P-2	$500	3
Sonoco Products Company	A-2	P-2	$500	2
Wisconsin Elec Power Co	A-2	P-1	$500	2
City Of San Jose CA	A-1+	P-1	$450	3
Duke Energy Field Servce	A-2	P-2	$450	2
Midamerican Energy Co	A-2	P-1	$450	7
NStar Electric Company	A-1 *-	P-1	$450	3
Sigma-Aldrich Corp	A-1	P-1	$450	3
Wisconsin Energy Corp	A-2	P-2	$450	2
Pemex Capital Inc	A-1+	P-1	$445	4
Michigan Cons Gas	A-2	P-2	$425	3
AGC Capital Inc	A-1	P-1	$400	3
Baltimore Gas & Electric	A-2	P-2	$400	3
C.R. Bard Inc	A-1	P-2	$400	3
Duke Capital LLC	A-2	P-2	$400	3

($MM) Issuer	CP Ratings S&P	CP Ratings Moody's	Program Size	# of Dealers
Northwest Natural Gas	A-1	P-1	$400	2
Oklahoma Gas & Electric	A-2	P-1	$400	5
Pfizer Inc	A-1+	P-1	$400	2
Portland General Elec	A-2	P-2	$400	3
South Carolina Fuel Co	A-2	P-2	$400	2
Southern Calif Gas Co	A-1	P-1	$400	4
Washington Gas Light Co	A-1	P-1	$400	2
WGL Holdings Inc	A-1	P-2	$400	2
WW Grainger Inc	A-1+	P-1	$400	1
Allete Inc	A-2	P-2	$375	1
Colonial Pipeline Co	A-1	P-1	$375	3
New England Power Co	A-2	P-2	$375	1
Northern States Power MN	A-2	P-2	$375	3
Oglethorpe Power Corp	A-1	P-2	$355	3
Hubbell Inc	A-1	P-2	$350	3
Valspar Corp	A-2	P-2	$350	2
Allergan Inc	A-1	P-2	$300	1
American Transmission Co	A-1	P-1	$300	2
Chugach Electric Assn	A-1	P-2	$300	2
Guardian Industries Corp	A-1	P-2	$300	2
Interstate Power & Light	A-2	P-2	$300	2
Laclede Gas Co	A-1	P-2	$300	3
National Fuel Gas Co	A-2	P-2	$300	3
Nucor Corp	A-1	P-1	$300	1
SCANA Corp	A-2	P-2	$300	2
Wisconsin Gas Co	A-2	P-1	$300	2
Detroit Edison Company	A-2	P-2	$275	3
Ascension Health	A-1+	P-1	$250	2
Atlantic City Electric	A-2	P-2	$250	4
Kansas City Power & Lt	A-2	P-2	$250	1
Northwestern Corp	A-2	P-2	$250	1
Peoples Gas Light & Coke	A-2	P-2	$250	5

($MM) Issuer	CP Ratings S&P	CP Ratings Moody's	Program Size	# of Dealers
Southwestern Public Serv	A-2	P-2	$250	2
Wisconsin Power & Light	A-2	P-1	$250	3
Formosa Plastic Corp USA	A-1+	P-1	$245	1
Arkansas Elec Coop Corp	A-1+	P-1	$210	1
Dentsply Intl Inc	A-2	P-2	$200	3
Idaho Power Co	A-2	P-2	$200	3
New Jersey Natural Gas	A-1	P-1	$200	3
New York State Elec&Gas	A-2	P-2	$200	2
OGE Energy Corporation	A-2	P-2	$200	1
Orange & Rockland Util	A-2	P-2	$200	2
PPL Electric Utilities	A-2	P-2	$200	2
San Diego Gas & Elec Co	A-1	P-1	$200	2
New United Motor Mfg Inc	A-2	P-1	$190	1
Georgia Trans Corp	A-1+	P-2	$180	2
NStar	A-1 *-	P-1	$175	3
Bemis Co	A-2	P-2	$150	1
Catholic Healthcare	A-1+	P-1	$150	1
Columbia University	A-1+	P-1	$150	2
Idacorp Inc	A-2	P-2	$150	4
MFS Corporation	A-1+	P-1	$150	1
Northern States Power WI	A-2	P-2	$150	2
Port Of Oakland CA	A-1+	P-1	$150	1
Willey RC Home Furnish	A-1+	P-1	$150	3
Florens Container Inc	A-1+	P-1	$140	1
Hyundai Motor Finance Co	A-1+	P-1	$120	1
Wisconsin Public Service	A-2	P-1	$115	3
Brownsville Tex Util Sys	A-1+	P-1	$100	1
Centerior Fuel Corp	A-1+	P-1	$100	1
Explorer Pipeline Co	A-2	P-2	$100	1
Madison Gas & Electric	A-1+	P-1	$100	1
Public Service Co Of NC	A-2	P-2	$100	2
Average # of Dealers				*2.37*

Source: Bloomberg / Wells Fargo Securities.

Timeline for Commencing a Commercial Paper Program

- A new commercial paper program can be established in a 6 week timeframe. While this timing can be accelerated if necessary, 6 weeks generally represents a comfortable timeline.

- This timeline assumes that the issuing entity currently has long term credit ratings, but lacks specific short term ratings for the USCP program.

Timing	Description of Events
Weeks 1-2	Apply for commercial paper ratings
	Engage counsel and initiate documentation
	Seek corporate borrowing authority[1]
	Interview potential commercial paper dealers
	Solicit proposals for an Issuing and Paying Agent ("IPA")
Weeks 3-4	Select commercial paper dealers[2]
	Select IPA
	Review documents
	Receive commercial paper ratings
Weeks 5-6	Execute final documents
	Confirm operational readiness with IPA and Dealers
	Salesforce presentations
	Launch commercial paper program

[1] Board Resolution authorizing CP note issuance; Certificates of Incumbency for individuals authorized to execute CP issuance.
[2] Typically one dealer will be selected to "lead" the documentation process (an informal arrangement).

Source: Wells Fargo Securities

Commercial Paper Documentation

Document	Document Description	Parties
Dealer Agreement	An agreement between the Issuer and Wells Fargo Securities, LLC ("WFS") that specifies the terms under which each party will act with regard to the issuance of the commercial paper notes.	Issuer/WFS/ Legal Counsel
Private Placement or Offering Memorandum ("PPM" or "OM")	A marketing document that outlines the terms of the program and the business of the Issuer.	Issuer/WFS
Legal Opinion(s)	Opinion stating that the borrower is duly organized, validly existing and in good standing; the Company has the corporate power and authority to execute, deliver and perform its obligations; the notes have been duly authorized, executed and delivered; and are legal, valid, binding and enforceable obligations of the Issuer. The Opinion will also state that the commercial paper notes are exempt from registration under the Securities Act of 1933 pursuant to Section 3 or Section 4.	Issuer/Legal Counsel
Issuing and Paying Agent ("IPA") Agreement	Authorizes a bank, acting as an agent for the Issuer, to issue commercial paper notes and pay investors at maturity.	Issuer/IPA
Board Resolution and Certificate of Incumbency	The Issuer's Board of Directors must approve the borrowing of funds and designate officials authorized to arrange borrowings on behalf of the company.	Issuer
Master Note/DTC Letter of Representation	Provides terms under which the notes are traded under the "Book-Entry" system.	Issuer/IPA/DTC
Rating Confirmation Letter(s)	Letter(s) from the relevant credit rating agency or agencies confirming ratings of the program.	Issuer/Rating Agencies

Source: Wells Fargo Securities

Commercial Paper Distribution Capabilities

1/3 of Our Customers Give us 100% of Their Investment Business

- Wells Fargo Securities maintains relationships with over 12,000 customers with over 16,000 accounts through 20+ offices coast-to-coast.
- Below are profiles of typical corporate and municipal accounts.

Privately-Held Corporation

Customer Since: 1982

Customer Type: Private Corporation

Investable Assets: Over $100 Million

Number of Accounts: 23

Investment Services Used:
- Bank Safekeeping
- Portfolio Accounting
- Portfolio Analytics
- Online Trading and Reporting
- IBS Delivers

Investment Products Used:
- Agencies
- CDs
- **Commercial Paper**
- Corporate Bonds
- Money Market Funds
- Municipal Securities
- Tax-Exempt Money Mkt Securities
- Taxable Money Market Securities
- Treasuries

Existing Banking Relationship:
- Merchant Card Services
- Treasury Management

Public Entity

Customer Since: 1989

Customer Type: Public Entity

Investable Assets: $25 - $100 Million

Number of Accounts: 1

Investment Services Used:
- Bank Safekeeping
- Portfolio Accounting
- Portfolio Analytics
- Online Trading and Reporting
- IBS Delivers

Investment Products Used:
- Agencies
- CDs
- **Commercial Paper**
- Money Market Funds
- Municipal Securities
- Taxable Money Market Securities
- Treasuries

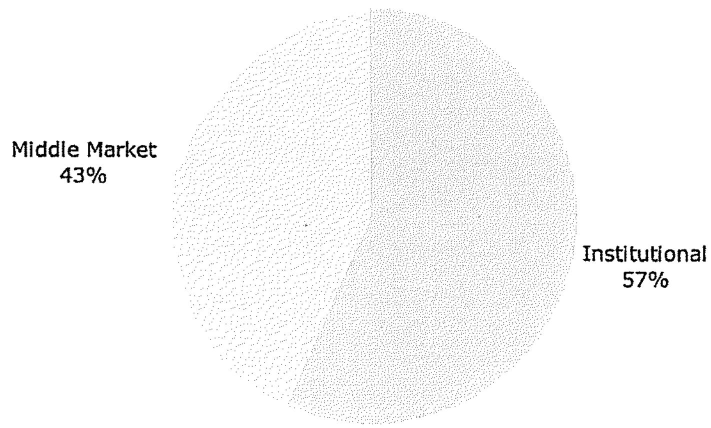
Existing Banking Relationship:
- Merchant Card Services
- Treasury Management

Unique and Powerful Distribution Platform

- Wells Fargo has two distinct sales forces:
  - Institutional: 14 professionals covering the top Tier 1 institutional accounts with >$3B in assets.
  - Middle Market: 166 professionals covering 12,000+ middle market clients with over 16,000 accounts across the US. ***1/3 of these clients are proprietary.***

Overall distribution 2010 is broken out as follows:
57% Institutional
43% Middle Market

Distribution by Sales Force

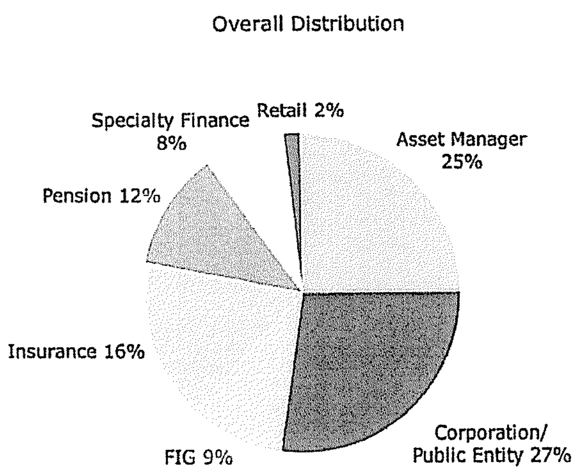


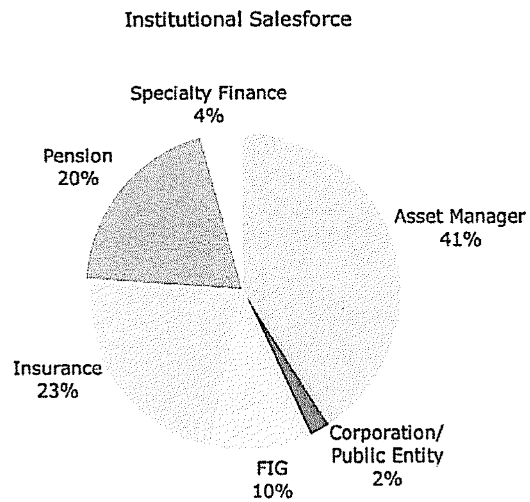
Source: Wells Fargo Securities; data as of 12/31/2010.

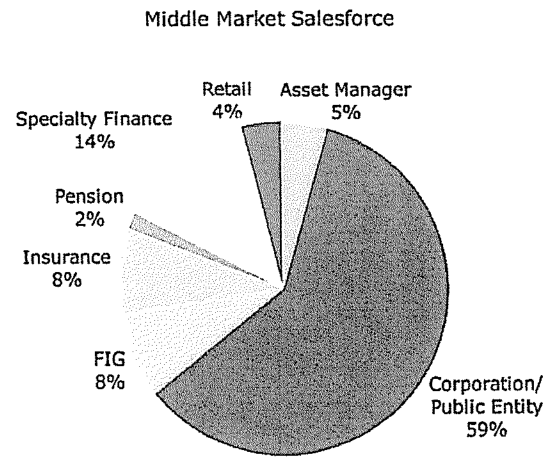
Unique and Powerful Distribution Platform

- The table and charts below outline distribution by account type.
  - Overall distribution is well diversified across various account types.
  - Institutional distribution is concentrated amongst Asset Managers, Insurance Companies and Pension Funds.
  - Middle market distribution is concentrated amongst Corporations and Public Entities (Municipalities, Non-profits, etc).

	Overall	Institutional	Middle Market
Asset Manager	25%	41%	5%
Corporation/Public Entity	27%	2%	60%
FIG	9%	10%	8%
Insurance	16%	23%	8%
Pension	12%	20%	2%
Specialty Finance	8%	4%	14%
Retail	2%	0%	4%
	100%	100%	100%







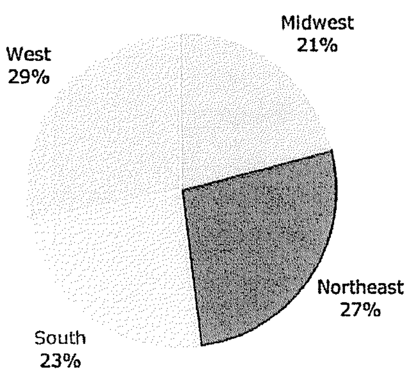
Source: Wells Fargo Securities; data as of 12/31/2010.

Unique and Powerful Distribution Platform

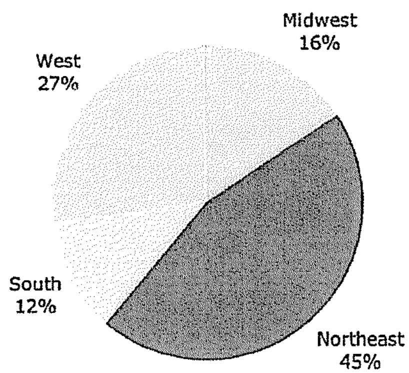
- The table and charts below outline distribution by geographic region.
  - Overall distribution is well-balanced across the US.
  - Institutional distribution is focused in the Northeast and the Western US.
  - Middle Market distribution is balanced between the Southern , Western and Midwestern US.

	Overall	Institutional	Middle Market
Midwest	21%	16%	28%
Northeast	27%	45%	3%
South	23%	12%	39%
West	28%	27%	30%
	100%	100%	100%

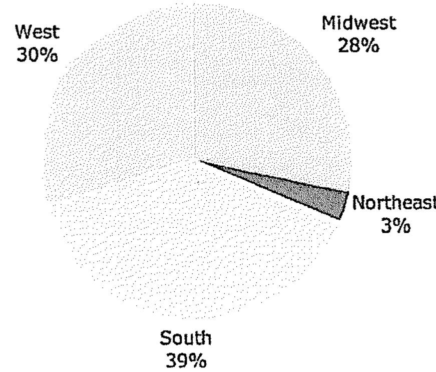
Overall Distribution



Institutional Salesforce



Middle Market Salesforce



Source: Wells Fargo Securities; data as of 12/31/2010.

Commercial Paper Programs in Which Wells Fargo is a Dealer

Wells Fargo is a dealer for 109 CP programs totaling $424B

Evenly split between Tier 1 (50%) and Tier 2 (50%)

Majority of clients are industrial corporations (91 clients, or 83%)

($ in millions)

#	Issuer	Ticker	Type	Guarantor or Sponsor	Program Size	S&P ST Rating	Moody's ST Rating	Fitch ST Rating	Program Type
1	Abbey National North America LLC	ABBLLC	Financial	SANTANDER	$ 20,000	A-1+	P-1	F1+	3(a)3
2	AGL Capital Corp.	AGLCAP	Industrial	AGL RESOURCES	1,140	A-2	P-2	F2	4(2) 144A
3	Air Products	APDPP	Industrial		1,500	A-1	P-1	-	4(2) 144A
4	Alabama Power Company	SOALPP	Industrial		600	A-1	P-1	F1	4(2) 144A
5	Alliant Energy Corp.	LNTPP	Industrial		100	-	P-2	-	4(2) 144A
6	Altria Group, Inc.	MOA	Industrial	PHILIP MORRIS	8,000	A-2	P-2	F2	3(a)3
7	American Crystal Sugar	AMECRY	Industrial		400	A-2	P-2	-	3(a)3
8	Arkansas Electric Cooperative	ARCOOP	Industrial		210	A-1+	P-1	F1	4(2)
9	Atlantic City Electric	ATE	Industrial		250	A-2	P-2	F2	3(a)3
10	Atmos Energy	ATO	Industrial		600	A-2	P-2	F2	4(2) 144A
11	AutoZone	AZO	Industrial		1,000	A-2	P-2	F2	4(2) 144A
12	Baker Hughes	BHIPP	Industrial		1,000	A-1	P-1	-	4(2) 144A
13	Basin Electric Pwr Cooperative Inc.	BASELE	Industrial		550	A-1	P-1	F1+	4(2) 144A
14	Bayerische Landesbanke	BYLNNG	Financial		12,000	-	P-1	F1+ *-	3(a)3
15	BBVA	BBVLON	Financial		25,000	A-1+	P-1	F1+	4(2) 144A
16	BCEE	BCEE	Financial		3,000	A-1+	P-1	-	3(a)3
17	Block Financial Corp	BFCPP	Industrial	H&R BLOCK INC	2,000	A-2	P-2	-	4(2) 144A
18	Bank of New Zealand	BNZFDL	Financial		10,000	A-1+	P-1	-	4(2) 144A
19	Brown-Forman Corporation	BFPP	Industrial		1,000	A-1	P-1	-	4(2) 144A
20	Cardinal Health, Inc.	CAH	Industrial		1,500	A-2	P-3	F2	4(2) 144A
21	Carnival Corporation	CCL	Industrial	CARNIVAL PLC	1,400	A-2	P-2	-	4(2) 144A
22	Carnival PLC	CCLPLC	Industrial	CARNIVAL CORP	600	A-2	P-2	-	4(2) 144A
23	Centennial Energy Holding	CENTEN	Industrial		400	A-2	-	F2	4(2) 144A
24	Clorox Company	CLXPP	Industrial		2,200	A-2	P-2	F2	4(2) 144A
25	CVS Corporation	CVS	Industrial		4,000	A-2	P-2	F2	4(2) 144A
26	Dairy Farmers of America	DFAINC	Industrial		500	A-2	P-2	-	4(2) 144A
27	Danske Corporation	DNSKEC	Financial	DANSKE BANK A/S	30,000	A-1	P-1	-	4(2) 144A
28	Delmarva Power & Light	DEW	Industrial		500	A-2	P-2	F2	3(a)3
29	Devon Energy	DVNPP	Industrial		5,000	A-2	P-2	F2	4(2) 144A
30	DnB NOR	DNBNBK	Financial		18,000	A-1	P-1	F1	4(2) 144A
31	Dominion Resources Inc.	DPP	Industrial		3,000	A-2	P-2	F2	4(2) 144A
32	Ecolab Inc.	ECLPP	Industrial		600	A-1	P-1	-	4(2) 144A
33	Empire District Electric	EMDIST	Industrial		50	A-3	P-2	F3	4(2) 144A
34	Ensco plc	ENSCOP	Industrial		1,000	A-2	P-2	-	4(2) 144A
35	Entergy - River Fuels One	RVRONE	Industrial	BK NOVA SCOTIA	85	A-1+	P-1	-	3(a)2
36	Entergy - River Fuels Three	RVRTRE	Industrial	BK NOVA SCOTIA	100	A-1+	P-1	-	3(a)2

Source: Wells Fargo Securities

Commercial Paper Programs in Which Wells Fargo is a Dealer (Continued)

Wells Fargo is a dealer for 109 CP programs totaling $424B

Evenly split between Tier 1 (50%) and Tier 2 (50%)

Majority of clients are industrial corporations (91 clients, or 83%)

($ in millions)

#	Issuer	Ticker	Type	Guarantor or Sponsor	Program Size	S&P ST Rating	Moody's ST Rating	Fitch ST Rating	Program Type
37	Entergy - River Fuels Two	RVRTWO	Industrial	BK NOVA SCOTIA	90	A-1+	P-1	-	3(a)2
38	ERAC USA Finance LLC	ERACPP	Industrial	ENTERPRISE HLDGS	2,500	A-2	P-2	-	4(2) 144A
39	Essentia Health	ESSEN	Industrial	WELLS FARGO BANK	60	A-1+	-	-	3(a)2
40	FMC Technologies	FTI	Industrial		750	A-2	P-2	-	4(2) 144A
41	General Mills, Inc.	GISPP	Industrial		1,900	A-2	P-2	F2	4(2) 144A
42	Harley-Davidson Funding	HDFUND	Industrial	HARLEY-DAVID INC	1,350	A-2	P-2	F2	4(2) 144A
43	Honeywell International	HONIPP	Industrial		4,500	A-1	P-1	F1	4(2) 144A
44	Hubbell	HUBINC	Industrial		350	A-1	P-2	F1	4(2) 144A
45	ICICI Bank	ICIBAH	Financial	BANK OF AMER NA	545	A-1	P-1	-	3(a)2
46	Idacorp, Inc.	IDACRP	Industrial		150	A-2	P-2	-	4(2) 144A
47	Idaho Power Co.	IDA	Industrial		200	A-2	P-2	-	3(a)3
48	Interstate Power & Light	INSTPL	Industrial		300	A-2	P-2	-	3(a)3
49	ITT Corporation	ITTIPP	Industrial		2,750	A-2 *-	P-2 *-	F2 *	4(2) 144A
50	Kookmin Bank - NY	KOOKNY	Financial		2,000	A-1	P-1	F1	4(2) 144A
51	Kookmin Bank - Seoul	KOOKBN	Financial		2,000	A-1	P-1	F1	4(2) 144A
52	Kraft Foods, Inc.	KRAFTF	Industrial		4,500	A-2	P-2	F3	4(2) 144A
53	Laclede Gas Co	LGPP	Industrial		300	A-1	P-2	F1	4(2) 144A
54	Leggett & Platt, Inc.	LEGPP	Industrial		600	A-2	P-2	-	4(2) 144A
55	Lowe's Companies, Inc	LOW	Industrial		1,750	A-1	P-1	F1	3(a)3
56	Manhattan Asset Funding Co., LLC	MANASF	ABCP	RECEIVABLES	5,000	A-1	P-1	-	4(2) 144A
57	Mattel, Inc.	MATTEL	Industrial		1,400	A-2	P-2	F2	3(a)3
58	McCormick & Company Inc	MKCPP	Industrial		1,000	A-2	P-1	-	4(2) 144A
59	MDU Resources	MDU	Industrial		125	A-2	-	F2	3(a)3
60	MidAmerican Energy	MEC	Industrial		450	A-2	P-1	F1	3(a)3
61	Mizuho	MIZFUN	Financial	MIZUHO CORP BANK	5,000	A-1	P-1	-	4(2) 144A
62	Moody's	MCO	Industrial		1,000	A-2	-	-	4(2) 144A
63	Nebraska Public Pwr District	NEBPUB	Industrial	BANK NOVA SCOTIA	200	A-1+	P-1	-	3(a)2
64	NextEra Energy Capital Holdings, Inc.	NEXERG	Industrial	NEXTERA ENERGY	4,000	A-2	P-2	F1	4(2)
65	Nicor Inc.	GAS	Industrial		1,200	A-1+ *-	P-2	F1	3(a)3
66	Nike, Inc.	NKEPP	Industrial		1,000	A-1	P-1	-	4(2) 144A
67	Nordstrom, Inc.	NORPP	Industrial		650	A-2	P-2	-	4(2) 144A
68	Northern Illinois Gas	NIGAS	Industrial		1,200	A-1+ *-	P-1	F1	3(a)3
69	Northwest Natural Gas	NTETNG	Industrial		400	A-1	P-1	-	4(2)
70	Northwestern University	NWUNSA	Industrial		300	A-1+	P-1	-	3(a)4
71	OGE Energy Group	OGEPP	Industrial		600	A-2	P-2	F1	4(2) 144A
72	Oklahoma Gas & Electric	OGE	Industrial		400	A-2	P-1	F1	4(2)

Source: Wells Fargo Securities

Commercial Paper Programs in Which Wells Fargo is a Dealer (Continued)

Wells Fargo is a dealer for 109 CP programs totaling $424B

Evenly split between Tier 1 (50%) and Tier 2 (50%)

Majority of clients are industrial corporations (91 clients, or 83%)

($ in millions)

#	Issuer	Ticker	Type	Guarantor or Sponsor	Program Size	S&P ST Rating	Moody's ST Rating	Fitch ST Rating	Program Type
73	Omnicom Capital Inc.	OMNCAP	Industrial	OMNICOM GROUP	1,500	A-2	P-2	F2	4(2) 144A
74	Omnicom Fin PLC	OMNIPP	Industrial	OMNICOM GROUP	1,500	A-2	P-2	F2	4(2) 144A
75	Omnicom Finance Inc.	OMNFPP	Industrial	OMNICOM GROUP	1,500	A-2	P-2	F2	4(2) 144A
76	Oracle Corporation	ORCL	Industrial		3,000	A-1	P-1	F1	4(2) 144A
77	Pacific Life Insurance	PLIFPP	Industrial		700	A-1	P-1	F1	4(2) 144A
78	Pall Corporation	PLL	Industrial		600	A-2	P-2	-	4(2) 144A
79	Pepco Holdings, Inc.	PEPCO	Industrial		700	A-2	P-3	F2	4(2) 144A
80	Portland General Electric Co.	PGELE	Industrial		400	A-2	P-2	-	3(a)3
81	Potomac Electric Power Company	POM	Industrial		500	A-2	P-2	F2	3(a)3
82	Precision Castparts Corporation	PRECAS	Industrial		1,000	A-1	P-2	-	4(2) 144A
83	Private Export Funding Corporation	PEFCPP	Financial		2,500	A-1	P-1	-	4(2) 144A
84	Progress Energy Carolinas	CPL	Industrial		750	A-2 *+	P-2	F1	3(a)3
85	Public Service Electric & Gas	PSEG	Industrial		600	A-2	P-2	F2	3(a)3
86	Public Service Enterprise Group	PEGPP	Industrial		1,000	A-2	P-2	F2	4(2) 144A
87	Puget Sound Energy	PSD	Industrial		500	A-2	P-2	-	3(a)3
88	RR Donnelly & Sons Co.	DNY	Industrial		2,000	B-1	NP	F3	4(2) 144A
89	Ryder System, Inc.	R	Industrial		800	A-2	P-2	F2	3(a)3
90	Santander	SANCPU	Financial	BANCO SANTANDER	30,000	A-1+	P-1	F1+	4(2)
91	Sheffield Receivables Corporation	SRCPP	ABCP	TRADE RECEIVABLE	30,000	A-1+	P-1	-	4(2) 144A
92	Sigma Aldrich Corp.	SIALPP	Industrial		450	A-1	P-1	-	4(2) 144A
93	South Jersey Industries	N/A	Industrial		300	-	-	-	4(2) 144A
94	St. Jude Medical Inc.	STJ	Industrial		1,000	A-1	P-2	F1	4(2) 144A
95	Sunoco	SUNPP	Industrial		1,300	-	P-3	F3	4(2) 144A
96	Torchmark Corporation	TMKPP	Industrial		600	A-1	P-2	F2	4(2) 144A
97	Total Capital	TOTCPP	Industrial	TOTAL SA	13,000	A-1+	P-1	-	4(2) 144A
98	Total Capital Canada Ltd	TOTCCA	Industrial	TOTAL SA	13,000	A-1+	P-1	-	4(2) 144A
99	Total S.A.	TOTCPP	Industrial	TOTAL SA	13,000	A-1+	P-1	-	4(2) 144A
100	Vanderbilt University	VANDUC	Industrial		675	A-1+	P-1	F1+	3(a)4
101	Variable Funding Capital Corporation	VARFUN	ABCP	TERM RECEIVABLES	30,000	A-1+	P-1	-	4(2) 144A
102	Virginia Electric & Power	VAELE	Industrial		3,000	A-2	P-2	F2	3(a)3
103	Visa International	VISINT	Industrial		500	A-1	P-1	-	3(a)3
104	Weatherford International	WFTCPP	Industrial	WTHRFD INTL LTD	1,500	A-3	P-2	-	4(2) 144A
105	Wells Fargo & Co.	WFCNEW	Financial		10,000	A-1+	P-1	F1+	3(a)3
106	Westpac Banking Corporation	WSTPAC	Financial		45,000	A-1+	P-1	F1+	4(2) 144A
107	Wisconsin Power & Light	WPH	Industrial		250	A-2	P-1	-	3(a)3
108	WPP CP Finance plc	WPPCP	Industrial	WPP GROUP PLC	1,850	A-2	P-3	-	4(2) 144A
109	Xcel Energy Inc.	XELPP	Industrial		800	A-2	P-2	F2	4(2) 144A
				Total ($)	$ 423,580				
				Total (#)	109				

Source: Wells Fargo Securities

Disclaimer

This document and any other materials accompanying this document (collectively, the "Materials") are provided for general informational purposes. By accepting any Materials, the recipient thereof acknowledges and agrees to the matters set forth below in this notice.
Wells Fargo Securities makes no representation or warranty (express or implied) regarding the adequacy, accuracy or completeness of any information in the Materials. Information in the Materials is preliminary and is not intended to be complete, and such information is qualified in its entirety. Any opinions or estimates contained in the Materials represent the judgment of Wells Fargo Securities at this time, and are subject to change without notice. Interested parties are advised to contact Wells Fargo Securities for more information.
The Materials are not an offer to sell, or a solicitation of an offer to buy, the securities or instruments named or described herein.
The Materials are not intended to provide, and must not be relied on for, accounting, legal, regulatory, tax, business, financial or related advice or investment recommendations. No person providing any Materials is acting as fiduciary or advisor with respect to the Materials. You must consult with your own advisors as to the legal, regulatory, tax, business, financial, investment and other aspects of the Materials.
Wells Fargo Securities is the trade name for certain capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Securities, LLC, member FINRA and SIPC, and Wells Fargo Bank, National Association.
Notwithstanding anything to the contrary contained in the Materials, all persons may disclose to any and all persons, without limitations of any kind, the U.S. federal, state or local tax treatment or tax structure of any transaction, any fact that may be relevant to understanding the U.S. federal, state or local tax treatment or tax structure of any transaction, and all materials of any kind (including opinions or other tax analyses) relating to such U.S. federal, state or local tax treatment or tax structure, other than the name of the parties or any other person named herein, or information that would permit identification of the parties or such other persons, and any pricing terms or nonpublic business or financial information that is unrelated to the U.S. federal, state or local tax treatment or tax structure of the transaction to the taxpayer and is not relevant to understanding the U.S. federal, state or local tax treatment or tax structure of the transaction to the taxpayer.
IRS Circular 230 Disclosure:
To ensure compliance with requirements imposed by the IRS, we inform you that any tax advice contained in the Materials is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax penalties or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

WELLS FARGO SECURITIES

Global Banking & Markets

RBS
The Royal Bank of Scotland

Discussion Materials

ppl

June 29, 2011

PPL's Coverage Team

US Power & Utilities

Mike Keating
Managing Director
Head of Power & Infrastructure
+1 203 897 9544
michael.keating@rbs.com

Peter Bickford
Managing Director
+1 203 897 3660
peter.bickford@rbs.com

Asha Kostrzewa-Millet
Director
+1 203 897 3578
asha.kostrzewa-millet@rbs.com

Orhan Sarayli
Director
+1 203 897 3620
orhan.sarayli@rbs.com

Gabe Martín
Associate
+1 203 897 3740
gabe.martin@rbs.com

Commercial Paper

Paul Feidelson
Managing Director
Global Head of Commercial Paper
+1 203 897 4642
paul.feidelson@rbs.com

Joann Petrossian
Managing Director
Global Head of Origination
+1 203 897 4642
joann.petrossian@rbs.com

Interest Rate Derivatives

David Park
Managing Director
+1 203 897 6305
david.park@rbs.com

Liz Kelly
Vice President
+1 203 897 6305
elizabeth.kelly@rbs.com

Corporate Finance Advisory

Jim Kuster
Managing Director
Head of CFA, Americas
+1 203 897 1359
jim.kuster@rbs.com

Sherif Lotfi
Managing Director
Head of CFRS, Americas
+1 203 897 1328
sherif.lotfi@rbs.com

Foreign Exchange

Nitin Gupta
Director
+1 203 897 6400
nitin.r.gupta@rbs.com

Asset Finance

Shane Butler
Vice President
+1 203 897 3483
shane.butler@rbsaf.com

Debt Capital Markets

Jennifer Powers
Managing Director
Head of NA Credit Markets
+1 203 897 6123
jennifer.powers@rbs.com

Victor Forte
Managing Director
Co-Head of Global Syndicate
+1 203 897 9676
victor.forte@rbs.com

John McCabe
Managing Director
Head of US Inv. Grade Syndicate
+1 203 897 6148
john.j.mccabe@rbs.com

Okwudiri Onyedum
Director
+1 203 897 6235
okwudiri.onyedum@rbs.com

Mark Frenzel
Director
+1 203 897 2974
mark.frenzel@rbs.com

Convertibles / Equity-Linked

Krystian Mialkowski
Managing Director
+1 203 897 9812
krystian.mialkowski@rbs.com

Ilyas Amlani
Associate
+1 203 897 4657
ilyas.amlani@rbs.com

Loan Markets

Peter Harrington
Managing Director
+1 203 897 3247
peter.harrington@rbs.com

Karen Vardi
Vice President
+1 203 897 3735
karen.vardi@rbs.com

Brittany Starck
Associate
+1 203 897 3385
brittany.starck@rbs.com

RBS

Denotes meeting attendees

ppl

Contents

PPL / RBS Relationship Overview

PPL / RBS Relationship Focus

Relationship Overview

- RBS has actively uptiered the PPL relationship since 2010. In addition to serving as M&A advisor on the sale of two Long Island power plants in early 2010, RBS played lead financing roles on both the E.ON US and E.ON UK acquisitions
  - Joint Lead Arranger and Bookrunner on PPL's Energy Supply's $4Bn RCF
  - Joint Bookrunner on Kentucky Utilities' $1.5BN issuance in November 2010
  - Joint Bookrunner on PPL WEM Holdings $960MM issuance in April 2011
  - Co-Arranger and Joint Bookrunner on GBP 1.4BN issuance in May 2011
  - Co-Arranger and Joint Bookrunner on GBP 100MM index-linked bond in May 2011
- RBS is keen to become PPL's primary debt and risk management bank. As such, we look to continue growing our relationship going forward with a focus on:
  - Continued capital support
  - Providing value-added advice and lead roles across loan, risk management, debt and equity capital market raising opportunities in the US and UK
  - Actively supporting PPL's risk management programs

Western Power Distribution (East Midlands) plc
GBP 100,000,000
Index Linked Bonds due 2043
Co-Arranger and Joint Bookrunner
May 2011 United Kingdom — RBS

Western Power Distribution (East Midlands) plc; (West Midlands) plc
GBP 600,000,000
Fixed Rate Bonds due 2023
GBP 800,000,000
Fixed Rate Bonds due 2032
Co-Arranger and Joint Bookrunner
May 2011 United Kingdom — RBS

PPL WEM Holdings plc
USD 960,000,000
3.900% Notes due 2016
5.375% notes due 2021
Joint Bookrunner
April 2011 United States — RBS

Kentucky Utilities
USD 1,500,000,000
1.625% FMBs due 2015
3.250% FMBs due 2020
5.125% FMBs due 2040
Joint Bookrunner
November 2010 — RBS

PPL Corporation
USD 2,484,000,000
Follow-On Offering
USD 1,150,000,000
9.5% Mandatory
Convertible Preferred Due 2018
Co-Manager
June 2010 United States — RBS

PPL Energy Supply
USD 4,000,000,000
Revolving Credit Facility
Joint Lead Arranger and Bookrunner
June 2010 United States — RBS

PPL Corporation
USD 135,000,000
Sale of Long Island Power Portfolio
M&A Advisor
January 2010 United States — RBS

RBS is a Top-Tier Capital Provider to PPL

Lender	Total
Bank of America, N.A.	$333,333,333
Credit Suisse AG	$333,333,333
The Royal Bank of Scotland plc	$312,000,000
Barclays Bank PLC	$312,000,000
Royal Bank of Canada	$264,000,000
Lloyds TSB Bank PLC	$252,000,000
Wells Fargo Bank, National Association	$221,333,333
Citibank, N.A.	$200,000,000
JPMorgan Chase Bank, N.A.	$200,000,000
Morgan Stanley Senior Funding, Inc.	$200,000,000
UBS Loan Finance LLC	$200,000,000
BNP Paribas	$200,000,000
The Bank of Nova Scotia	$200,000,000
BOTM / Union Bank, N.A.	$200,000,000
Sovereign Bank (Santander)	$180,000,000
Mizuho Corporate Bank	$180,000,000
Credit Agricole	$140,000,000
Deutsche Bank AG New York Branch	$140,000,000
KeyBank National Association	$140,000,000
U.S. Bank, N.A.	$140,000,000
HSBC Bank	$112,000,000
Banco Bilbao - NY	$68,000,000
Bayerische Landesbank	$68,000,000
SunTrust Bank	$68,000,000
Bank of New York Mellon	$68,000,000
PNC Bank, National Association	$40,000,000
Fifth Third Bank	$40,000,000
Wing Lung Bank, Los Angeles Branch	$40,000,000
CIBC Inc.	$40,000,000
Sumitomo Mitsui Banking Corporation	$40,000,000
The Northern Trust Company	$28,000,000
Total	**$4,960,000,000**
No. of Lenders	**31**

Exposure includes core PPL US RCFs and Central Networks £600MM RCFs

RBS's Role to Support PPL's Recent Acquisitions

Financing for E.ON US Acquisition

PPL Energy Supply	
ppl	
USD 4,000,000,000 Revolving Credit Facility Joint Lead Arranger and Bookrunner	
June 2010 United States	RBS

- Following its agreement to acquire E.ON US for $7.7BN, PPL announced plans to raise $5BN via its core revolving credit facilities
- As part of this process, RBS served as Joint Lead Arranger and Bookrunner on the $4BN PPL Energy Supply facility
- The transaction represented one of the first 4-year facilities in the sector

Kentucky Utilities	
KU	
USD 1,500,000,000 1.625% FMBs due 2015 3.250% FMBs due 2020 5.125% FMBs due 2040 Joint Bookrunner	
November 2010 United States	RBS

- In November 2010, RBS acted as Joint Bookrunner on the debut $1.5BN issuance for Kentucky Utilities
- The three-tranche offering consisted of a $250MM 5yr, a $500MM 10yr and a $750MM 30yr tranche

Financing for E.ON UK Acquisition

PPL WEM Holdings plc	
ppl	
USD 960,000,000 3.900% notes due 2016 5.375% notes due 2021 Joint Bookrunner	
April 2011	RBS

- RBS acted as Left Lead on the £2BN debt takeout financing for the PPL E.ON UK acquisition
- As part of the planned takeout financing to support the E.ON UK acquisition, RBS acted as Joint Bookrunner on the debut offering for PPL WEM, a $960MM 5yr and 10yr offering
- This offering marked only the second non-US utility offering in 2011 and the first European utility issuance since Jan 2010
- At $960MM, this offering was one of the 5 largest issues in the USD utility market since the start of 2010

Western Power Distribution (East Midlands) plc; (West Midlands) plc	
WESTERN POWER DISTRIBUTION	
GBP 600,000,000 Fixed Rate Bonds due 2023 **GBP 800,000,000** Fixed Rate Bonds due 2032 Co-Arranger & Joint Bookrunner	
May 2011 United Kingdom	RBS

- RBS was appointed Co-Arranger and Joint Bookrunner on the GBP 1.4BN transaction
- RBS advised WPD and PPL on its capital markets refinancing strategy following its acquisition of Central Networks from E.ON
- The transaction capitalized on strong investor sentiment for the name and favorable market conditions and represents the largest GBP utility bond issuance since September 2009
- The issuance completes the refinancing of the entirety of PPL's acquisition debt in less than 7 weeks since acquisition close

Executive Summary

Commercial Paper Executive Summary

Market Conditions	• Supply/demand dynamics in the market have created a very favorable funding environment for short term borrowers; especially non-financial issuers • As investors look for diversification and incremental yield, a number of Tier II/Tier III borrowers have returned to the market for short term borrowings (versus the bank market)
Applicability to KU/LG&E	• Given the current market environment, a commercial paper program will provide KU/LG&E with the opportunity to manage their cash flow needs efficiently and cost effectively
Core Rec.	• KU/LG&E's decision to establish a commercial paper program will provide KU/LG&E with incremental funding flexibility • The commercial paper program can be sized to KU/LG&E's expected funding needs or it can be consistent with the size of the RCF • In order to achieve optimal execution, KU/LG&E should consider establishing a dealer group with 3-4 dealers
Rationale	• A commercial paper program will provide KU/LG&E the flexibility to take advantage of cost effective funding opportunities beyond the bank market • Commercial paper can be issued to match KU/LG&E's cash flow needs in order to eliminate negative carry associated with borrowing under the bank facility • Additionally, a commercial paper program will enable KU/LG&E to have a consistent short term fixed income presence
Pricing	• Pricing is reflected on a discount basis and is generally reflected as a spread to Libor • Excluding rating agency fees, the program establishment/on going costs are minimal. Rating agency fees (initial and on going) represent the majority of the costs associated with the program
Timing	• The establishment of a commercial paper program takes approximately 4-6 weeks • Once the documentation is completed, KU/LG&E's Dealers will need approximately 2-3 weeks to market the program with investors

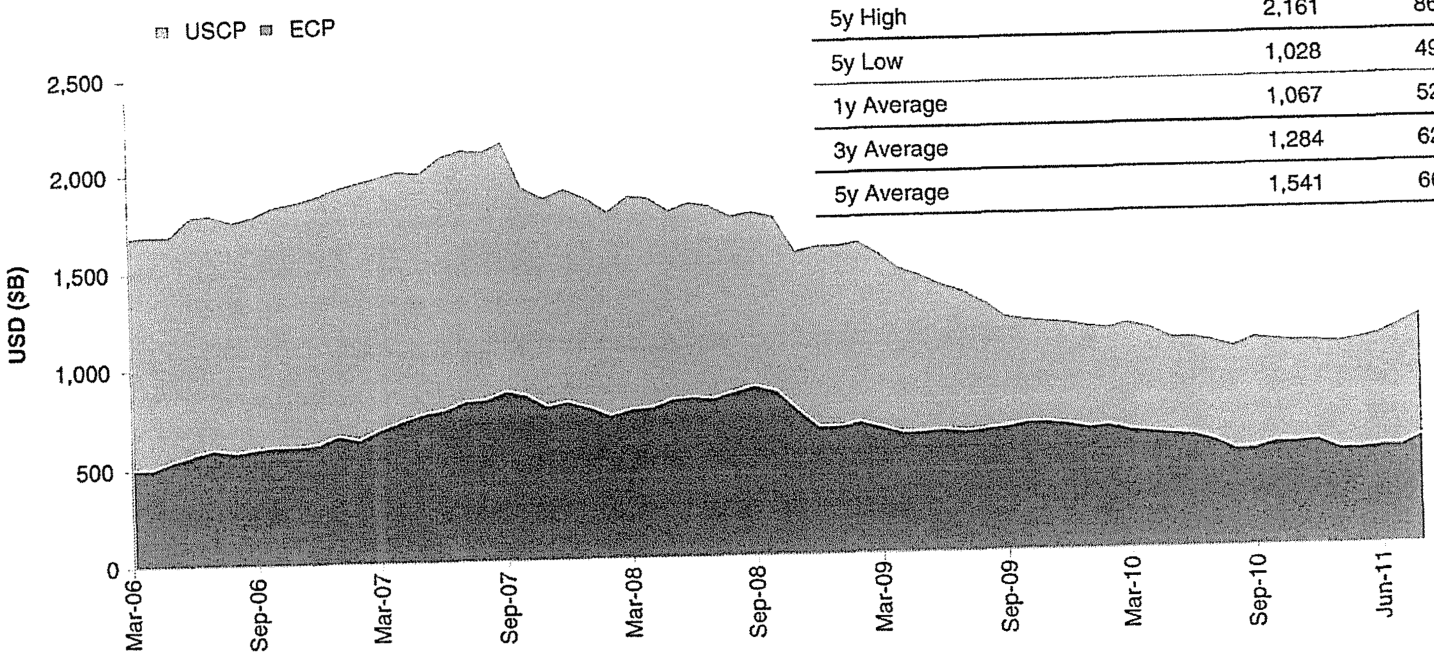
Commercial Paper Market Overview

Global Outstandings Stabilize....

Reduction in the global commercial paper market has stopped and a number of sectors have experienced growth. The decline in outstandings over the previous few years was a result of a number of factors including (but not limited to); reduction of overall economic activity and reduced need for working capital, in addition many borrowers have taken advantage of the historically low term rates and have paid down CP with bond proceeds.

Today, despite corporate cash balances remaining at all-time high levels, the renewed activity in the M&A sector, increased share repurchase programs and sovereign debt funding needs have caused issuers to increase their reliance on the commercial paper market.

Total USCP & ECP Market Outstandings 2006 - YTD

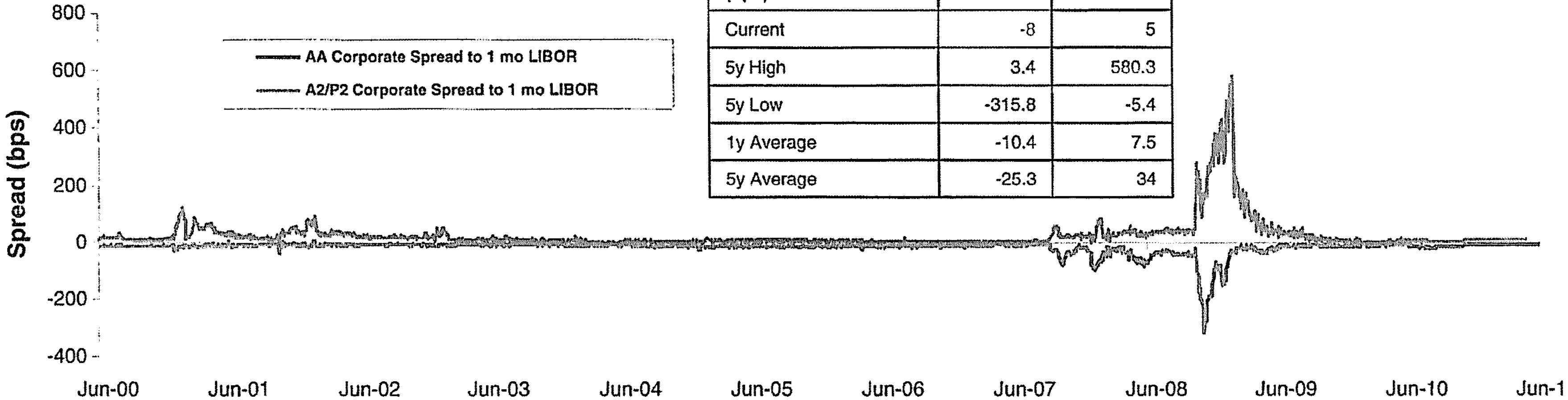


Global CP Statistics ($ bn)	USCP	ECP
Current	1,172	555
5y High	2,161	869
5y Low	1,028	491
1y Average	1,067	524
3y Average	1,284	624
5y Average	1,541	667

Source: CPWare, Federal Reserve

USCP Market Overview

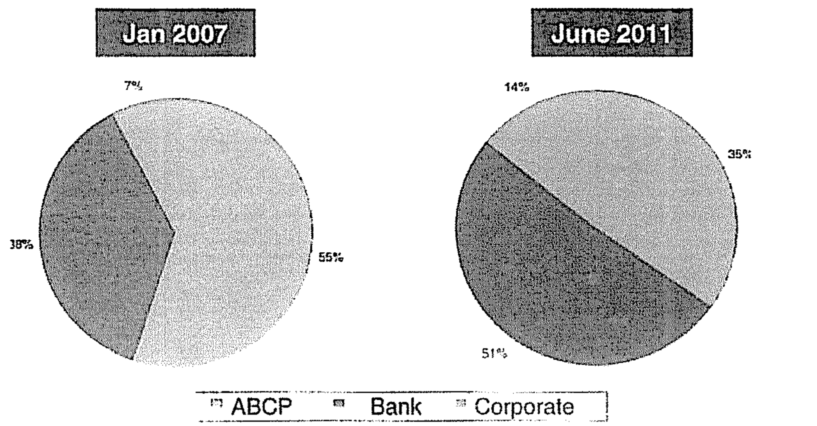
Historical USCP Spreads



Historical Spreads (bps)	Tier I	Tier II
Current	-8	5
5y High	3.4	580.3
5y Low	-315.8	-5.4
1y Average	-10.4	7.5
5y Average	-25.3	34

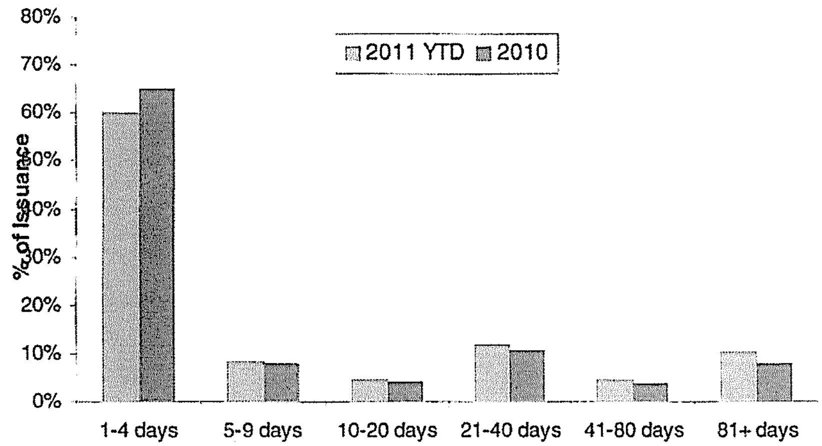
Source: Federal Reserve

Sector composition has shifted



Source: Federal Reserve

While supply remains concentrated in the short dates



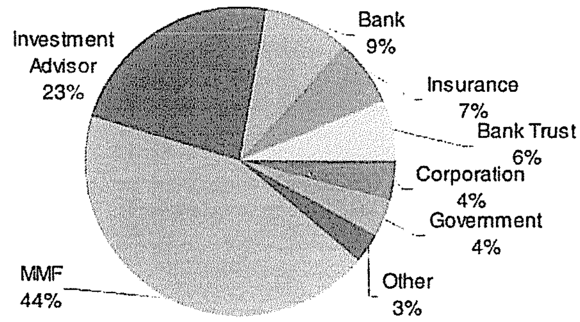
Source: Federal Reserve

USCP Commercial Paper Investors

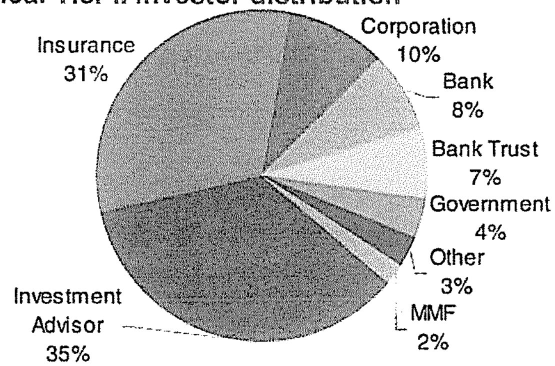
Liquidity in the USCP market is derived from a broad and diverse universe of investors

Investor Type	Description
Bank Portfolios	Manage liquidity to cover banking activities (i.e. withdrawals, loans, redemptions of CDs, etc.)
Bank Trust Departments	Comprise separate accounts for individuals and institutional investors with significant holdings, offering higher yield than a savings account. Each account is managed by an individually assigned portfolio manager. This is different from a money market fund which oversees pooled monies for multiple investors
Corporations	Treasury function used for cash management purposes
Finance Companies	Manage liquidity and invest to develop overall funding strategy
Government Related	Typically comprise state and local governments that maintain liquidity to cover the costs of government administration. Further, maintain liquidity to cover coupon interest payments on bond issuance by government authorities
Insurance Companies	Manage liquidity for property, life and casualty policyholders
Investment Advisor/Money Market Funds	Investment companies that pool money from institutional and individual shareholders to invest in a diversified portfolio of high quality, short-duration assets. These investors are subject to regulation by the SEC and Rule 2a-7
Securities Lender	Uses a portfolio of long-term investments as collateral in the repo market to enhance yield by using cash proceeds to invest in the short-end
Other	Foreign or individual investors

Typical Tier I investor distribution



Typical Tier II investor distribution



Commercial Paper Program Considerations

USCP Indicative Terms and Conditions

Market Size	~$1 trillion
Composition	52% Financial; 35% ABCP; 13% Non Financial
Dealers	3-4 dealers is market standard
Settlement Convention	Same Day, but forward settlement is available
Currencies	USD
Tenor of Notes	1-365 days; 1-3 months most liquid; RBS recommends posting the entire curve (1-12 months) to capture the broadest liquidity available. Active overnight market
Average Maturity	45 days
STEP/Listing	NA
Dealer Fee	Dealer fee usually -5 bps Typically quoted "offered side"
Governing Law	New York Law
Status of Notes	Unsecured, ranking pari passu with all other senior unsecured debt of the Issue
Taxation	Free and clear of withholding tax

Program Considerations

A commercial paper program will provide KU/LG&E with a flexible funding alternative

Benefits:	• Once established, a commercial paper program provides issuers with a relatively cheap source of funding compared to bank funding • A commercial paper programs provide issuers with funding flexibility with regard to maturity dates • Issuers with cyclical funding needs can access the commercial paper market when necessary • A commercial paper program would allow KU/LG&E to establish a short term fixed income market presence with many of the largest fund complexes globally
Establishment & On-going maintenance:	• A commercial paper program can be easily established with minimal start up costs • RBS suggest that KU/LG&E appoint an "Arranger" to the program that will help facilitate the documentation process among the dealer group for KU/LG&E • Once the program is established, it is extremely easy to execute transactions • Virtually no on-going maintenance of program documentation is necessary
Program Participants:	• Issuers will typically establish a dealer group of 3-4 dealers to achieve price competition and access to broader distribution. • Investors prefer to have multiple dealers on a program to achieve better secondary liquidity • KU/LG&E can establish a process to communicate with the Dealer group in an efficient manner that does not create a significant incremental time commitment • KU/LG&E will need to appoint an Issuing & Paying Agent for the program that will maintain an account for KU/LG&E and be responsible for the issuance of the notes and the payment of investors at maturity on behalf of KU/LG&E
Maturity Distribution:	• In order to access the broadest investor base at the optimal pricing structure, KU/LG&E should be prepared to post the broadest maturity curve possible –Although maturities will be concentrated in the shorter dates, longer term opportunities do arise –By posting the curve, KU/LG&E will be well positioned to take advantage of this opportunistic funding

Program Considerations (cont'd)

Timing:	• Once all documentation is complete, KU/LG&E should give the Dealer group at least 2 weeks prior to the initial funding requirement • During this pre-marketing period, Dealers will be working with investors to establish the necessary lines for KU/LG&E
Issuance:	• There is no minimum issuance size, but we recommend KU/LG&E post levels on a consistent basis (at least initially) to ensure access to the broadest investor base • KU/LG&E can reflect desired amounts/tenors by the posting price. This will enable KU/LG&E to obtain desired liquidity but also benefit from reverse inquiry types of trades
Settlement:	• Standard settlement in the USCP market is same-day (cash) • Given the current market environment there is no pricing differential to either settlement practice. However, in certain market conditions (rising interest rate environment, volatile market conditions) liquidity/pricing for forward settlement may be negatively impacted
Program Management:	• The management of the CP program can have a material impact on a program's success –Dealers should have a clear understanding of KU/LG&E' funding goals and communicate a consistent message to investors –KU/LG&E should run a "managed-offered side" program to ensure consistent access to the market

Indicative Pricing/Maturity for KU/LG&E

Short term ratings will have a significant impact on pricing and available liquidity

Ratings	Maturity	Amount	Indicative Pricing*
A1/P1/(F1)	▪ Access to entire money market curve ▪ However maturities generally 6 months and shorter	▪ > $10 billion	▪ L-15 to L-10
A1/P2/F1	▪ Access to entire money market curve ▪ However, maturities generally 3 months and shorter	▪ $5-$7 billion	▪ L -10 to L-5
A2/P2	▪ Majority of the liquidity concentrated within 45 days	▪ $2 billion	▪ L +5 to L +10
A2/P3	▪ Majority of the liquidity concentrated within 30 days or less	▪ TBD	▪ L +30 to L +45

**Indicative pricing versus 1M Libor*

How RBS Executes the Trading Day

Consistent interaction throughout the trading day provides optimal execution

RBS'ss Commercial Paper Trading Process*

6:00AM-7:30AM	■ USCP traders contact London trading desk to check ECP market conditions and analyze overnight news to determine potential impact on U.S. markets ■ LIBOR settings are published; Connect with clients that are prepared to conduct issuance, generally European issuers ■ RBS Short-Term Credit Sales and Trading meeting. Representatives from the Economics, Interest Rates and High-Grade Syndicate attend
7:30AM-10:00AM	■ Sales and trading makes contact with clients ■ Trading desk provides issuers with market intelligence, indicative rate run and funding strategy ■ Issuer provides dealer(s) with allocated funding amount and posted offered-side rates ■ Throughout morning dealer(s) provide Issuer with relevant market feedback: Investor demand, trading landscape and reverse inquiries
10:00AM-12:00PM	■ Process "buy" tickets to ensure efficient payment procedure ■ Make contact with Issuer to recap daily funding and to determine residual funding needs (if any) ■ Finalize confirms of all trading activity with Issuer and back office
12:00PM-6:00PM	■ Settlement of all trades occur among IPA, Dealers and Investors ■ IPA credits Issuer's account with proceeds from issuance ■ Traders go over next day's maturities and will contact Issuer with initial investor feedback

*Times indicated based on EST

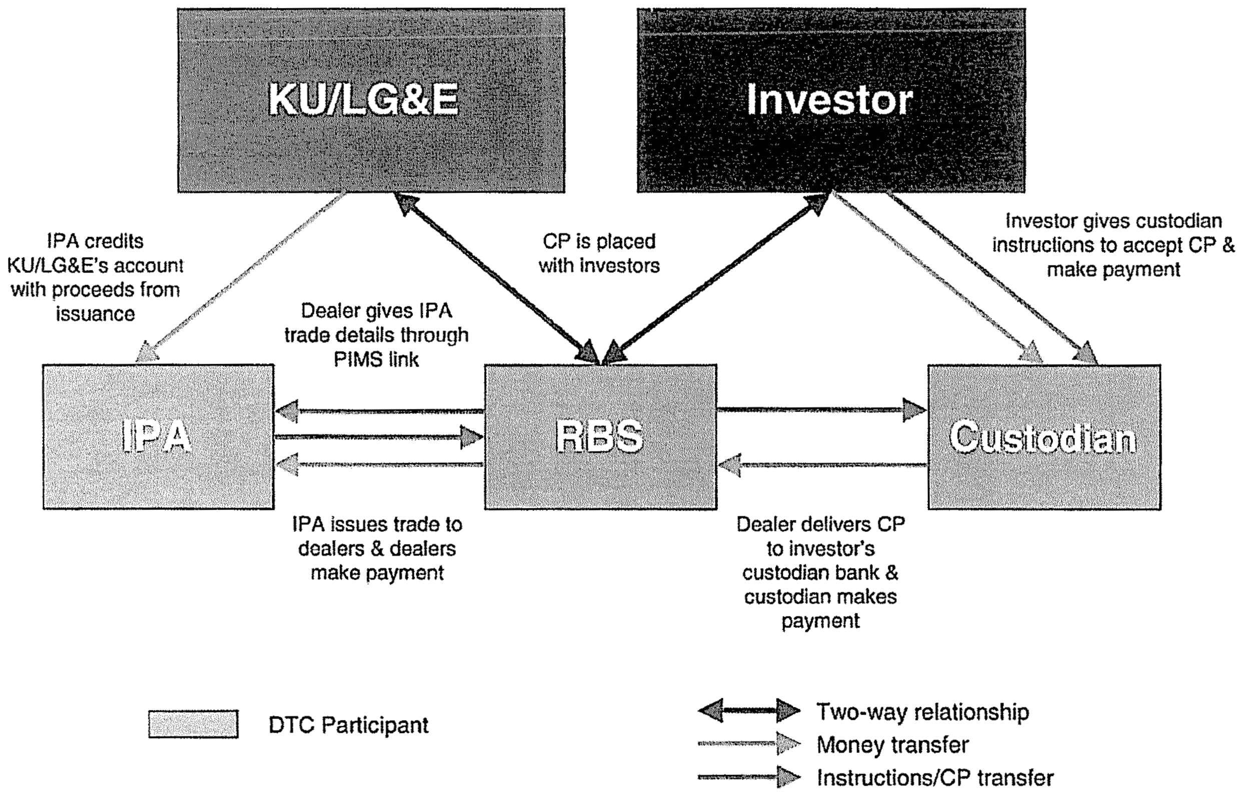
Commercial Paper Program Management Considerations

It is our experience that a "managed offer side" program will provide KU/LG&E with greatest access to the broadest universe of investors at the optimal pricing available

	Process	Pros	Cons
Managed Offer Side	▪ Offered side pricing ▪ Daily clearance of paper (dealers do not inventory paper) ▪ Flexible maturity postings	▪ Consistent pricing in the market will allow investors to appropriately value an issuer's credit ▪ Dealers are discouraged from inventorying paper as this will compete against future issuance and cause pricing discrepancies ▪ Maturity flexibility will allow issuers access to date specific and rate insensitive investors	▪ Incremental time commitment from the issuer
Constant Daily Percentage	▪ All-in or Offered side pricing ▪ Daily clearance of paper (dealers do not inventory paper) ▪ Flexible maturity postings	▪ Consistent pricing in the market will allow investors to appropriately value an issuer's credit ▪ Dealers are discouraged from inventorying paper as this will compete against future issuance and cause pricing discrepancies ▪ Maturity flexibility will allow issuers access to date specific and rate insensitive investors	▪ Incremental time commitment from the issuer ▪ Consistent allocation does not incentivize dealers to consistently develop and expand investor liquidity
Bid Wanted	▪ All-in pricing ▪ Dealer "owns" paper and places paper on balance sheet ▪ No maturity flexibility	▪ Minimal time commitment	▪ Issuer loses control of pricing ▪ Limited "true" investor liquidity as dealers use balance sheet to determine liquidity ▪ Inventoried paper competes against future issuance ▪ No clear offered side level established

US Commercial Paper Issuance Procedures

Issuance Mechanics



- RBS places commercial paper with investors
- Investor gives custodian instructions to accept CP & make payment
- RBS gives IPA trade details through PIMS link
- IPA issues trade to RBS and RBS makes payment
- RBS delivers CP to investor's custodian bank & custodian makes payment
- IPA credits KU/LG&E's account with proceeds from issuance

Documentation and Timeline

U.S. Commercial Paper Program Exemptions

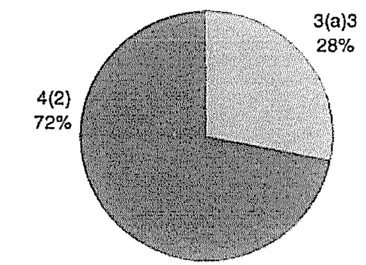
4(2) exemption provides issuers with incremental funding flexibility

- **U.S. commercial paper is exempt from registration with the SEC under either Section 3 ("Exempted Securities") or Section 4 ("Exempted Transactions") of the Securities Act of 1933**

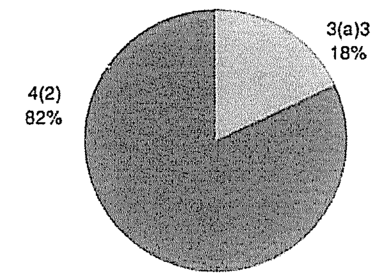
- ***3(a)(3(program ("Section 3")***
  - Issuer has the ability to borrow money for "current transactions", which the SEC has deemed to include accounts receivable, inventories and any other liquid assets.
  - Maximum maturity of 270 days

- ***4(2) ("Section 4')***
  - Exempts securities sold in "private placement."
  - No restriction on use of proceeds.
  - Sold only to "accredited" investors or "QIB's" as defined in Rule 144A.
  - Maturities of 397 days are possible.

Exemption by number of programs



Exemption by outstandings



Source:Moody's, Bloomberg, RBS

Establishing a US Commercial Paper Program

US Commercial Paper Program - Documents

Document	Description	Responsibility
Dealer Agreement	▪ An agreement between KU/LG&E and RBS that specifies the terms under which the dealer will act with regard to the issuance of the commercial paper notes	▪ KU/LG&E/RBS
Offering Memorandum	▪ A marketing piece outlining the business of KU/LG&E and the terms of the program	▪ KU/LG&E/RBS
Issuing and Paying Agent Agreement	▪ Authorizes a bank, acting as an agent for KU/LG&E, to issue commercial paper notes and pay investors at maturity	▪ KU/LG&E/IPA
Board Resolution and Certificate of Incumbency	▪ KU/LG&E' Board of Directors must approve the borrowing of funds and designate officials authorized to arrange borrowings on behalf of the Company	▪ KU/LG&E
Securities Law Opinion	▪ States that commercial paper notes are exempt from registration under the Securities Act of 1933 pursuant to Section 3 or Section 4	▪ KU/LG&E/Legal Counsel
Corporate Opinion	▪ States that the borrower is duly organized, valid existing and in good standing; the Company has the corporate power and authority to execute, deliver and perform its obligations; the notes have been duly authorized executed and delivered; and are legal, valid, binding and enforceable obligations of the issuer	▪ KU/LG&E/Legal Counsel
Guarantee (if applicable)	▪ The Guarantee is a guaranty of the due and punctual payment (and not merely of collection) of the principal of and interest, if any on the notes by the issuer	▪ KU/LG&E
Master Note/DTC Letter of Representation	▪ Provides terms under which the notes are traded under the "Book-Entry" system	▪ KU/LG&E/DTC/IPA
Confirmation of Program Ratings	▪ Letters from [Standard & Poor's/Moody's/Fitch] establishing ratings for the program	▪ KU/LG&E/Rating Agencies

Establishing a US Commercial Paper Program

Timeline

June 2011

M	T	W	T	F	S	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

July 2011

M	T	W	T	F	S	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

August 2011

M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Week of	Action	Responsibility
Week 1	Prepare and distribute term sheet and working group list	RBS
	Schedule and conduct organizational call – discuss selection of Issuing & Paying Agent	RBS
	Contact rating agencies regarding CP program details	KU/LG&E
Week 2	Distribute 1st draft of Dealer Agreement and Information Memorandum to KU/LG&E & KU/LG&E's Council	RBS
	Commence processing other required commercial paper documents	KU/LG&E/KU/LG&E's Counsel
	Board Authorization of Borrowing	
	Guarantee	
	Certificate of Incumbency	
	Legal opinions	
	Issuing and Paying Agent Agreement	
	Physical Note/Master Note	
Week 3	Provide comments on Program Documents	KU/LG&E/KU/LG&E's Counsel
	Distribute revised draft of Program Documents to KU/LG&E and KU/LG&E's Counsel	RBS
	Make comments on Program Documents	KU/LG&E/KU/LG&E's Counsel

Establishing a US Commercial Paper Program

Timeline

June 2011

M	T	W	T	F	S	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

July 2011

M	T	W	T	F	S	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

August 2011

M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Week of	Action	Responsibility
Week 4-5	Distribute revised draft of Program Documents to all Dealers	RBS
	Send draft of Program Documents to rating agencies	KU/LG&E
	Make comments on Program Documents	All Dealers
	Finalize Program Documents	KU/LG&E/KU/LG&E's Counsel/RBS
	Signing; receive letters from rating agencies confirming ratings; all legal opinions and ancillary documents received	KU/LG&E/KU/LG&E's Counsel/Dealers
	Begin marketing period	Dealers
Week 6-8	Commence issuing	KU/LG&E/Dealers

What is the Optimal Number of Dealers?

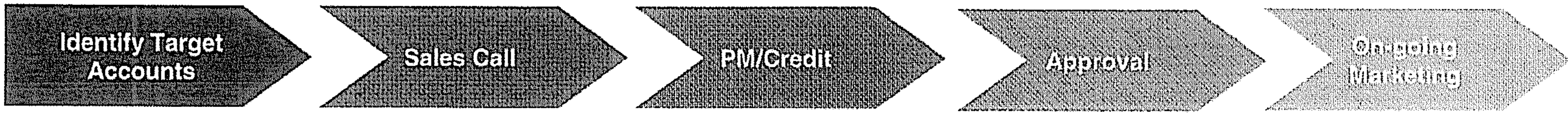
Dealer selection considerations:

- There is no market standard size for a CP program dealer group; however most active issuers utilize a minimum of 3 dealers
- There continues to be a misplaced assumption by issuers that too many dealers will dilute the offering size per dealer and as a result reduce potential investor appetite. **In fact, investors prefer programs with multiple dealers:**
  - Investor liquidity is essential to a programs success; Investors access to secondary liquidity is limited to mandated dealers (i.e., dealer group)
  - Dealer balance sheets are contracting... By definition less support
- In order to maintain the necessary price tension, broad investor distribution/liquidity a commercial paper program should employ a larger dealer group than the historical average
- Dealer group should not be determined based on size of program outstandings
- Issuers should afford themselves the opportunity to leverage multiple platforms in order to accurately identify market trends, dynamics and liquidity
- It is critical that your dealer group have a global presence and is aligned with the firm's origination effort – This will provide you with the necessary understanding of your liquidity and most advantageous market execution and service across the curve

Marketing and Investor Development

Investor Education is the Cornerstone to a Program's Success

A targeted investor approach will ensure that KU/LG&E has access to broadest funding opportunities



- Based on RBS's knowledge of current market conditions and through our proprietary investor database, RBS will conduct a comprehensive investor analysis for KU/LG&E
  - Our target list of investors will include those investors with the highest likelihood of establishing and utilizing the lines to KU/LG&E
  - The target investors will be identified based on KU/LG&E' funding goals in conjunction with the investors' investing guidelines/behavior
  - RBS will manage the "allocation" process for KU/LG&E to ensure a broad and diverse universe of liquidity

    -RBS will manage investor concentration on behalf of KU/LG&E
- Educating RBS's salesforce regarding an issuer's credit story and funding goals is a critical component of our marketing strategy and this it is an "on-going" process. This affords our sales force to clearly articulate the relative value of the program to existing and potential investors
- A two-pronged approach to investor approval results in a higher likelihood of success
  - Including both the Portfolio and Credit Analyst in the approval process will ensure the most appropriate line is established/modified
  - This approach will also ensure the line will have the highest utilization rate possible
- RBS will continue to update KU/LG&E on developments with their investor base

  -Given RBS's unique organizational structure of incorporating the commercial paper business into the syndicate business, RBS is uniquely positioned to identify term financing opportunities for KU/LG&E

RBS's Commercial Paper Franchise

Global Commercial Paper Coverage Team

Global Commercial Paper Trading

Paul Feidelson
Managing Director
Global Head of Commercial Paper
+203 897 4642
paul.feidelson@rbs.com

Ian Bedford
Director
Head of ECP
+44 20 7085 1226
ian.bedford@rbs.com

Mike Andrew
Director
ECP Trading
+44 20 7085 1224
michael.andrew@rbs.com

Chris Bryan
Director
ECP Trading
+44 207 085 1215
chris.bryan@rbs.com

Mike McLaughlin
Vice President
USCP Trading
+1 203 897 4715
Micahael.mclaughlin@rbs.com

Tom Giardino
Director
USCP Trading
+1 203 897 4715
tom.giardino@rbs.com

Origination/Marketing

Joann Petrossian
Managing Director
Global Head of Commercial Paper Origination
+1 203 897 4691
joann.petrossian@rbs.com

Jason Bear
Analyst
Commercial Paper/Syndicate
+1 203 897 9837
jason.bear@rbs.com

Sean Hayes
Analyst
Commercial Paper/Syndicate
+1 203 897 4831
sean.hayes@rbs.com

Legal

David Hopkins
Managing Director
Head of GBM Legal
+44 20 7085 1706
david.hopkins@rbs.com

Chris Spitler
Senior Vice President and Counsel
+203 897 2901
christopher.spitler@rbs.com

RBS
The Royal Bank of Scotland

Short Term Credit Strategy

Simon Peck
European Short Term Credit Strategy
+44 20 7 085 1931
simon.peck@rbs.com

Jim Lee
Managing Director-US Short Term Credit Strategy
+1 203 897 4652
jim.lee@rbs.com

Roadshow

Emily Thompson
Roadshow Coordinator
+44 20 7085 6274
emily.thompson@rbs.com

Beth Stefano
Roadshow Coordinator
+1 203 897 6872
beth.stefano@rbs.com

Global Commercial Paper Sales

Graham Broyd
Managing Director
Global Head of Short Term Markets Sales
+44 207 085 7608
graham.broyd@rbs.com

Richard Norval
Managing Director
Head of Short Term Markets Sales, U.K.
+44 20 7 085 3942
richard.norval@rbs.com

Steve Monroe
Managing Director
Head of Short Term Markets Sales, Americas
+1 203 897 9290
stephen.monroe@rbs.com

Tak Eng
Managing Director
Head of Short Term Markets Sales, Hong Kong
+852 2966
tak.eng@rbs.com

Frank Olgers
Managing Director
Head of Short Term Markets Sales, Germany
+31 20 464 3729
Frank.olgers@rbs.com

Frédéric Thomine-Desmazures
Managing Director
Head of Short Term Markets Sales, France
+33 1 5506 2744
frederic.thomine-desmazures@rbs.com

RBS's USCP Capabilities & Key Strengths

RBS Will Add Value to KU/LG&E's Dealer Group

People/Expertise

- **RBS has an expansive team with 45 professionals dedicated globally to the money markets. This ensures that KU/LG&E will receive unparalleled commercial paper execution and service**
  - The senior members of sales, trading and origination have an average of 18 years of industry experience and are able to provide our clients with unparalleled market advise and execution in all market conditions
  - RBS covers a broad and diverse universe of commercial paper investors-we cover approximately 450 short term investors across the US

Approach

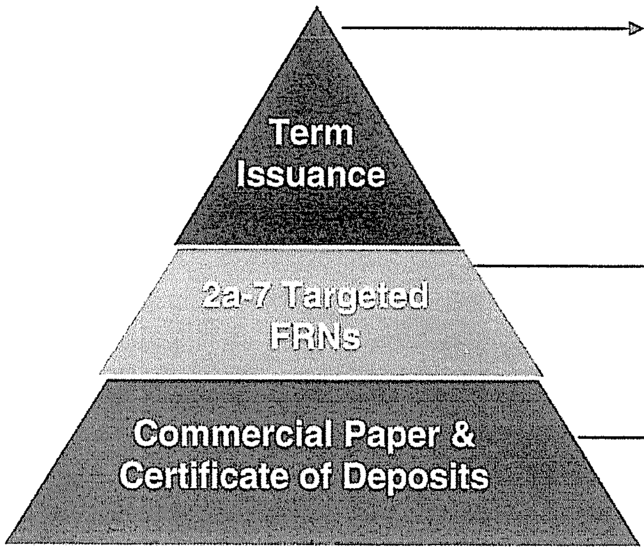
- **RBS's unique approach to the market will provide KU/LG&E with the broadest liquidity at the optimal pricing structure**
  - RBS's global commercial paper business, unlike our market peers, is strategically positioned in the Global High Grade Corporate Syndicate business. This affords us the ability to identify global market trends/dynamics and assist in delivering optimal advice to our clients across capital markets
  - RBS's strategy on investor development and marketing will solidify and increase liquidity for KU/LG&E

Market Presence

- **RBS represents the entire spectrum of commercial paper issuers including ABCP, Financial, Non Financial and Certificate of Deposit programs**
  - RBS's global commercial paper franchise maintains approximately $180 billion of outstandings
  - Our market presence allows us to accurately identify market trends and provide clients with timely and relevant market intelligence
  - Currently, RBS performs above its pro-rata share on virtually all of the mandated programs we represent in the market

Foundation for our Fixed Income Credit Business

A coordinated effort will ensure that our clients have access to innovative debt opportunities and solutions



Term Issuance (*18 month & longer*)

- There are significant synergies between 2(a)7 issuance/demand and 18 month and longer activity
- Direct and constant communication with investors off the commercial paper and high-grade syndicate desk gives RBS and its clients the best insight into investors' mindset

Extendible Notes & 2a-7 Targeted Floating Rate Notes

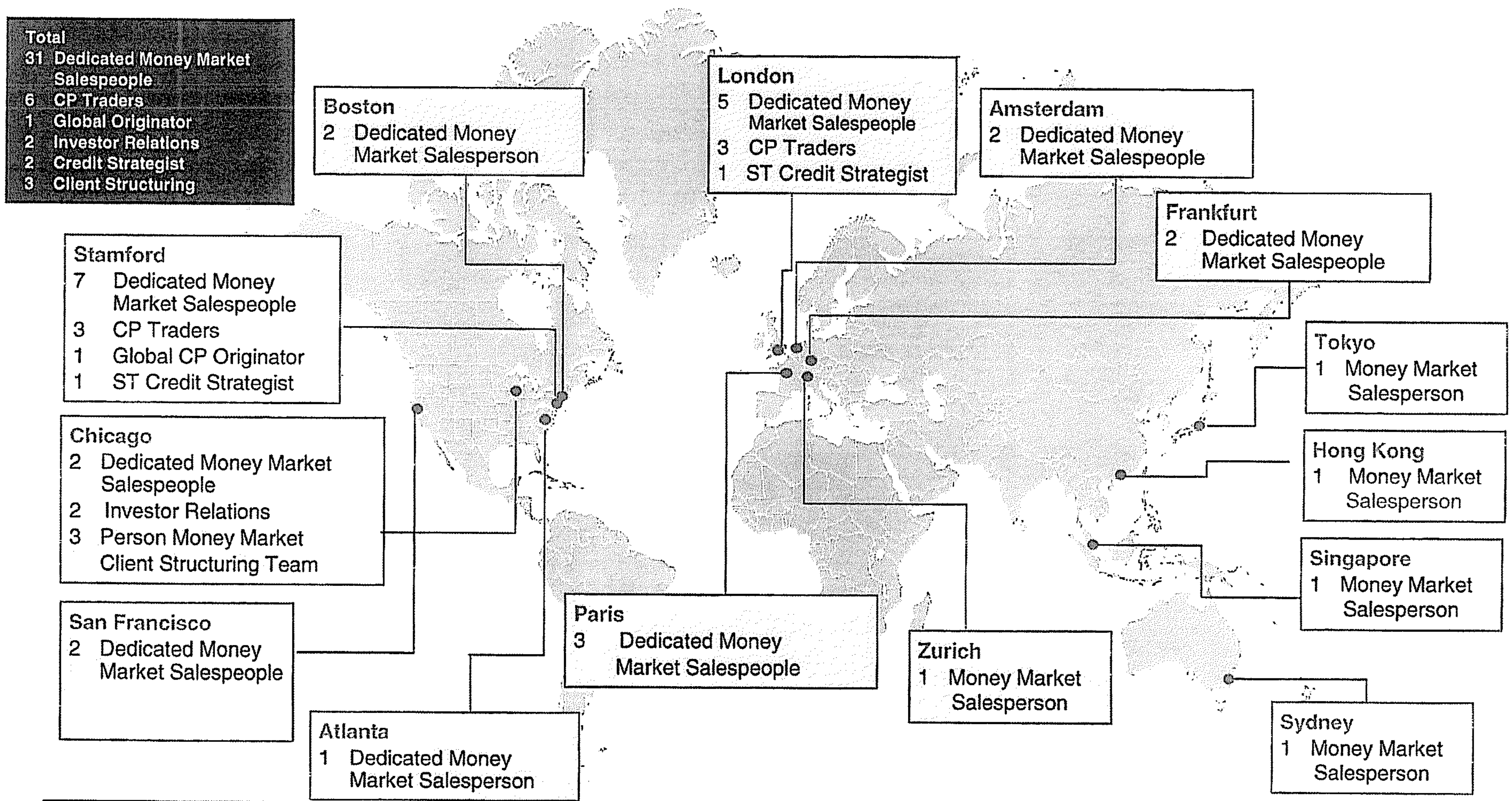
- Leverage existing CP/CD relationships for issuance beyond traditional CP/CD demand

Commercial Paper & Certificate of Deposits ("CP/CD")

- A global CP platform is an integral part of the overall origination effort
  - Provides a daily point of contact with issuers and investors
  - Offers clients with "real-time" market information
  - Continues to provide over two trillion dollars of financing

Global Reach, Local Relationships

Across the world, our team is committed to maximizing solutions and opportunities for our clients



Unparalleled Senior Short Term Sales and Trading Leadership

Sales, Trading and Origination teams are comprised of individuals with vast industry experience

Sales Professionals	Years In Business	Experience	Trading Professionals	Years In Business	Experience
Steve Monroe	23	**Head of Sales** BGI, JPMorgan	Paul Feidelson	18	**Head of Trading** BarCap (LEH)
Will Goldthwait	18	**Boston** Merrill Lynch	Matt Chasin	18	**Head of STMF** Bear Stearns
Brian McCarthy	20	**New York** Lehman Brothers	Joann Petrossian	18	**Head of Origination** BarCap (LEH)
John Guss	20	**New York** Goldman Sachs	Ian Bedford	22	**Head of ECP Trading** RBS Securities
Marcy Wilks	18	**New York** RBS Greenwich	Michael McLaughlin	10	**USCP Trading** BarCap (LEH)
Chris Monaco	19	**New York** ABN AMRO	Tom Giardano	17	**USCP Trading** UBS Securities
Scott Lewis	20	**Atlanta** Deutsche Bank	Michael Andrew	15	**ECP Trading** RBS Securities
Bill Jordan	14	**San Francisco** Goldman Sachs	Chris Bryan	12	**USCP Trading** Barclays Capital
Joe Duris	15	**Chicago** JPMorgan	John Graber	15	**Short Term Trading** Lehman Brothers

RBS Management Provides Depth and Breadth of Experience

Paul Feidelson – Managing Director, Global Head of Short Term Credit Trading

- Paul joined RBS from Barclays, where he most recently headed the Investment & Product Platform for Barclays Wealth in the Americas, following the acquisition of Lehman Brothers in September 2008. Prior to that, he served as the senior and founding member of the Special Investments Group at Lehman, where he was responsible for managing the syndicate process for that firm's private equity franchise and other special investment opportunities for its Private Investment Management division.
- Before joining the Private Investment Management division, Mr. Feidelson served for three years as Head of the Global Short Duration Credit Business, a role he held while also serving on the High Grade Syndicate desk. He previously spent six years focusing on commercial paper and other short-term products, floating rate notes and medium term notes.

Joann Petrossian – Managing Director, Global Head of Short Term Credit Origination

- Joann joined RBS from Barclays/Lehman with over 18 years of commercial paper experience. At Barclays/Lehman, Joann was the Global Head of Short Term Credit Origination. In this role, Joann assisted all types of commercial paper borrowers with access the short term credit markets. Joann has extensive knowledge of all aspects of the commercial paper market. Prior to her role in Origination, Joann spent 8 years trading all sectors of the commercial paper market.
- Joann was instrumental in the establishment of a number of the recent programs established in the market-SPPE and Royal Park Investments. Additionally, Joann has extensive experience in assisting first time issuers with the necessary documentation and launch strategy; especially surrounding "event driven" financings.

Stephen Monroe – Managing Director, Head of Short Term Market Sales, Americas

- Prior to RBS, Steve was at Barclays Global Investors (BGI) where he was the Global Head of Cash Management. Steve was responsible for developing and executing BGI's overall cash strategy, overseeing approximately $120 billion of securities lending cash collateral, money market mutual funds and sweep related cash products.
- Prior to BGI, Steve was the US Sales Manager of Short Duration Products for JP Morgan Securities, where he spent nine years. Before joining JP Morgan, Stephen held a variety of trading and sales roles at Bankers Trust.

RBS Covers a Broad and Diverse Universe of Short Term Investors

From overnight deposits to floating rate notes, we provide a wide range of short-term investment solutions to all short term investor types – RBS covers over 450 short term investors

Money Market Funds

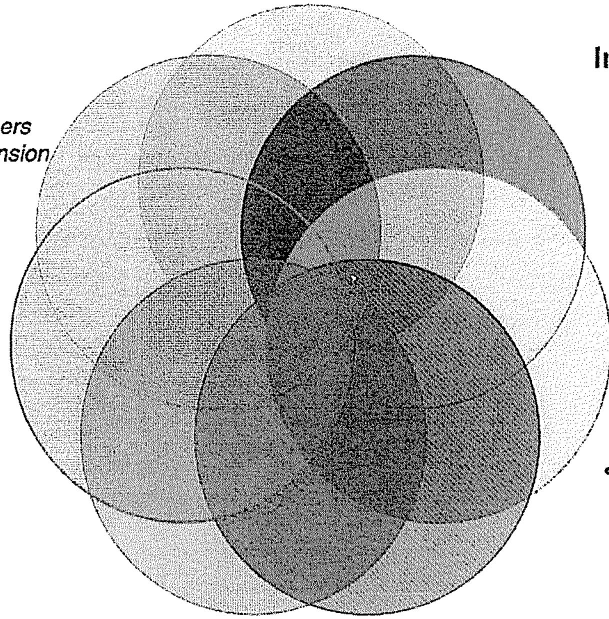
- *Examples include: BlackRock, Charles Schwab, Deutsche Asset, Dreyfus, FAF Advisors, Fidelity, T.Rowe,Vanguard*

Other

- *Examples include: CALPERS, Ontario Teachers, State Teachers Retirement, United Nations Pension*

Investment Advisors

- *Examples include: Bridgewater,, Discovery, Guggenheim, PIMCO, RidgeWorth*



Bank/Trust

- *Examples include: BNY Trust, Northern Trust, State Street Bank & Trust*

Securities Lenders

- *Examples include: BNY Mellon, JPIM, State Street*

Corporate Cash

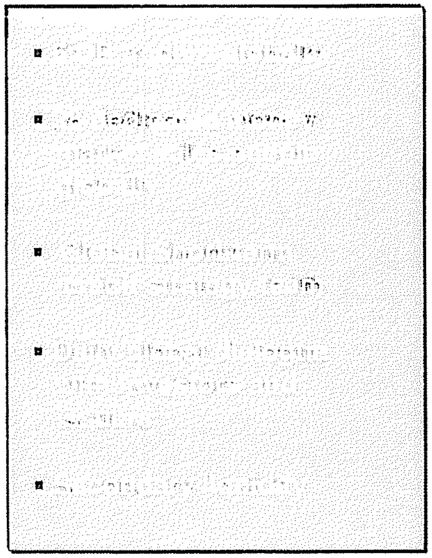
- *Examples include: Boeing, Bristol Myers, Dell, ExxonMobil, Google, Honeywell, Intel*

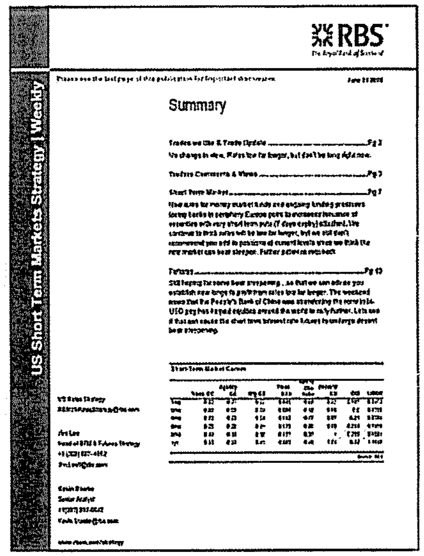
Insurance Companies

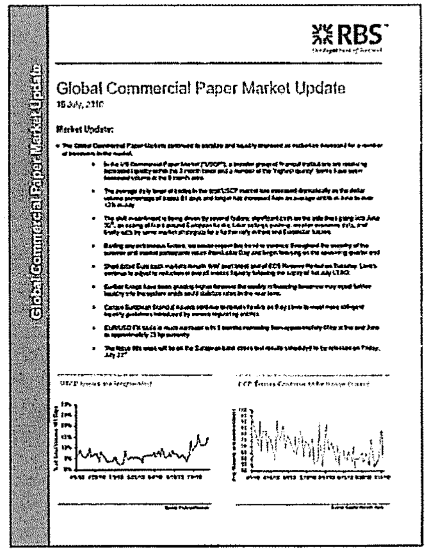
- *Examples include: Aetna, Babson Capital, MetLife, NY Life, Prudential*

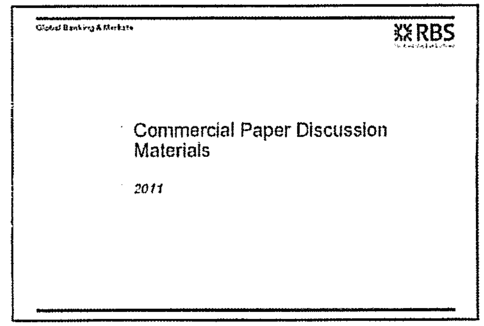
Relevant Global and Real-Time Short Term Market Intelligence

RBS is committed to provide clients with timely and relevant market information so clients can navigate the markets accordingly









Direct point of contact for daily market color, including information relating specifically to an issuer's program	Provides real-time analysis/commentary on short-end market events and trends	Provides commentary on current trends in the global commercial paper market	Program performance review specific to each issuer and full investor transparency

Case Study: RBS Provides Sanofi with Optimal Market Execution

Sanofi-Aventis	
sanofi aventis	
$10,000,000,000 US Commercial Paper Program Dealer	
March 2011	RBS

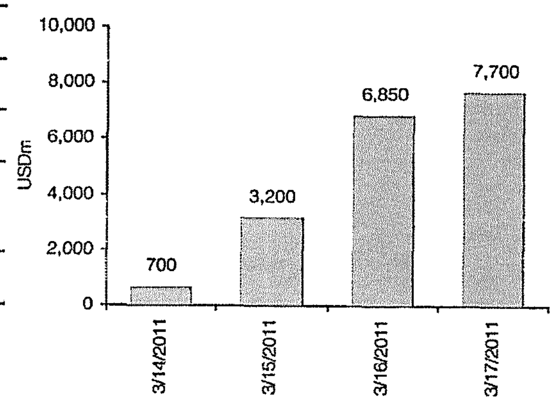
Transaction Recap/Highlights

- Sanofi increased the size of its USCP program to $10 billion in connection with the Genzyme acquisition. RBS was added to Sanofi's long standing dealer group (BAML, Citibank, Deutsche, JP Morgan) in March 2011.
- The initial plan was to raise approximately $5-$7 billion over 15 trading days (Sanofi had approximately $700 million outstanding prior to the ramp up).
- Sanofi targeted the longer end of the money market curve (3 to 7 months), outside of where these is typically significant money market demand.
- Sanofi-Aventis was able to issue the entire $7 billion over 3 trading days at levels consistent with their top tier ratings (A1+/P1).
- Given the increase in outstandings, many new investors established credit lines to Sanofi. Demand was garnered from a cross-section of buyers: *Money Market Funds, Investment Advisors, Insurance Companies* and *Banks*
- ***Despite recently being mandated on the program, RBS played a significant role representing 26% of the $7 billion ramp up, well above our pro-rata share.***

Key terms

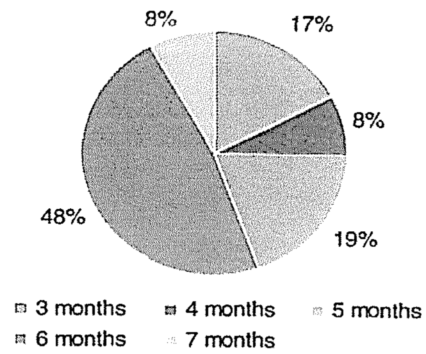
Issuer	Sanofi-Aventis
Rating	A1+/P1/F1+
Instrument	USCP
Amount	$10,000,000,000
Closing	March 7, 2011
Launch	March 15, 2011
Current Outstanding	$7.7 billion
RBS Role	Dealer

Sanofi-Aventis - Progression of USCP Outstandings



Source: RBS

Breakdown of Issuance (through RBS)



Source: RBS

RBS

ppl

RBS's Recent Commercial Paper Mandates

Issuer	Amount	Type	Ratings	Year	Bank
AGL Capital Corp.	$1,140,000,000	Unsecured CP	A2/P2/F1	2010	RBS
Air Products and Chemicals, Inc.	$1,500,000,000	Unsecured CP	A1/P2	2010	RBS
Baltimore Gas & Electric	$400,000,000	Unsecured CP	A2/P2/F2	2010	RBS
Banesto	$3,000,000,000	Unsecured CP	A1/P1/F1	2011	RBS
BAT International Finance	$2,000,000,000	Unsecured CP	A2/P2/F2	2011	RBS
CADES	$60,000,000,000	Unsecured CP	A1+/P1/F1+	2011	RBS
Colonial Pipeline	$375,000,000	Unsecured CP	A1/P1	2011	RBS
Computer Sciences Corp.	$1,500,000,000	Unsecured CP	A2/P2/F2	2011	RBS
Daimler	$3,000,000,000	Unsecured CP	A2/P2	2011	RBS
Devon Energy	$5,000,000,000	Unsecured CP	A2/P2/F2	2011	RBS
Excel Paralubes	$150,000	Unsecured CP	A2/P2	2010	RBS
Home Depot	$3,250,000,000	Unsecured CP	A1/P1	2011	RBS
Mattel Inc.	$1,080,000,000	Unsecured CP	A2/P2	2010	RBS
MidAmerican Energy	$450,000,000	Unsecured CP	A2/P1/F1	2010	RBS
National Rural Utilities	$12,000,000,000	Unsecured CP	A1/P1/F1	2011	RBS
Network Rail	$4,000,000,000	Unsecured CP	A1+/P1/F1+	2011	RBS
New York Stock Exchange	$3,000,000,000	Unsecured CP	A1/P2	2011	RBS
Northern States Power	$150,000,000	Unsecured CP	A2/P2/F1	2011	RBS
OGE Energy Corp.	$600,000,000	Unsecured CP	A2/P2/F1	2010	RBS
PacifiCorp	$1,500,000,000	Unsecured CP	A2/P2/F2	2010	RBS
Pacific Life Insurance	$700,000,000	Unsecured CP	A1/P1/F1	2010	RBS
Progress Energy	$2,500,000,000	Unsecured CP	A2/P2	2011	RBS
Southern California Edison	$2,000,000,000	Unsecured CP	A2/P2/F2	2011	RBS
Sanofi	$10,000,000,000	Unsecured CP	A1+/P1/F1+	2011	RBS

Disclaimer

This document has been prepared by The Royal Bank of Scotland plc and/or RBS Securities Inc. (collectively 'RBS's) exclusively for the benefit and internal use of the RBS client to whom it is directly addressed and delivered ("Client") in order to assist the Client in evaluating, on a preliminary basis, the feasibility of a possible transaction. It has been prepared for discussion and information purposes only. The information contained in this document is confidential and proprietary to RBS and should not be distributed, directly or indirectly, to any other party without the written consent of RBS. The information in this presentation is based upon management forecasts and reflects prevailing conditions and our views as of this date- all of which are subject to change without notice. In the preparation of this presentation RBS has relied upon and assumed, without independent verification, the accuracy and completeness of all information available from the public sources or which was provided to us by or on behalf of the Client. We make no representation or warranty (express or implied) of any nature, nor do we accept any responsibility or liability of any kind, with respect to the accuracy or completeness of the information in this presentation. RBS does not undertake a duty or responsibility to update these materials or to notify you when or whether the analysis has changed. This shall not, however, restrict or exclude or limit any duty or liability to a person under any applicable laws or regulations of any jurisdiction which may not lawfully be disclaimed.

Changes to assumptions made in the preparation of this presentation may have a material impact on results. While the information contained in these materials is believed to be reliable, no representation or warranty, whether express or implied, is made and no liability or responsibility is accepted by RBS or its affiliates as to the accuracy or completeness thereof.

RBS transacts business with counterparties on an arm's length basis and on the basis that each counterparty is sophisticated and capable of independently evaluating the merits and risk of each transaction and that the counterparty is making an independent decision regarding any transaction. This presentation is not intended as an offer or the solicitation of an offer to buy or sell any securities as defined under US Securities law.

RBS is not, by making this presentation available, providing investment, legal, tax, financial, accounting or other advice to the Client or any other party. RBS is not acting as an advisor or fiduciary in any respect in connection with providing this information, and no information or material contained herein is to be relied upon for the purpose of making or communicating investment or other decisions nor construed as either projections or predictions. RBS and its affiliates, connected companies, employees or clients may have an interest in the financial instruments mentioned in this document. RBS deal team members may be officers of any of the foregoing entities.

A recipient of this document should not rely on any representation or undertaking inconsistent with the above paragraphs. Lending, derivatives, cash management and other commercial banking activities are performed by The Royal Bank of Scotland plc and its banking affiliates. RBS Securities Inc. is a FINRA registered broker-dealer and a wholly owned indirect subsidiary of The Royal Bank of Scotland plc engaged in, among other things, loan syndications, private placements, and advisory business.

Notwithstanding the foregoing (but subject to any applicable federal or state securities laws), RBS and the recipient may disclose to any and all persons, without limitation, the tax treatment and tax structure of any transaction contemplated hereby and all materials (including opinions or other tax analyses) relating thereto.

IRS Circular 230 Disclosure: RBS and its affiliates do not provide tax advice. Accordingly, any discussion of U.S. tax matters contained herein (including any attachments) is not intended or written to be used, and cannot be used, in connection with the promotion, marketing or recommendation by anyone unaffiliated with RBS of any of the matters addressed herein or for the purpose of avoiding U.S. tax-related penalties.

The Royal Bank of Scotland plc acts in certain jurisdictions as the authorised agent of ABN AMRO Bank N.V.

The Royal Bank of Scotland plc. Registered in Scotland No. 90312. Registered office: 36 St. Andrews Square, Edinburgh EH2 2YB.

LG&E KU
PPL companies

Presentation to:

LG&E and KU Energy

Regarding:

Commercial Paper Market Overview

March 2011

Bank of America
Merrill Lynch

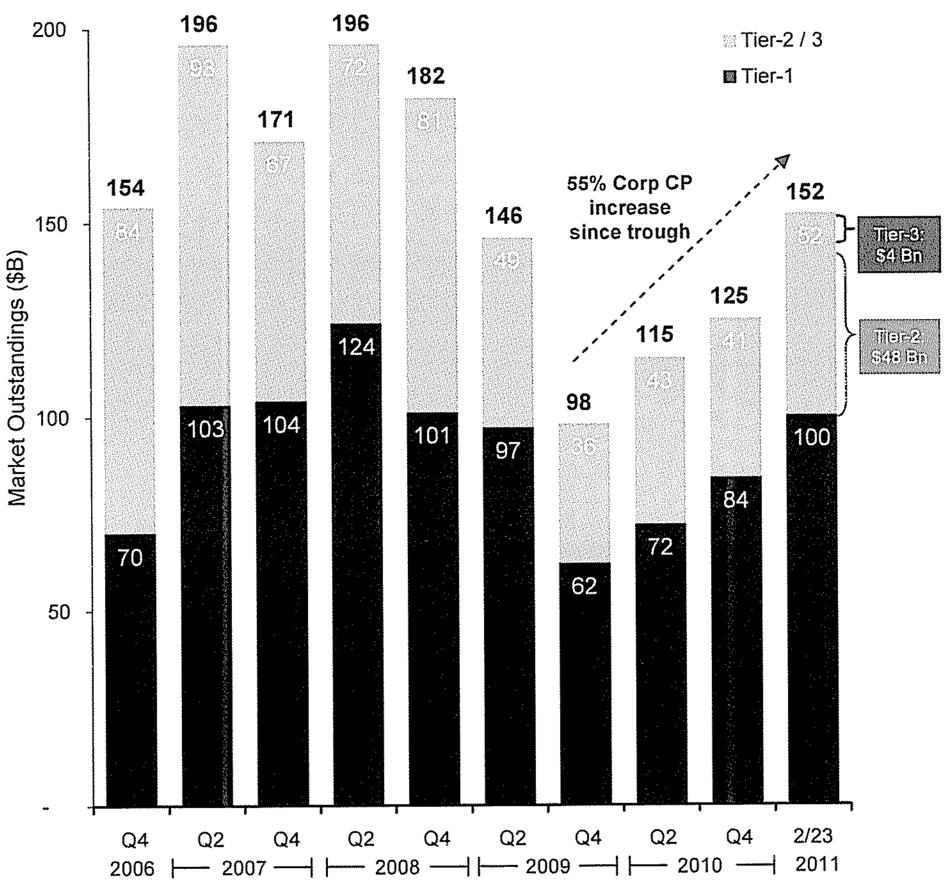
Commercial Paper Market Update

LG&E KU
PPL companies

Commercial Paper Market Update

Corporate CP Outstandings Have Risen 22% 2011 Year-to-Date

Corporate USCP Outstandings [1]



The corporate CP market has rebounded - with a 55% increase in outstandings since its trough in 4Q 2009

CP Funding Outlook & Drivers of Increased Volumes

- <u>High-quality corporate CP supply is up</u> year-over-year. Investors seeking increased yield are expected to continue to drive demand for Tier-2 and Tier-3 paper
- <u>Demand remains strong:</u> While money fund assets have experienced a recent decline, they still remain above January 2007 levels. Meanwhile, cash on corporate balance sheets is at historical highs, representing another source of investable assets and effectively filling the 'hole' left by money fund outflows
- <u>Tier-2 & Tier-3 CP spreads have remained stable</u> over the course of the last 15-18 months, with slight funding pressures over the year-end
- <u>Tier-3 market momentum continues to build</u>. In 2010, there were more than 20 active Tier-3 issuers. At least half of these issuers re-entered the market, attracted by the significant liquidity and cost savings (vs. bank borrowing). This trend is expected to continue in 2011
- <u>Continuation of the broad economic recovery:</u> As corporations work through their current high cash balances, short-term debt financing needs are likely to increase to fund inventories, accounts receivable, etc.
- <u>Increase in strategic initiatives:</u> As acquisition activity increases, the need for bridge financing in the form of CP will also increase. Investor-friendly activities (stock buybacks, dividend payments) will represent additional uses for increased CP funding
- <u>"Recalibration" of debt mix:</u> Term debt markets have been very attractive for many corporate borrowers over the last 18-24 months. As a result many borrowers currently have less short-term variable rate debt than they have historically maintained. This would argue for increased CP issuance

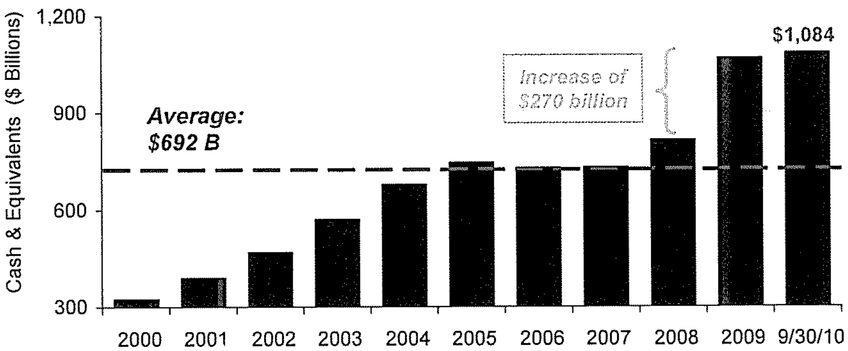
(1) *Source: Federal Reserve*

Bank of America Merrill Lynch

Commercial Paper Market Update

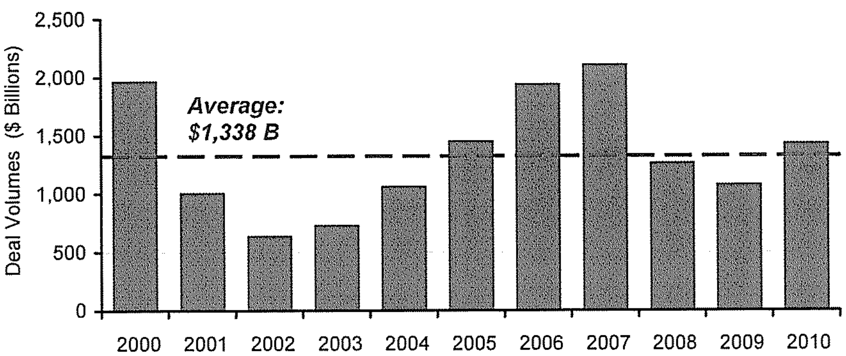
Current Market Conditions: Anticipated Drivers of Increased CP Issuance

Corporate Cash Balances Near All-Time Highs (1)



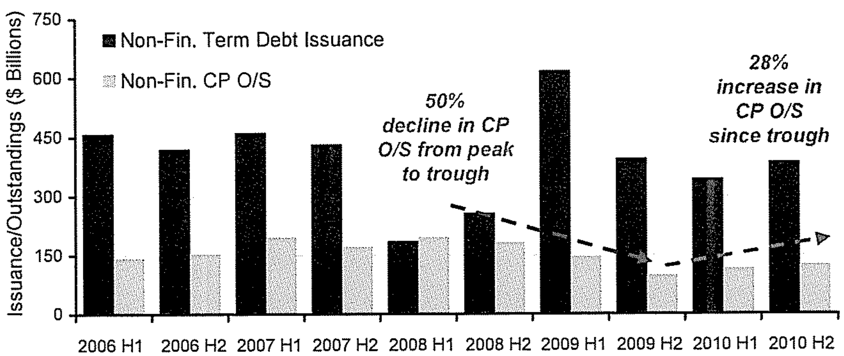
Cash on corporate balance sheets has increased substantially since 2008.
Short-term debt needs are likely to increase as they work through these balances

Historical Annual M&A Volumes - Americas (2)



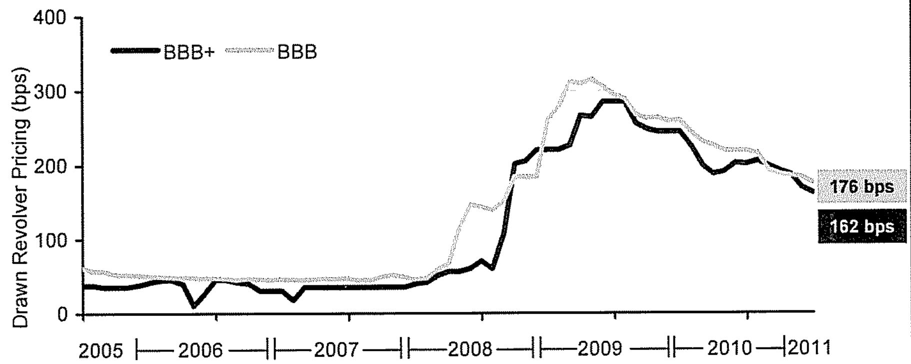
Announced acquisition activity has notably increased in 2010.
CP is a commonly used bridge financing tool for M&A

US Corporate Term Debt Issuance vs. USCP O/S (3)



Corporations have begun to "recalibrate" their debt mix - issuing shorter maturity floating rate debt (e.g. CP)

BBB-Rated Syndicated Loan Market: Drawn Pricing (4)



While fees in the bank loan market have declined from their peaks, drawn costs are still considerably higher than pre-crisis levels (and CP funding costs)

(1) Reported cash for members of S&P 500 as of 9/30/10. Source: FactSet; (2) Source: Dealogic, as of 12/31/10; (3) Source: BofAML Database, Federal Reserve. (4) Source: BofAML Database, 2/15/2011

PPL companies

Commercial Paper Market Update

Tier-2 US Commercial Paper Market Update

Credit Ratings Correlations

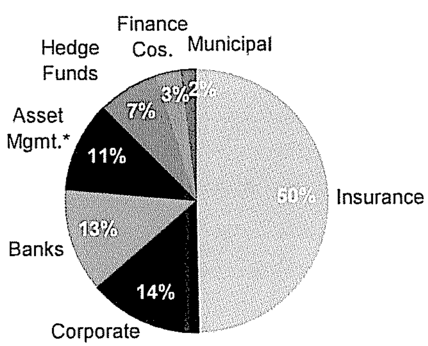
Long-Term Ratings			Short-Term Ratings			
S&P	Moody's	Fitch	S&P	Moody's	Fitch	
A-	A3	A-				
BBB+	Baa1	BBB+	A-2	P-2	F2	Tier 2
BBB	Baa2	BBB				
BBB-	Baa3	BBB-	A-3	P-3	F3	Tier 3

Market Overview

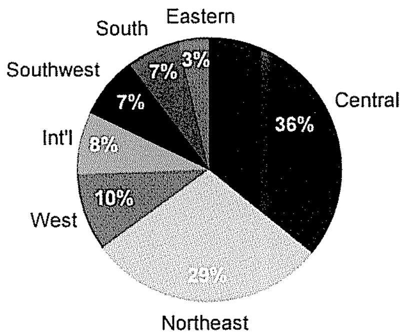
- $49 billion of market outstandings representing a decrease of 45% since the market peak in mid-2007 . **Investor demand appears to be outpacing current supply – providing an excellent backdrop for new or additional Tier-2 issuance**
- Approximately 150 active issuers; nineteen issuers have more than $500 million in outstandings
- The largest issuers currently maintain outstandings in the $500 million - $2.0 billion range
- Pricing is highly dependent on name and industry
- 88% of the Tier-2 market outstandings have maturities of 45 days or less (1)

Tier-2 Investor Distribution (2)

Investor Type



Investor Geography



* 2a-7 funds represent only a subset of the total number of Asset Managers

Current Top Tier-2 Commercial Paper Issuers (3)

Issuer	Ratings	Current O/S ($MM)
ING America Insurance Holdings	A-2 / P-2 / F2	$1,835
BMW US Capital, LLC	A-2 / P-2 / -	1,552
CVS Caremark	A-2 / P-2 / F2	1,384
Volkswagen of America	A-2 / P-2 / -	1,169
NextEra Capital	A-2 / P-2 / F2	1,077
Sempra Global	A-2 / P-2 / F1	1,044
Pacific Gas & Electric Company	A-2 / P-2 / F1	1,017
General Mills	A-2 / P-2 / F2	1,002
H.J. Heinz	A-2 / P-2 / F2	881
Consolidated Edison	A-2 / P-2 / F2	832

(1) Source: Federal Reserve Bank of New York. (2) Source: BofAML Database, FY 2010 (3) Source: Moody's, BofAML Database, as of 9/30/2010 or latest available.

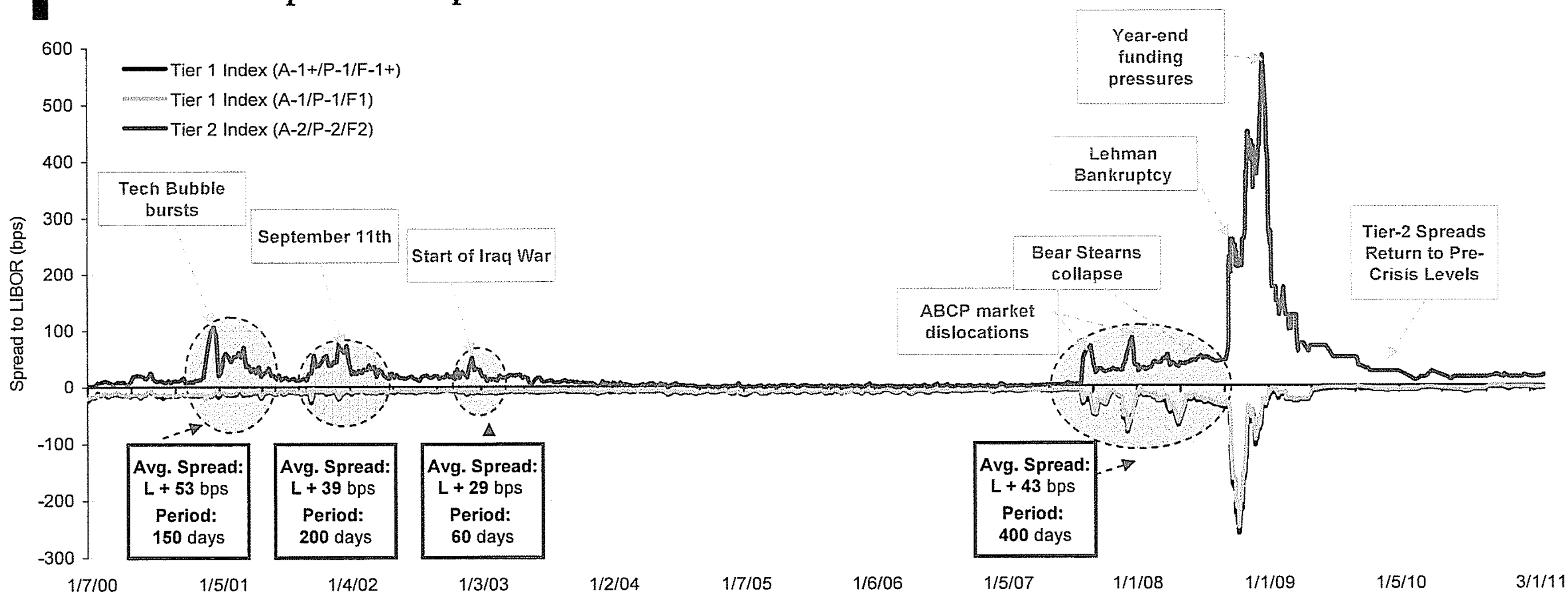
Bank of America Merrill Lynch

LG&E KU
PPL companies

Commercial Paper Market Update

Tier-2 Commercial Paper Spreads Have Returned to Pre-Crisis Levels

Unsecured Corporate CP Spreads to 1-Month LIBOR (1)



Excluding the "100-year storm" witnessed in 2008-09, the most volatile periods have resulted in maximum Tier-2 spreads of L + 75-100 bps

Current Indicative "All-in" CP Pricing for LG&E and KU Energy

CP Ratings	Available Market Capacity	Spread to 1-Month LIBOR (2)	Available Maturities (Greatest Liquidity)	Volatility (over Quarter & Year ends)
Louisville Gas & Electric [A-2/P-2/-]	$500 MM +	L + 15 to L + 20 bps	Overnight – 3 months	Low / Medium
Kentucky Utilities [A-2/P-2/-]	$500 MM +	L + 15 to L + 20 bps	Overnight – 3 months	Low / Medium

(1) Sources: Fed and BofAML. (2) Spreads reflect the range of current market pricing on 3/1/11 and "all-in" levels, inclusive of dealer commissions.

Bank of America Merrill Lynch

Commercial Paper Market Update

Utility Issuers with Commercial Paper Programs

Issuer	ST Ratings	Prog. Size ($MM)	O/S ($MM)
AGL Capital Corp.	A-2/P-2/F2	1,140	692
Alabama Power Co.	A-1/P-1/F1	600	20
ALLETE	A-2/P-2	500	-
Alliant Energy	P-2	100	-
Ameren Corp.	A-3/P-3/F2	400	328
American Electric Power	A-2/P-2/F2	2,500	348
American Transmission Co.	A-1/P-1/F1	275	91
American Water Capital	A-2/P-2	500	233
Arizona Public Service Co.	A-3/P-2/F3	250	-
Atlantic City Electric Co.	A-2/P-2	250	166
Baltimore Gas and Electric	A-2/P-2/F2	400	-
Basin Electric Power Coop.	A-1/P-1/F1+	550	-
Carolina Power & Light	A-2/P-2/F1	750	-
CenterPoint Energy	A-2/F3	1,000	-
Chugach Electric	A-1/P-2	300	84
Consolidated Edison	A-2/P-2/F2	2,250	832
Constellation Energy Grp.	A-3/P-3/F3	2,500	-
Delmarva Power & Light	A-2/P-2/F2	500	3
Detroit Edison Co. (The)	A2/P-2/F2	275	-
Dominion Resources	A-2/P-2/F2	3,000	747
DTE Energy Co.	A-2/P-2/F2	900	-
Duke Energy Carolinas LLC	A-2/P-2/-	700	-
Duke Energy Corp.	A-2/P-2	2,200	491
Empire District Electric Co.	A-3/P-2/F2	75	50
Exelon Corp.	A-2/P-2/F2	1,000	-
Exelon Generation Co.	A-2/P-2/F2	5,000	-
Florida Power & Light Co.	A-2/P-1/F1	2,500	-
FPL Fuels	A-2/P-1	300	-

Issuer	ST Ratings	Prog. Size ($MM)	O/S ($MM)
Hawaiian Electric Co.	A-3/P-2	200	-
Hawaiian Electric Industries	A-3/P-2	100	25
IDACORP	A-2/P-2/F2	150	66
Idaho Power Co.	A-2/P-2/F2	200	-
Integrys Energy Grp.	A-2/P-2	950	123
Interstate Power and Light	A-2/P-2	300	-
Kansas City Power & Light	A-2/P-2	600	302
Keyspan Corp	A-2/P-2	1,500	-
Madison Gas and Electric	A-1+/P-1	75	1
MDU Resources Grp.	A-2/P-2/F2	125	20
MidAmerican Energy Co.	A-2/P-1/F1	700	-
National Fuel Gas	A-2/P-2/F2	300	-
National Grid USA	A-2/P-2	2,000	791
National Rural Utilities CFC	A-1/P-1/F1	12,000	1,895
New Jersey Natural Gas	A-1/P-1	250	57
New York State El. & Gas	A-2/P-2/F2	200	-
NextEra Energy (FPL Grp)	A-2/P-2/F1	4,000	788
Nicor	A-1+/P-2/F1	1,000	-
Northern Illinois Gas Co.	A-1+/P-1/F1	700	370
Northern States Power Co.	A-2/P-2/F1	375	23
NSTAR	A-1/P-1/F1	175	127
OGE Energy	A-2/P-2/F1	600	224
Oglethorpe Power Corp.	A-1/P-2/F1	355	293
Oklahoma Gas & Electric	A-2/P-1	400	-
ONEOK	A-2/P-2	1,200	127
ONEOK Partners LP	A-2/P-2	1,000	430
Orange & Rockland Utilities	A-2/P-2/F2	200	87
Pacific Gas & Electric Co.	A-2/P-2	1,750	587

Issuer	ST Ratings	Prog. Size ($MM)	O/S ($MM)
PacifiCorp	A-2/P-2/F2	1,500	82
PECO Energy Co.	A-2/P-2/F2	600	-
Peoples Gas & Light	A-2/P-2	250	-
Pepco Holdings	A-2/P-3/F2	700	335
Pinnacle West Capital	A-3/P-3/F3	250	56
Potomac Electric Power Co.	A-2/P-2/F2	500	-
PPL Electric Utilities Corp.	A-2/P-2/F2	200	-
Progress Energy Carolinas	A-2/P-2	1,130	-
Progress Energy Florida	A-2/P-2	1,130	-
Public Service Co. NC	A-2/P-2/F2	250	20
Public Service Co. of CO	A-2/P-2	500	248
Public Service El. & Gas	A-2/P-2/F2	600	-
Public Service Enterprise.	A-2/P-2/F2	1,000	-
South Carolina El. & Gas	A-2/P-2/F2	350	176
South Carolina Fuel Co.	A-2/P-2/F2	250	215
Southern California Edison	A-2/P-2/F1	1,500	106
Southern Co.	A-1/P-2/F1	1,500	205
Southwestern Public	A-2/P-2/F2	250	13
Union Electric Co.	A-3/P-3/F2	300	-
Vectren Corp.	A-2/P-2	600	-
Virginia Electric and Power	A-2/P-2/F2	3,000	736
Washington Gas Light Co.	A-1+/P-1/F1+	300	-
WGL Holdings	A-1+/P-2/F1	175	110
Wisconsin Electric Power	A-2/P-1/F1	400	89
Wisconsin Energy Corp.	A-2/P-2/F2	600	276
Wisconsin Power and Light	A-2/P-1	250	50
Wisconsin Public Service	A-2/P-1	125	-
Xcel Energy	A-2/P-2	800	184

Yellow highlighting indicates BofAML-dealt programs

BofAML acts as a CP dealer for a wide range of utility issuers across the country

Source: Bloomberg, Moody's, BAML Trading Desk. Outstandings are average for most recent quarter or as of 9/30/2010 or most recently available.

LG&E KU
PPL companies

Commercial Paper Market Update

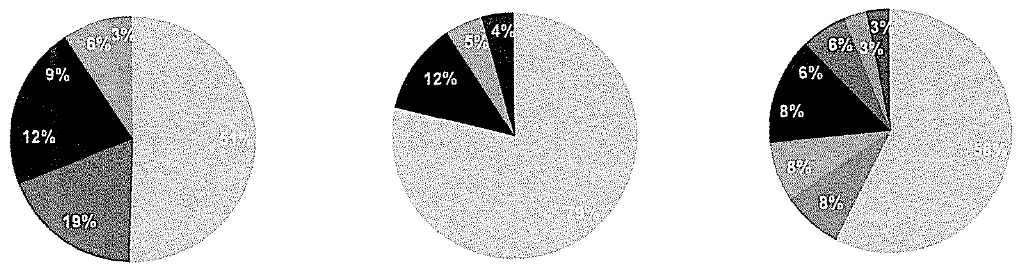
Distribution Analysis: Tier-2 Utility Issuers

Select Active Tier-2 Power & Energy Issuers

	NextEra Energy	ONEOK	Dominion
Par Value Sold ($, MM)	$5,709	$3,733	$1,557
Average Maturity (days)	21	9	11
Maturity Range	1-68	1-34	1-52
Recent Peak Market Outstandings ($,MM) *	$1,523	$322	$140
# of Investors	94	44	30
Ratings	A-2 / P-2 / F2	A-2 / P-2 / F2	A-2 / P-2 / F2

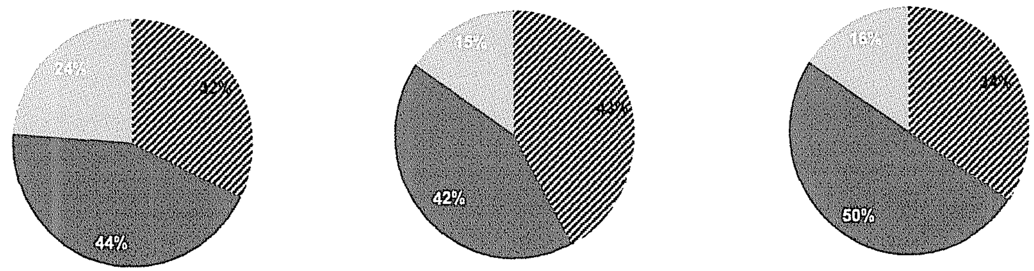
Investor Distribution by Type

- Investment Companies
- Banks / Bank Trusts
- Pension
- Insurance Companies
- Corporations
- Government
- Hedge Funds
- GWM Sales
- Non-Profit



Investor Distribution by Size

- Large Institutional
- Middle Markets
- Mini-Institutional



Through BofAML's extensive distribution platform, issuers have achieved notable participation (60%+) from non-institutional investors

Source: BofAML Database. Represents activity for the period of FY2010.

Bank of America Merrill Lynch

LG&E KU
PPL companies

Commercial Paper Market Update

"All-in" Indicative Cost Comparison: Current Drawn Revolver vs. CP Funding (1)

	Current Revolver Funding Strategy	Future CP Funding Strategy
	Current Drawn Revolver	**CP Issuance (with "Back-up" Revolver)**
Expected Short-Term Ratings	-	A-2/P-2
Funding Cost (offered-side)	-	LIBOR + 10 – 15 bps
Dealer Fee	-	5 bps
Rating Agency Fees (2)	-	7 bps
Legal Counsel Fees (3)	-	< 1 bps
Administrative Costs (IPA fees) (4)	-	< 1 bps
Net Cost of Revolver (5)	LIBOR + 200 bps	25 bps
"All-in" Funding Costs	**LIBOR + 200 bps**	**LIBOR + 47 – 52 bps**

Cost Savings = 150 bps

(1) Assuming $500 million CP outstandings or drawn amount on lending facility; $500 million CP program size and lending facility size. 1 mo. LIBOR assumed.

(2) USCP programs require ratings from at least two U.S. recognized rating agencies.

- *Moody's charges $42,500 annually plus a quarterly charge of $28,000 (if outstandings are between $100 - $500 million). The approximate cost for Moody's rating is $42,500 + $112,000 = $154,500*
- *S&P charges $42,000 annually plus a quarterly charge of $24,000 (if outstandings are between $100 - $500 million). The approximate cost for S&P's rating is $42,000 + $96,000 = $138,000. (Note: S&P charges $50,000 as initial fee for the first year of the program in lieu of the annual fee*

(3) $35,000-$50,000 = one-time, up-front fees assume the use of external US and local counsel and cover the creation and review of documentation, the delivery of required opinions and discussions/negotiations with the rating agencies. Fees do not include disbursements. An issuer may be able to use internal counsel representation, to the extent that the SIFMA form Placement Agency/Dealer Agreement is utilized. (Amortized over 3 years.)

(4) Issuing and Paying agent charges will vary depending on the size of the program as well as the IPA used and generally ranges between $20,000-$25,000

(5) Line of credit fees consist of a facility fee, drawn fee and undrawn fee. In the case of CP funding, the drawn fee does not apply. Fees for Back-up Lines of Credit are based on current costs of LG&E and KU's facilities. Fees are as follows: drawn fee of LIBOR + 200 bps, and undrawn fee of 25 bps.

CP Establishment Recommendations

CP Establishment Recommendations

Overview of SEC Exemptions

CP Issuance is Exempt from SEC Registration

- Commercial paper does not require registration with the Securities and Exchange Commission ("SEC") or the use of a prospectus, provided it qualifies for an exemption from registration under the Securities Act of 1933 (the "1933 Act")
  - Several sections of the 1933 Act allow for automatic exemption from registration requirements (described below)
  - In order to be assured of the availability of such an exemption, the Issuer generally relies upon the expert legal opinion of a reputable law firm or in-house legal counsel
  - There are two exemptions used most often for commercial paper issuance – the Section 3(a)3 "Current Transactions" exemption and the Section 4(2) "Private Placement" exemption
- Section 4(2)/144a exempt commercial paper is widely used because there is no restriction on the use of proceeds and is, therefore ideal for stock buybacks and acquisition funding. A 4(2) program provides exemption from registration for any security that is offered exclusively to sophisticated investors, i.e., institutional investors
  - Specifications for the method of offering
  - Minimum note size of US$250,000
  - No stated restriction on maturities or use of proceeds although maximum maturity is 397 days matching 2a-7 restrictions
  - Unlimited number of investors participating as long as investor eligibility requirements are met

Issuers Preferring 4(2) Exemption

- Due to the greater flexibility provided by the 4(2) exemption, the number of outstanding 4(2) programs have surpassed the number of 3(a)(3) programs
- Since the investor market for commercial paper is generally institutional, most investors buying commercial paper exempt under Section 3(a)(3) can also buy notes offered pursuant to the Section 4(2) exemption. As a result, there is no longer a trading premium associated with 4(2) paper

BofAML would recommend LG&E and KU utilize the 4(2) SEC exemption when establishing their USCP programs

CP Establishment Recommendations

Program Establishment - Documentation Requirements

Steps Necessary to Establish a Commercial Paper Program

- As CP is exempt from SEC registration, the Securities Industry and Financial Markets Association (SIFMA) has standardized CP documentation which makes program establishment relatively efficient. On average, program establishment takes approximately 4 weeks, as the Board Resolution and IPA Agreement often require additional lead time
- During the final week of documentation, BofAML will pre-market the Issuer's program in order to gain credit approval in advance from investors. There are no road show meetings/conference calls necessary to establish a CP program nor does management participate in pre-marketing

Documents to be Prepared With Dealer

- **Dealer Agreement:** A Dealer Agreement is executed between BofAML and the Issuer
- **Legal Opinions:** Pertains to the 3(a)3 or 4(2) exemption from the Securities Act of 1933 under which the commercial paper will be issued
- **Private Placement Memorandum:** PPM is prepared by BofAML and distributed to the sales force

Documents to be Forwarded to Dealer

- **Board of Directors Resolution:** Authorizes the issuance of commercial papers
- **Issuing & Paying Agent Agreement:** Executed between the Company and the IPA
- **Credit Facility:** Back-up liquidity is a requirement of rating agencies and is determined on an issuer-by-issuer basis
- **Rating Agency Letters:** Rating Agency Letters confirming Issuer's commercial paper ratings
- **DTC Letter of Representations:** Accommodates book-entry issuance (Part of the IPA agreement)

LG&E KU
PPL companies

CP Establishment Recommendations

Necessary Steps for Program Establishment

Indicative Timetable [1]

	Event	Responsibility
Week 1	• Organizational meeting; discuss details of program, responsibilities, procedures, necessary documentation and timing	BofAML / MT
	• Drafting of the Offering Memorandum to be used by Bank of America Merrill Lynch (BofAML) in connection with the sale of commercial paper	BofAML / MT
	• Drafting of the Commercial Paper Dealer Agreement between the Issuer and BofAML	DC / IC / BofAML / MT
	• Drafting of the Opinions of Counsel	IC / MT
	• Notify Rating Agencies of intent to issue Commercial Paper. Request short-term debt ratings (if necessary)	MT
	• Resolution from the Board of Directors is created authorizing the issuance of commercial paper, the amount and authorized signatories	MT
Week 2	• Issuing and Paying Agent, which is a member of the Depository Trust Company's ("DTC") same-day funds settlement system, is selected and the Issuing and Paying Agency Agreement is negotiated	IC / MT / IPA
	• Issuing and Paying Agent initiates documentation process with DTC	IPA
Week 3	• Preliminary comments given on all respective documentation; incorporation of appropriate revisions	BofAML / MT / DC / IC
	• Distribution of documents to all parties for final changes and approval	BofAML / MT / DC / IC
Week 4	• Execution of Commercial Paper Dealer Agreement. Opinion of Counsel is delivered. Ratings letters are delivered. Offering Memorandum is finalized and signed	BofAML / MT / DC / IC
Week 5	• Conference call between BofAML trader and Issuer to discuss issuing procedures and program strategy	BofAML / MT
	• Begin marketing of program with distribution of Offering Memorandum and a series of conference calls to sales force and key investors	BofAML
	** Commercial Paper Issuance Begins **	

Participant	Symbol
Mettler-Toledo (Issuer)	MT
Bank of America Merrill Lynch	BofAML
Dealer's Counsel	DC
Issuer's Counsel	IC
Issuing & Paying Agent	IPA

USCP Programs are typically established in 3-5 weeks

(1) *Length of time is at the discretion of the issuer and typically ranges from 4-5 weeks, but can be completed in 2 weeks*

Bank of America Merrill Lynch

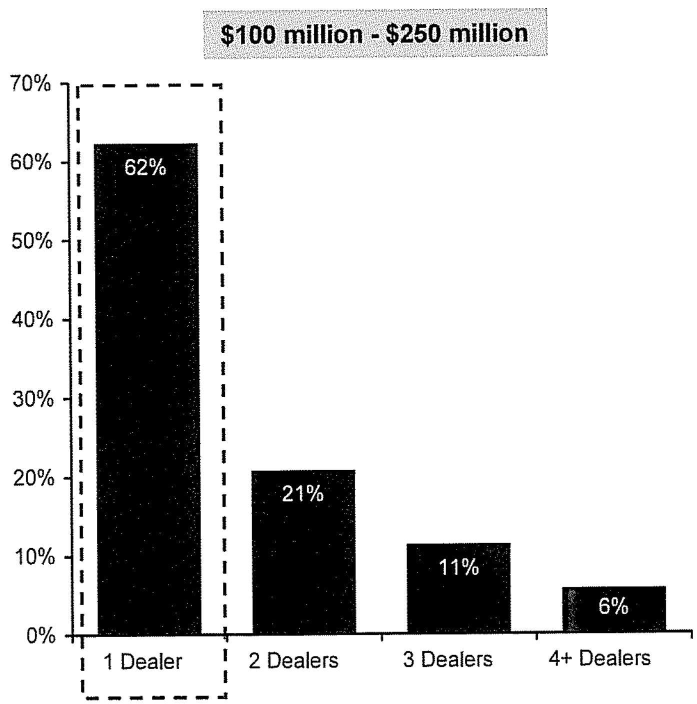
CP Establishment Recommendations

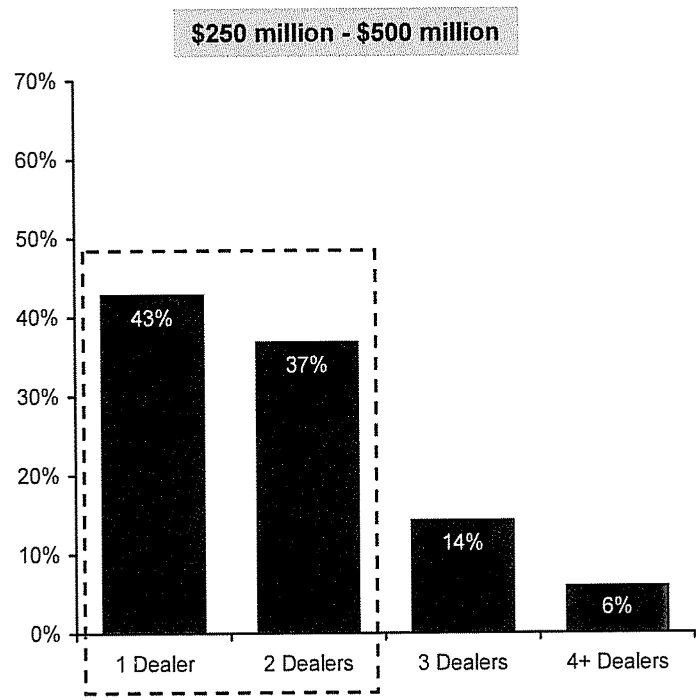
Dealer Panel Selection

Commercial Paper Dealer Panel Selection

- The majority of programs utilize 1-3 dealers, with the number of dealers increasing as market outstandings increase
- For programs with outstandings in the $100 - $500 million range, we would recommend utilizing 1 or 2 dealers. (Additional dealers can always be added at a later date)

Number of Dealers for Currently-Active Corporate Commercial Paper Programs [1]





***Over 60%** of issuers with program sizes between $100 - $250 million utilize 1 dealer.*
***80%** of issuers with program sizes between $250 - $500 million utilize 1-2 dealers*

(1) Source: Bloomberg. Actively rated programs only

Bank of America Merrill Lynch Short-Term Fixed Income Platform

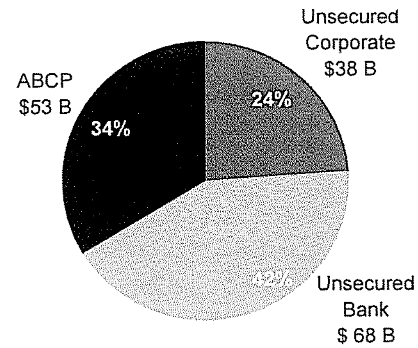
Bank of America Merrill Lynch Short-Term Fixed Income Platform

Short-Term Fixed Income Credentials

USCP Platform Highlights

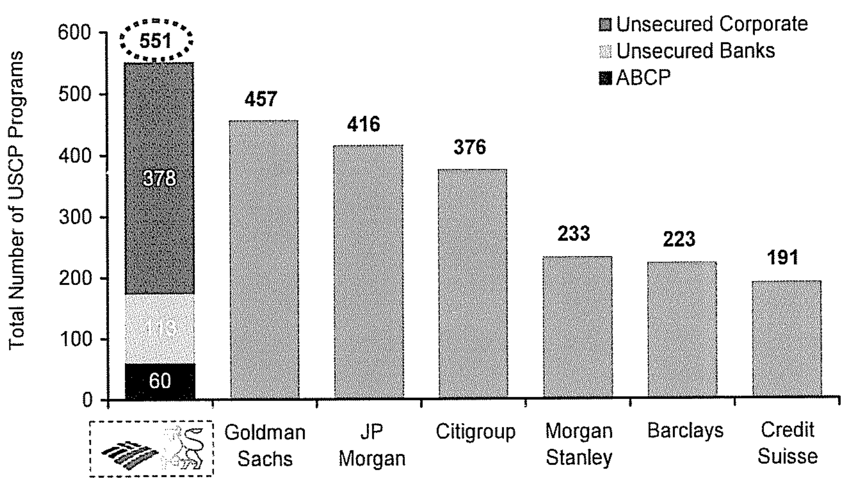
- Strong Team: BofAML maintains the deepest and most heavily resourced USCP group
- Leader in Outstandings: $159 billion of USCP outstanding currently, representing 30% of the dealer-placed market
- High Daily Volume: BofAML's CP desk sees an average of $35 billion of buy/sell volume daily
- Experienced Traders: BofAML has the most experienced short term fixed income trading team in the market
- Broad Investor Universe: BofAML's CP desk sold $4.2 trillion of new issue paper in the last twelve months to 10,000 investors

Outstandings by Type (2)

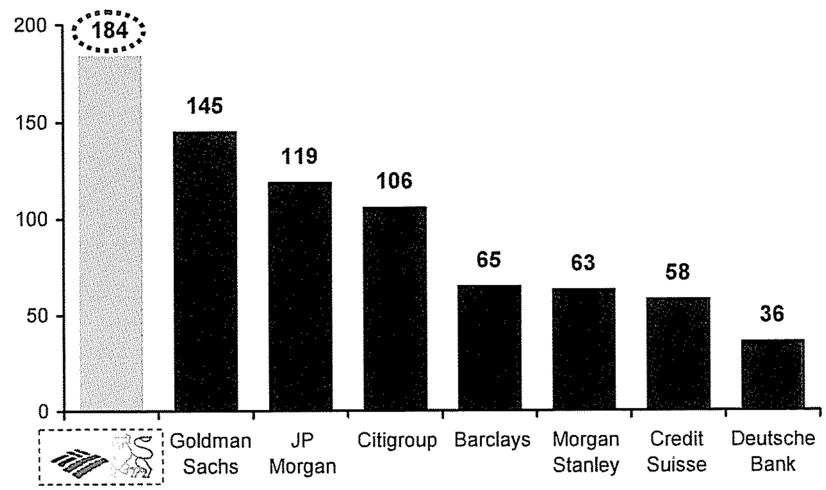


Current Total Outstandings = $159 Billion

USCP Dealer League Table (1)



Tier-2 & Tier-3 USCP Dealer League Table (1)



(1) Sources: Bloomberg Financial Markets, Standard & Poors, Moody's Investors Service – as of 4Q 2010.
(2) Source: BofAML Trading Desk

Bank of America Merrill Lynch

Bank of America Merrill Lynch Short-Term Fixed Income Platform

Unique Distribution Capabilities

Different Segments of the Investor Base Have Distinct Investment Patterns

- **Bank of America Merrill Lynch is the only firm that accesses the full spectrum of commercial paper investors.** BofAML has strong relationships with the largest institutional accounts while also successfully penetrating the "mini-institutional," retail and high net worth individual accounts located across the country
- BofAML's large issuer base and breadth of distribution provides us with unique insight into investor behavior and enables us to successfully target liquidity for both new and existing programs

Large Institutions

- BofAML Sales Platform: **Institutional Sales Desk**
- Sophisticated, professional investors
- Money funds, banks and bank trusts, insurance companies, securities lenders, large money managers
- Independent credit department
- Require buy-in from both portfolio management and credit to purchase
- Large block buyers (minimum outstandings requirement)

- **Sample Investors:**
  - Babson Capital Management
  - Fidelity Investments
  - Goldman Sachs Asset Management
  - JPM Investment Management

Middle Markets

- BofAML Sales Platform: **Global Liquidity Solutions**
- Small money funds and money managers, large corporates, regional banks and bank trusts, small insurance companies, large municipalities, non-profits
- Portfolio management and credit combined role
- Transaction size varies (no minimum outstandings requirement)

- **Sample Investors:**
  - Alliance Data Systems
  - Georgia Institute of Technology
  - Michigan Dept. of Treasury
  - Tennessee Consolidated Retirement

Mini-Institutional

- BofAML Sales Platform: **Retail Brokerage Network**
- Non-professional investors
- Less price sensitive
- No formal credit process - investment decision based primarily on ratings and name familiarity
- Small block and odd-lot buyers

- **Sample Investors:**
  - Genesee County, Michigan
  - Machine Tool Assurance Ltd.
  - Municipality of Anchorage
  - Southern California Pipe Trades

Bank of America Merrill Lynch has the largest, most diverse commercial paper investor base of over 10,000 investors

Bank of America Merrill Lynch Short-Term Fixed Income Platform

Extensive Distribution Network Selling CP to Geographically Diverse Investors

New York City

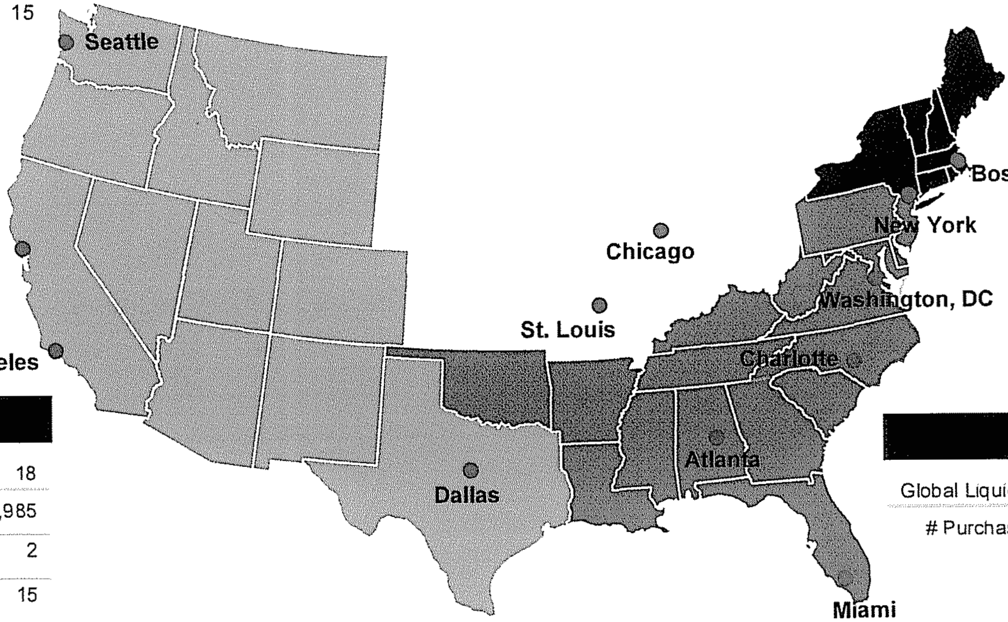
Global Liquidity Solutions Salesforce	5
# Purchasing Accounts	550
Institutional Salesforce	6
# Purchasing Accounts	40

Midwest

Global Liquidity Solutions Salesforce	9
# Purchasing Accounts	1,000
Institutional Salesforce	2
# Purchasing Accounts	15

Northeast

Global Liquidity Solutions Salesforce	11
# Purchasing Accounts	1,215



West

Global Liquidity Solutions Salesforce	18
# Purchasing Accounts	1,985
Institutional Salesforce	2
# Purchasing Accounts	15

South

Global Liquidity Solutions Salesforce	25
# Purchasing Accounts	2,760

Bank of America Merrill Lynch Short-Term Fixed Income Platform offers a far-reaching sales force located across the nation with 75+ sales professionals and 7,500+ purchasing accounts

Bank of America Merrill Lynch Short-Term Fixed Income Platform

BofAML Provides Issuers With In-Depth Market Commentary & Analysis

LG&E KU
PPL companies

CP Trading Desk Provides Daily Market Color

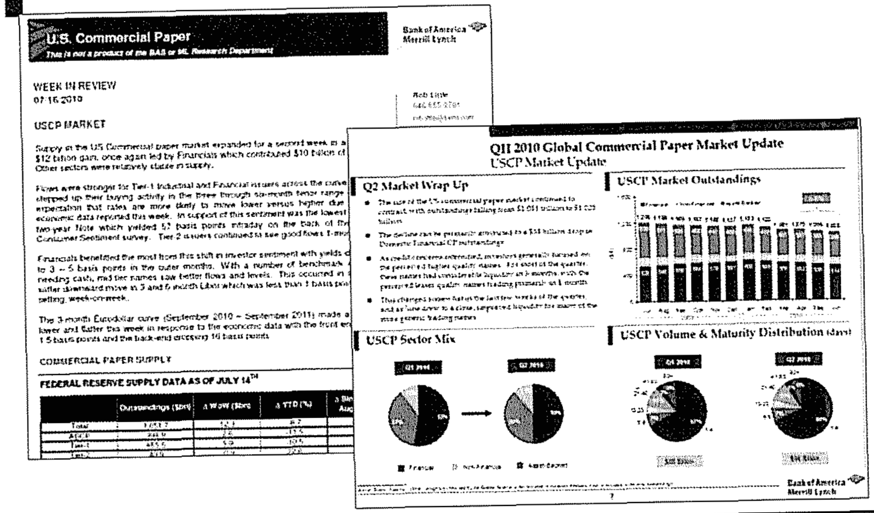
```
1<GO>DEL 2<GO>REPLY 3<GO>FWD 11<GO>NEXT 12<GO>PREV 99<GO>OPTIONS
  7/19  7:14:12
  From: MIKE COPPOLA (BANC OF AMERICA SECU)
    To: SIDDHARTH COELHO-PRABHU (BANC OF AMERICA SECU)
    Cc:
  Subject:
91)☆                                                          92) Move
UCONN   WNEC   646 855-6333  C 718 650-9349
   funds call .20-.22  well it looks like we have gotten thru the h
rollover period and supply should abate a bit  most flow for quality
remains 1-3 mo and most all others 45days and in   we did see some 4
activity but it would be best described as spotty  really don't expe
change on any fronts  bills and agencies appeared unchanged and stab
seems to be stable also   good luck
```

```
1<GO>DEL 2<GO>REPLY 3<GO>FWD 11<GO>NEXT 12<GO>PREV 99<GO>OPTIONS
  7/28  7:09:36
  From: MIKE COPPOLA (BANC OF AMERICA SECU)
    To: SIDDHARTH COELHO-PRABHU (BANC OF AMERICA SECU)
    Cc:
91)☆                                                          92) Move
UCONN   WNEC   646 855-6333  C 718 650-9349
          CORPORATE CP RUN  7/28

       A1/P1              A2/P2                 FOR.A1/P1
  1M  .19-22   UNC    .38-.48      UNC       .28-.33    -2
  2M  .22-26   UNC    .45-.55       "        .35-40     -1
  3M  .25-30    "     .55-.65       "        .42-47     -3
  4M  .27-32   UNC    .60-.80       "        .50-55     -2
  5M  .30-35   UNC    .70-.90       "        .55-60     -5
  6M  .32-37   UNC    .80-1.00      "        .60-65      "
  9M  .45-50   UNC

  WKS .18-.23   UNC    .35-.45      UNC
```

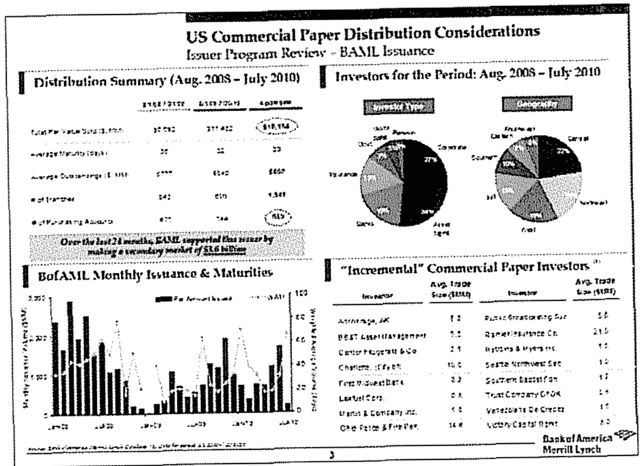
USER PROFILE
IB

In addition to customized issuer emails, calls and Bloombergs, our traders provide market color and commentary throughout the trading day

BofAML Publishes Regular CP Market Commentary



Customized Issuer CP Program Performance Reviews



Bank of America Merrill Lynch

LG&E KU
PPL companies

Notice to Recipient
Confidential

"Bank of America Merrill Lynch" is the marketing name for the global banking and global markets businesses of Bank of America Corporation. Lending, derivatives, and other commercial banking activities are performed globally by banking affiliates of Bank of America Corporation, including Bank of America, N.A., member FDIC. Securities, strategic advisory, and other investment banking activities are performed globally by investment banking affiliates of Bank of America Corporation ("Investment Banking Affiliates"), including, in the United States, Banc of America Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, which are both registered broker-dealers and members of FINRA and SIPC, and, in other jurisdictions, locally registered entities.

Investment products offered by Investment Banking Affiliates: Are Not FDIC Insured * May Lose Value * Are Not Bank Guaranteed.

These materials have been prepared by one or more subsidiaries of Bank of America Corporation for the client or potential client to whom such materials are directly addressed and delivered (the "Company") in connection with an actual or potential mandate or engagement and may not be used or relied upon for any purpose other than as specifically contemplated by a written agreement with us. These materials are based on information provided by or on behalf of the Company and/or other potential transaction participants, from public sources or otherwise reviewed by us. We assume no responsibility for independent investigation or verification of such information (including, without limitation, data from third party suppliers) and have relied on such information being complete and accurate in all material respects. To the extent such information includes estimates and forecasts of future financial performance prepared by or reviewed with the managements of the Company and/or other potential transaction participants or obtained from public sources, we have assumed that such estimates and forecasts have been reasonably prepared on bases reflecting the best currently available estimates and judgments of such managements (or, with respect to estimates and forecasts obtained from public sources, represent reasonable estimates). No representation or warranty, express or implied, is made as to the accuracy or completeness of such information and nothing contained herein is, or shall be relied upon as, a representation, whether as to the past, the present or the future. These materials were designed for use by specific persons familiar with the business and affairs of the Company and are being furnished and should be considered only in connection with other information, oral or written, being provided by us in connection herewith. These materials are not intended to provide the sole basis for evaluating, and should not be considered a recommendation with respect to, any transaction or other matter. These materials do not constitute an offer or solicitation to sell or purchase any securities and are not a commitment by Bank of America Corporation or any of its affiliates to provide or arrange any financing for any transaction or to purchase any security in connection therewith. These materials are for discussion purposes only and are subject to our review and assessment from a legal, compliance, accounting policy and risk perspective, as appropriate, following our discussion with the Company. We assume no obligation to update or otherwise revise these materials. These materials have not been prepared with a view toward public disclosure under applicable securities laws or otherwise, are intended for the benefit and use of the Company, and may not be reproduced, disseminated, quoted or referred to, in whole or in part, without our prior written consent. These materials may not reflect information known to other professionals in other business areas of Bank of America Corporation and its affiliates.

Bank of America Corporation and its affiliates (collectively, the "BAC Group") comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and strategic advisory services and other commercial services and products to a wide range of corporations, governments and individuals, domestically and offshore, from which conflicting interests or duties, or a perception thereof, may arise. In the ordinary course of these activities, parts of the BAC Group at any time may invest on a principal basis or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions, for their own accounts or the accounts of customers, in debt, equity or other securities or financial instruments (including derivatives, bank loans or other obligations) of the Company, potential counterparties or any other company that may be involved in a transaction. Products and services that may be referenced in the accompanying materials may be provided through one or more affiliates of Bank of America Corporation. We have adopted policies and guidelines designed to preserve the independence of our research analysts. These policies prohibit employees from offering research coverage, a favorable research rating or a specific price target or offering to change a research rating or price target as consideration for or an inducement to obtain business or other compensation. We are required to obtain, verify and record certain information that identifies the Company, which information includes the name and address of the Company and other information that will allow us to identify the Company in accordance, as applicable, with the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) and such other laws, rules and regulations as applicable within and outside the United States.

We do not provide legal, compliance, tax or accounting advice. Accordingly, any statements contained herein as to tax matters were neither written nor intended by us to be used and cannot be used by any taxpayer for the purpose of avoiding tax penalties that may be imposed on such taxpayer. If any person uses or refers to any such tax statement in promoting, marketing or recommending a partnership or other entity, investment plan or arrangement to any taxpayer, then the statement expressed herein is being delivered to support the promotion or marketing of the transaction or matter addressed and the recipient should seek advice based on its particular circumstances from an independent tax advisor. Notwithstanding anything that may appear herein or in other materials to the contrary, the Company shall be permitted to disclose the tax treatment and tax structure of a transaction (including any materials, opinions or analyses relating to such tax treatment or tax structure, but without disclosure of identifying information or, except to the extent relating to such tax structure or tax treatment, any nonpublic commercial or financial information) on and after the earliest to occur of the date of (i) public announcement of discussions relating to such transaction, (ii) public announcement of such transaction or (iii) execution of a definitive agreement (with or without conditions) to enter into such transaction; provided, however, that if such transaction is not consummated for any reason, the provisions of this sentence shall cease to apply.

Bank of Tokyo-Mitsubishi UFJ

LG&E and KU Energy, LLC

Securitization Discussion

April 2011

Bank of Tokyo-Mitsubishi UFJ

LG&E KU
PPL companies

Table of Contents

Bank of Tokyo-Mitsubishi UFJ

MUFG

LG&E KU

PPL companies

Introduction

The Bank of Tokyo-Mitsubishi UFJ, Ltd. ("BTMU") is pleased to have the opportunity to discuss ideas for an accounts receivable securitization program for LG&E and KU Energy, LLC.

LG&E and KU Energy, LLC. Objectives

- Diversify funding sources by using an accounts receivable securitization.
- Establish a program that fits well into Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company's ("KU") corporate structure and asset base.
- Evaluate both individual programs for LG&E and KU as well as a combined program.
- Based on BTMU's review, as well as our extensive experience in securitizing utility accounts receivables, LG&E and KU's receivables have a strong potential to be a securitized asset.

Kentucky Utilities Company ($ in millions)

Year	Customer Rec.	Affiliated Companies	Other	Unbilled Rec.	Total Rec.
2010	90	12	20	89	211
2009	79	9	18	76	182
	*			*	

≈ $100

Σ* ≈ $180

60/70% - ADVANCE RATE

Louisville Gas and Electric Company ($ in millions)

Year	Customer Rec.	Affiliated Companies	Other	Unbilled Rec.	Total Rec.
2010	70	30	13	81	194
2009	66	53	12	65	196
	*			*	

SLIGHTLY < $100

Σ* ≈ $150

60/70% - ADVANCE RATE

Transaction Objectives

- Cost effective securitization program that is scaleable and can accommodate the seasonal receivables balance.
- Work with an industry leading provider with strong receivable securitization capabilities, knowledge of securitization with utilities and experience in being Agent on transactions.

BTMU Securitization Group Information

Bank of Tokyo-Mitsubishi UFJ

MUFG

LG&E KU

PPL companies

BTMU Securitization Group – League Table Status

Leadership

- BTMU is a market leader of ABCP programs with approximately $26.4 billion in CP outstanding worldwide in 4Q10.
- As of March 31, 2011, BTMU had approximately $17 billion in commitments and approximately $9.6 billion outstanding in the U.S.

Experience and Stability

- BTMU's two U.S. ABCP programs have over 70 unique transactions spanning a variety of businesses and a full spectrum of asset-backed securitization products.
- During the financial crisis, when many providers were either retreating or slowing originations, BTMU actively added new transactions.
- Having been Agent and Co-Purchaser of numerous facilities, BTMU has worked with all the leading ABCP market players.

20 LARGEST ABCP PROGRAM ADMINISTRATORS
4Q10 Average ABCP Outstandings

	Administrator	$ Millions	# Issuers	Market Share (%)
1	Royal Bank of Scotland PLC	51,008	8	10.3%
2	Bank of New York Mellon	39,722	2	8.0%
3	Citibank, N.A.	32,496	10	6.6%
4	Bank of Tokyo-Mitsubishi UFJ	26,445	10	5.3%
5	HSBC Bank PLC	25,578	4	5.2%
6	Deutsche Bank AG	21,445	7	4.3%
7	JPMorgan Chase Bank	20,859	4	4.2%
8	Rabobank Nederland	20,215	4	4.1%
9	Lloyds TSB Bank PLC	19,707	2	4.0%
10	HBOS Treasury Services plc	16,210	2	3.3%
11	Barclays Bank PLC	14,952	3	3.0%
12	Royal Bank of Canada	13,628	6	2.8%
13	Credit Agricole	13,390	3	2.7%
14	Société Générale	12,696	5	2.6%
15	TD Securities Inc.	10,793	6	2.2%
16	BNP Paribas	9,369	6	1.9%
17	Fortis Bank S.A./N.V.	8,257	2	1.7%
18	State Street Global Markets LLC	8,036	2	1.6%
19	Bank of Montreal	7,842	6	1.6%
20	Ford Motor Credit Company	7,080	1	1.4%
	other			*23.3%*
	Total	**494,885**		**100%**

Conduits Issuer [illegible]

Source: Moody's

Bank of Tokyo-Mitsubishi UFJ

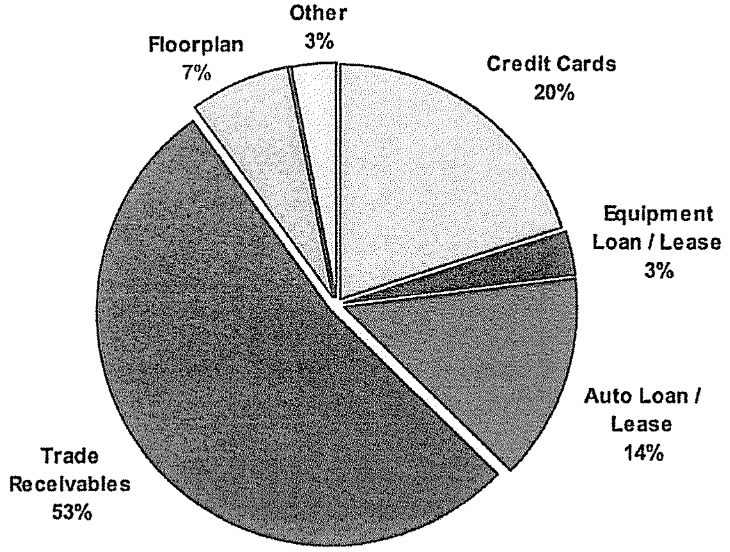
BTMU Securitization Group – Assets Financed

In the U.S., BTMU has substantial experience across most every major asset class and industry group.

Core Competency

- BTMU's conduits are used to provide an efficient form of financing for our important relationship customers.
- BTMU does not use its ABCP conduits to fund assets on a transactional basis and, as a consequence, you will not find securities, mortgages or CDOs funded in our conduits.
- As shown by our continued growth, BTMU is committed to its securitization business and providing value added solutions to its important relationship clients.
- All of BTMU's ABCP conduits are post-review with the rating agencies, which greatly contributes to the flexibility of structuring and certainty of execution within a tight time frame.
- Any changes to documents will not require rating agency involvement.

COMBINED ASSET TYPE BREAKDOWN (Based on Commitments)
(as of December 31, 2010)



Source: BTMU

Bank of Tokyo-Mitsubishi UFJ

LG&E KU
PPL companies

BTMU – Select Utility Securitization Experience

BTMU has substantial utility receivable securitization experience that can add value to LG&E and KU Energy, LLC.

UTILITY	TRANSACTION SIZE ($MM)	BTMU COMMITMENT ($MM)	BTMU ROLE
Gas Utility	275	225	Agent
Gas Utility	75	75	Agent
Gas / Electric Utility	225	225	Agent
Electric Utility	150	150	Agent
Electric Utility	260	260	Agent
Electric Utility	95	95	Agent
Electric / Gas Utility	250	100	Co-Purchaser
Electrical / Gas Utility	750	100	Co-Purchaser

Bank of Tokyo-Mitsubishi UFJ

MUFG

LG&E KU

PPL companies

BTMU – Worldwide Presence

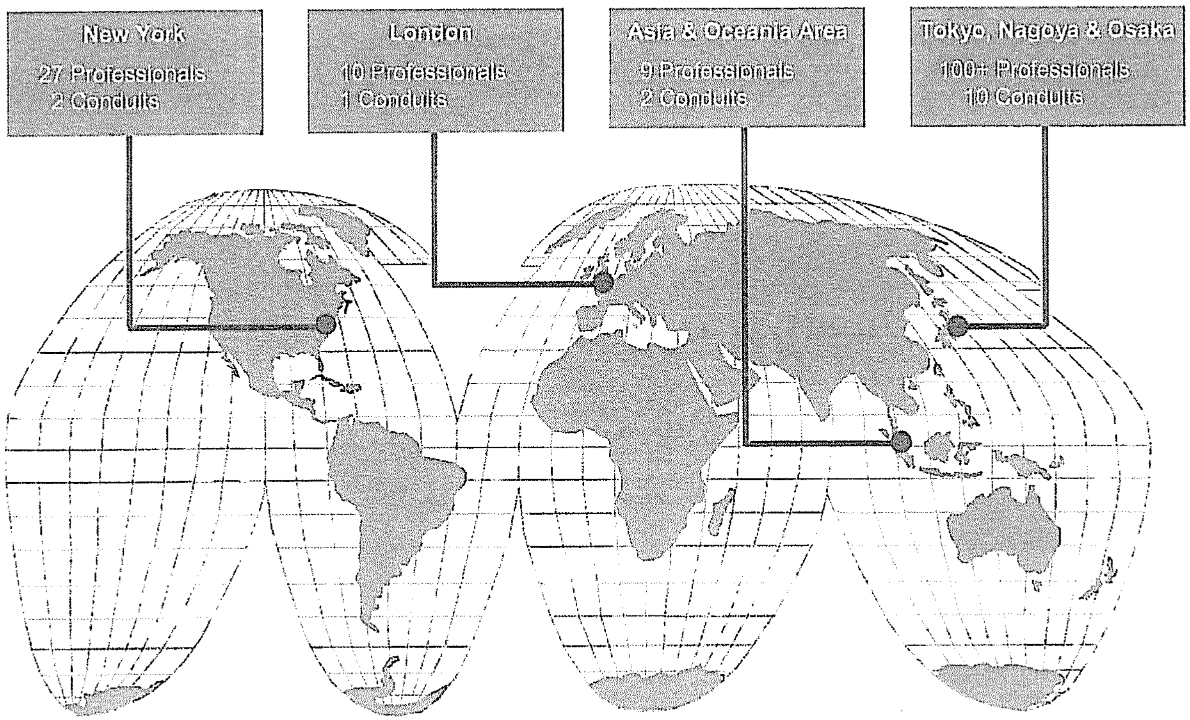
BTMU's more than 140 securitization professionals worldwide deliver a broad range of experience across the globe.

BTMU's Worldwide Presence

BTMU's North American ABCP Conduits

Gotham Funding Corporation
A-1 / P-1 / F1
USD / JPY

Victory Receivables Corporation
A-1 / P-1 / F1
USD



Bank of Tokyo-Mitsubishi UFJ

Securitization Transaction Structure and Mechanics

Bank of Tokyo-Mitsubishi UFJ

LG&E KU
PPL companies

Transaction Structure – Transaction Benefits

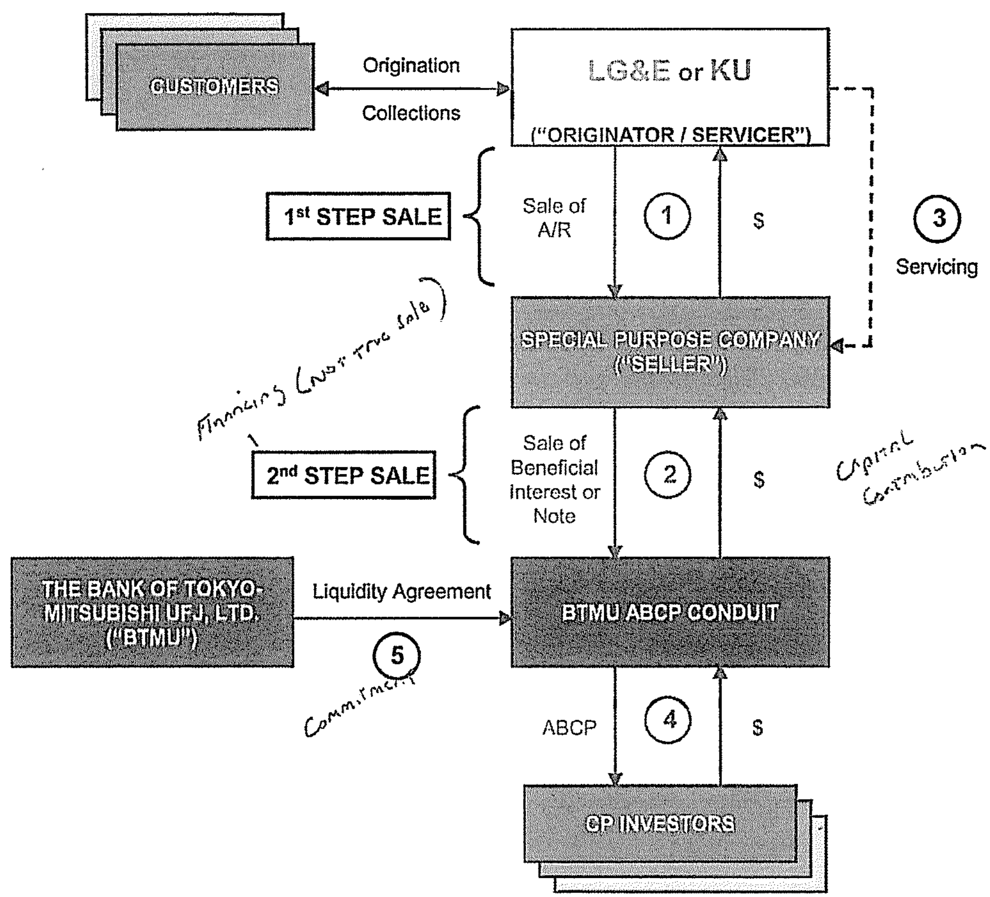
A receivable securitization transaction is a standard and known financing solution.

- ✓ **Diversification of Funding Sources**
  - Diversify sources of capital.
  - No cannibalization of BTMU's appetite for our customers' corporate credit.
  - Create source of liquidity from accounts receivable.
  - Rating agency liquidity credit for longer multi-year facilities
- ✓ **Structural Flexibility**
  - On or off balance sheet treatment.
  - Revolves to support ongoing financing needs.
- ✓ **Understandable Structure**
  - Rating agencies are very familiar with program.
  - Banks and bond investors understand structure.
- ✓ **Ease of Execution**
  - Standard documentation.
  - Easy monthly reporting.
  - Understandable structure to syndicate to Co-Purchasers.

MULTIYEAR FACILITIES
1YR, 2YR, 3YR - Fronting Fee

Transaction Structure – Single Originator Structure

1. Originator sells receivables on a daily basis to a newly formed Special Purpose Company ("Seller"), a wholly-owned subsidiary of the Originator.
2. Seller sells an undivided ownership interest in the receivables to a conduit administered by BTMU. <u>Such undivided ownership interests will be subject to eligibility criteria and reserves</u> (described herein). The ABCP Conduit's percentage ownership interest in such receivables fluctuates based on the amount financed and the amount of reserves required.
3. Servicer will be responsible for, among other tasks, (i) keeping of records relating to the receivables, (ii) reporting of the receivables to Purchasers, and (iii) origination and collection of receivables in accordance with normal procedures and credit and collection policies.
4. The ABCP Conduit finances the acquisition of the undivided ownership interest by issuing ABCP into the market.
5. BTMU provides liquidity support to the ABCP Conduit via a Liquidity Agreement.



Bank of Tokyo-Mitsubishi UFJ

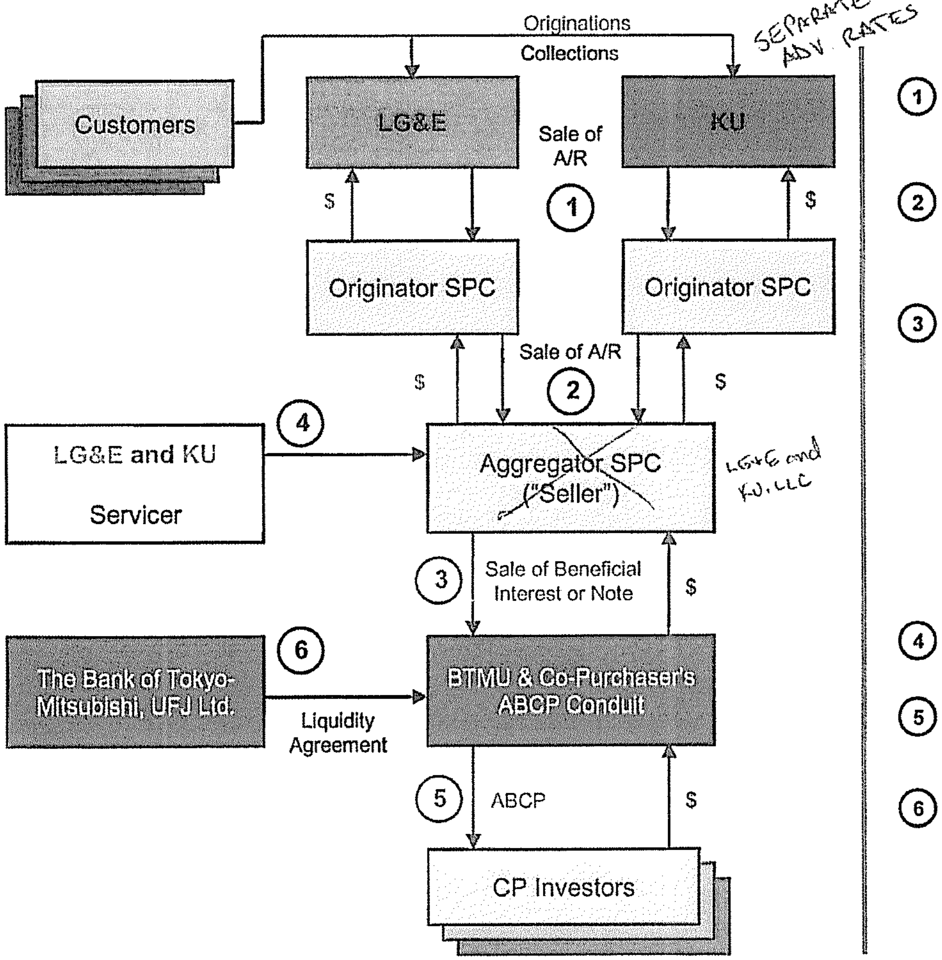
MUFG

LG&E KU

PPL companies

Transaction Structure – Dual Originator Structure

The following provides an overview of a Dual Originator receivable securitization transaction. Based on the regulatory environment, there are several variations of this structure that can be completed.



1. LG&E and KU, each an Originator, sells receivables on a daily basis, each to a newly formed Special Purpose Company ("Originator SPC") a wholly-owned subsidiary of the Originator.

2. The Originator SPC's each sells receivables on a daily basis to an aggregator Special Purpose Company ("Seller"), a wholly owned subsidiary of the Parent.

3. Seller sells an undivided ownership interest in the receivables to conduits administered by BTMU and the co-purchasers ("ABCP Conduit"). <u>Such undivided ownership interests will be subject to eligibility criteria and reserves determined by BTMU, based on standard S&P methodology</u>. The ABCP Conduit's percentage ownership interest in such receivables fluctuates based on the amount financed and the amount of reserves required.

   Based on the regulatory analysis, Step 2 could be eliminated and the Originator SPC's could sell directly to the ABCP Conduit.

4. LG&E and KU will each be engaged as Servicer to service their respective receivables.

5. ABCP Conduit finances the acquisition of the undivided ownership interest by issuing ABCP into the market.

6. BTMU provides liquidity support to the ABCP Conduit via a Liquidity Agreement.

Bank of Tokyo-Mitsubishi UFJ

MUFG

LG&E KU

PPL companies

Transaction Structure – Summary of Terms

Program Type:	Revolving purchase facility for accounts receivables.
Program Limit:	Up to $200 million, or some other amount determined by LG&E and/or KU and the Agent.
BTMU Commitment:	Up to $200 million.
Term:	Up to 3 years.
Closing Date:	To be determined.
Structure Rating:	"A" indicative level based on rating agency methodologies for trade receivables.
Originator :	LG&E and/or KU
Seller (SPE):	Wholly owned SPE of LG&E and/or KU.
Purchaser:	A BTMU administered ABCP Conduit and to the extent not the ABCP Conduit, the Liquidity Bank.
Liquidity Bank:	BTMU.
Funding Cost:	Please refer to Pricing Analysis.
Commitment Fee:	Please refer to Pricing Analysis.
Arrangement Fee:	Please refer to Pricing Analysis.
Costs:	All costs covered, including but not limited to legal, audit and due diligence.
Rating Agency:	**Not required for BTMU.** BTMU is post review by the rating agencies.

Transactions terms proposed here are solely for indicative purposes and are subject to further analysis, due diligence and credit approval by BTMU.

Bank of Tokyo-Mitsubishi UFJ
MUFG

LG&E KU
PPL companies

Transaction Structure - Pricing Analysis*

BTMU Fees

- **364-Day commitment pricing:**
  - Used Fee — ABCP + 65 bps
  - Unused Fee — 25 bps
  - Upfront Fee — 10bps, subject to a minimum
- **2-Year commitment pricing:**
  - Used Fee — ABCP + 75 bps
  - Unused Fee — 27.5 bps
  - Upfront Fee — 15bps, subject to a minimum
- **3-Year commitment pricing:**
  - Used Fee — ABCP + 85 bps
  - Unused Fee — 30 bps
  - Upfront Fee — 20bps, subject to a minimum

? - COMPANY LEGAL FEES
175K - LEGAL
50 - 45 - AUDIT
5K - SPV

- **Tenor Strategy:**
  - Low Refinancing Risk: If LG&E and KU Energy, LLC is not concerned about renewal risk, the 364-day tenor offers the most economical solution.
  - Liquidity Credit/Higher Refinancing Risks: If LG&E and KU Energy, LLC values the security of longer term commitments (or rating agency credit, if applicable) or is concerned about annual renewal risk, BTMU is willing to provide up to a 3-year commitment.

** Terms proposed here are solely for indicative purposes and are subject to further analysis, due diligence and credit approvals by BTMU.*

Bank of Tokyo-Mitsubishi UFJ

PPL companies

Transaction Structure – S&P Eligibility / Advance Rate Mechanics

The total pool of receivables sold are "filtered" by eligibility criteria; Ineligible Receivables are not eligible for funding.

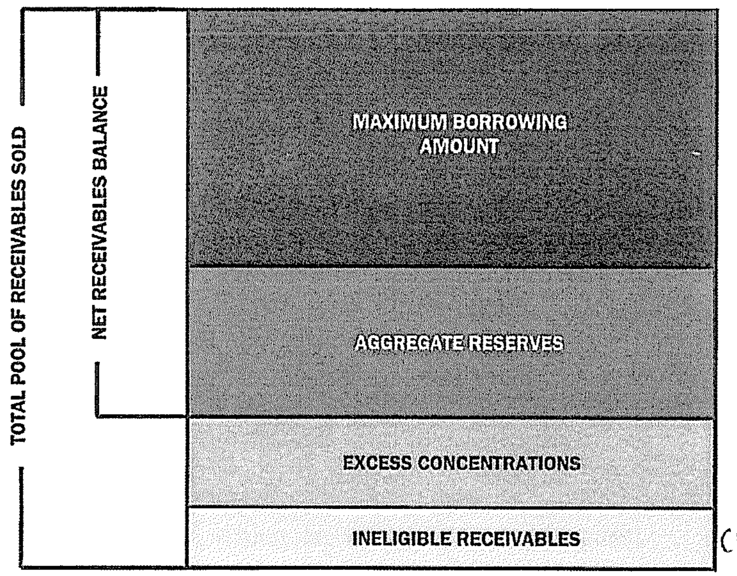
The total pool is adjusted by Excess Concentrations, which limits exposure in the pool to any one or any group of customers.

* The resulting pool of receivables is the Net Receivables Balance ("NRB").

APPLY RESERVES TO

Aggregate Reserves are calculated and reduced from the NRB. The result is the Maximum Borrow Amount.

Maximum Borrow Amount fluctuates monthly based on the performance of the total receivables pool. Pool performance is monitored monthly through standard performance ratios, which track delinquency, defaults, and dilution (non-cash adjustments to accounts receivable) among other metrics.



(PAST DUE)
90 DAYS
OBLIGORS UNDER CERTAIN PAYMENT PLANS

- **Maximum Borrow Amount** = Total Receivables – Ineligibles – Excess Concentrations - Aggregate Reserves
- The following reserves are applied in standard accounts receivable securitizations:
  - **Aggregate Reserves** = Loss Reserve + Dilution Reserve + Yield & Servicing Reserve
  - BTMU recommends structuring the program to a rating agency 'A' or 'AA' level.

15-20%

BILLING ERRORS (USUALLY LOW)

65-80% ADVANCE RATE

Transaction Structure – Typical Eligibility Criteria

The following Eligibility Criteria are those typically found in a receivable securitization. Receivables that do not reflect these criteria are considered Ineligible Receivables when calculating the Maximum Borrowing Amount. Eligibility Criteria may be adjusted to reflect LG&E and KU Energy, LLC's portfolio.

Eligible Receivables include, but are not limited to, a receivable(s):

- the obligor of which (i) is a United States resident or a resident of such other jurisdiction as has been approved by the Agent, (ii) is not an affiliate, (iii) is not a government or a governmental agency, (iv) is not subject to any bankruptcy proceeding, (v) satisfies the requirements of LG&E and KU Energy, LLC's Credit and Collection Policy, (vi) is a party to a contract that is in form and substance reasonably satisfactory to the Agent, and (vii) has not been otherwise excluded by the Agent;
- which is denominated and payable in U.S. dollars in the U.S. (U.S. dollar denominated receivables due from obligors located in other countries are permitted in amounts up to [TBD]% of outstandings);
- which arises in the ordinary course of business;
- which is not issued with payment terms of more than [TBD] days from the original billing date;
- which is not a defaulted, delinquent or diluted receivable;
- not more than [TBD]% of the receivables owed by the obligor of which are defaulted receivables;
- which is not the subject of any asserted dispute, offset, holdback, defense, or other adverse claim;
- which conforms to all applicable laws, rulings and regulations in effect;
- which does not require the consent of the obligor to sell, transfer, pledge or assign the right to receive payment;
- is an "account" within the meaning of Section 9-106 of the UCC of the State of New York;
- which represents all or part of the sales price of merchandise, insurance and services within the meaning of the Investment Company Act of 1940, Section 3(c)(5), as amended;
- a purchase of which is a "current transaction" within the Section 3(a)(3) of the Securities Act of 1933; and
- other customary eligibility criteria.

Transaction Structure – Reserve Calculations

Reserve calculation mechanics – Standard & Poor's methodology:

Loss Reserve

Loss Reserve is established to protect against the risk of a systemic default among the diversified obligors of the receivables.

Loss Reserve = Loss Percentage X Net Receivables Balance

Loss Percentage = Greater of (A) Stress Factor x Loss Ratio x Loss Horizon Ratio or (B) Loss Reserve Floor

Stress Factors ("SF"):

Indicative Rating	Level
AAA	2.50
AA	2.25
A	2.00

Loss Ratio: the greatest [TBD] average Default Ratio as calculated for each of the 12 most recently ended calendar months.

Default Ratio: an amount (expressed as a percentage) equal to (i) the sum of (A) all Defaulted Receivables (based on a default proxy TBD) and (B) all receivables that became charged-off Receivables divided by (ii) the aggregate gross sales month [TBD] months prior.

Loss Horizon Ratio: an amount (expressed as a percentage) equal to (i) the aggregate gross sales of the Originators during the [TBD] recently ended calendar months divided by (ii) the Net Receivables Balance as of the last day of the most recently ended month.

Loss Reserve Floor:is designed to cover a multiple of obligors based upon rating level. The standard is typically driven off non-investment grade obligors subject to the following:

Indicative Rating	Obligor Multiple
AAA	5
AA	5
A	4

Transaction Structure – Reserve Calculations (cont.)

Reserve calculation mechanics – Standard & Poor's methodology:

Dilution Reserve

The Dilution Reserve covers non-cash adjustments to receivables during liquidation.

Dilution Reserve = Dilution Percentage x Net Receivable Balance

Dilution Percentage is the greater of (i) dynamic dilution percentage and (ii) dilution percentage floor.

Dynamic Dilution Percentage = [(SF x ED) + ((DS-ED) x (DS/ED))] x DHR

Dilution Percentage Floor = ED x DHR

ED = Expected Dilution, the 12-month average of the [TBD] rolling average Dilution Ratio ("DR").

DR = Dilution Ratio, the current month's Dilution to Sales [TBD] months prior.

DS = Dilution Spike, the maximum of the [TBD] month rolling average Dilution to Sales Ratio over the last 12 months.

SF = Stress Factor. Same levels as Loss Reserve.

DHR = Dilution Horizon Ratio, which is calculated by dividing (i) Sales during most recent [TBD] months by (ii) Net Receivable Balance for the most recent calendar month.

Transaction Structure – Reserve Calculations (cont.)

Reserve calculation mechanics – Standard & Poor's methodology:

Yield & Servicing Reserve

Yield & Servicing Reserve covers the funding costs, fees and the servicing fees during liquidation.

Yield & Servicing Reserve = (Default Rate + Servicing Fee + Trustee Fee) x SF x (Adjusted DSO/360)

Default Rate: Negotiated Default Rate of interest.

Adjusted DSO: a stress applied to the days sales outstanding calculation.

Days Sales Outstanding = [Total Receivables / Sales] x 30 Days

SF: Stress Factor, [2.0]x.

Transaction Structure – Servicing Activities

- Management of the receivables will be governed by standard procedures and credit and collection policies.
  - Designed to not impact current receivables management practices.
  - Designed to not impact existing customer base.

- The Originator, or an affiliate of the Originator, is engaged as Servicer so not to disturb its relationship with customers.
  - The Servicer faces the customers under the normal course of business.
  - BTMU does not disclose that it is financing a securitization program on behalf of the Originator.
  - The primary notification that a receivable financing exists is typically a footnote in the Financing and Accounting sections of the Originator's financial statements.

- In addition to originating and collecting the accounts receivable under the normal course of business, the Servicer will have certain reporting requirements that include, but are not limited to:
  - Annual and Quarterly Financial Statements;
  - Monthly Information Package (form to be provided prior to closing) that highlights the receivable balances, performance of the receivables, portfolio triggers and calculated availability under the program. More frequent reporting may be required under certain circumstances, including an Event of Termination;
  - Audit & annual 3rd party audit of securitization program.

Bank of Tokyo-Mitsubishi UFJ

LG&E KU PPL companies

Transaction Structure – Documentation

Receivable securitization, being a common securitization product, has fairly standardized base documentation that can quickly be adjusted to reflect specific receivables and servicing activities.

- Standard receivable securitization documents include, but are not limited to:
  - Receivable Sale Agreement: Sale between Originator and Seller;
  - Receivable Purchase Agreement: Sale of undivided ownership interest between Seller and Purchasers;
  - Seller Documents: Typical documents necessary to create and incorporate a newly formed special purpose company;
  - Fee Letter: Fees payable to the Purchasers and Agent;
  - Parent Undertaking: To the extent necessary, provides that the Originator/Servicer will cause its affiliates to perform as required under the documents;
  - Standard Opinions: True Sale, Non-consolidation, Corporate matters, UCC Security Interest and Perfection Matters;
  - Corporate documentation related to Authority, Incumbency and other matters related to the Originator;
  - UCC Financing Statements.
- Documents will include standard operating procedures, representation and warranties, covenants, amortization events and indemnities for the benefit of the Purchaser(s).

Bank of Tokyo-Mitsubishi UFJ

MUFG

LG&E KU

PPL companies

Transaction Structure – Timeline

A typical receivable securitization transaction can be executed in an 8 week timeframe.

WEEK 1 - 2

- ✓ Agree on structure
- ✓ Develop preliminary term sheet
- ✓ Begin aggregating data
- ✓ [Identify Co-Purchasers (if necessary)]
- ✓ Deliver data to Agent

WEEK 3 - 4

- ✓ Analyze data
- ✓ Finalize advance calculation
- ✓ Finalize term sheet
- ✓ Develop audit scope

WEEK 5 - 6

- ✓ [Distribute term sheet and data to Co-Purchasers]
- ✓ Complete audit
- ✓ Complete on-site due diligence

WEEK 5 - 8

- ✓ Documentation ongoing
- ✓ Purchasers obtain credit approval
- ✓ Audit report finalized

WEEK 7 - 8

- ✓ Finalize reporting template
- ✓ Finalize documentation
- ✓ Close transaction

Transaction Structure – Data Requirements

Typical data requirements include, but are not limited to, the following data and figures:

- Historical data, submitted on a monthly basis typically for the past [3] years, covering:
  - Accounts receivable rollforward: receivable balance, collections, credit adjustments and write-offs;
  - Aging analysis: Receivable aging by 30-day (or other as applicable) buckets;
  - Delinquency statistics (with an explanation of the aging process as well as any reconciliation of the receivables aging to the general ledger);
  - Dilution figures (with a summary of the terms giving rise to dilution and an explanation of each of the items). Dilution is any non-cash reduction to the receivable balance.

- A summary of payment terms offered and the percentage of the receivables subject so such terms including weighted average payment term figures (if receivables are aged on a past due vs. past invoice basis).

- A sample credit memo aged back to the date of invoicing with an explanation of the dilution and the dollar amount of the dilution.

- Historical portfolio turnover (day's sales outstanding) variance analysis.

- A breakdown of the top customer concentrations and their related ratings (if available).

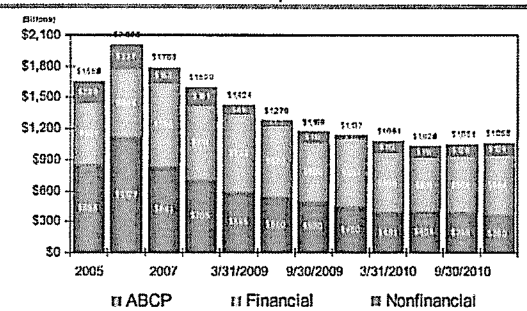
Bank of Tokyo-Mitsubishi UFJ

LG&E KU
PPL companies

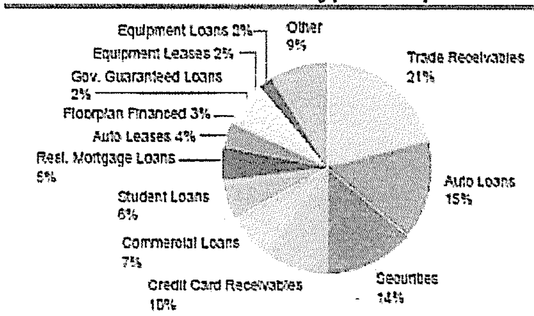
Market Update

- For most of 2010, ABCP outstandings hovered around $400 billion. For the quarter ending Dec. 31, 2010, ABCP outstandings were $380 billion representing 36% of the overall USCP market.
- Currently, there are just 109 ABCP conduit programs in the market, down from 333 programs in early 2007. Multiseller programs continue to dominate the marketplace as other less diversified conduits have fallen out of favor as a result of the crisis. Multiseller conduits now represent 69% of the marketplace by year end 2010 compared to 42% year end 2007.
- Trade Receivables, Auto Loans, Securities-linked transactions, and Credit Card Receivables are the dominate asset classes funded via ABCP conduits comprising 60% of all assets.
- Corporate US commercial paper outstandings increased by $22.1 billion or 2.1% to $1.057 trillion in the fourth quarter of 2010, mostly due to a $16 billion increase in Financial (mostly Bank) unsecured CP. Compared to year end 2009, total CP outstanding is down $80 billion or 7.0%.
- Requirements for funds remain low by historical standards but strong economic data since the announcement of QE2 and a rise in stock market levels indicate corporate America will begin to increase their borrowing needs in 2011. BTMU saw increased utilization in the 4th quarter 2010.
- With a flat LIBOR curve ABCP rates have returned to the historic (pre-crisis) norm against traditional benchmarks such as LIBOR. Historically low LIBOR rates have led to a favorable funding environment for Issuers as investors seek to extend maturities to capture additional yield. Spreads tend to widen during a crisis, most recently the European sovereign debt crisis.
- ABCP continues to be in strong demand with investors and demand exceeds supply.

Total US Commercial Paper Market Outstanding



ABCP Multi-Seller Asset Type Composition



Bank of Tokyo-Mitsubishi UFJ

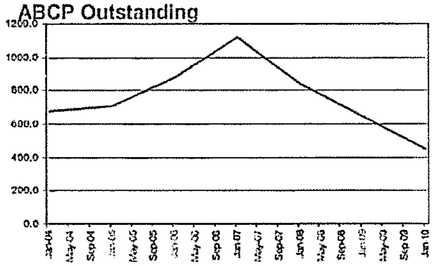
MUFG

LG&E KU

PPL companies

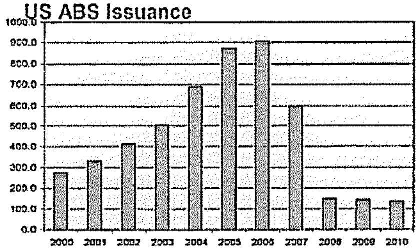
Securitization Market 2010 Overview and 2011 Perspective

ABCP Outstanding



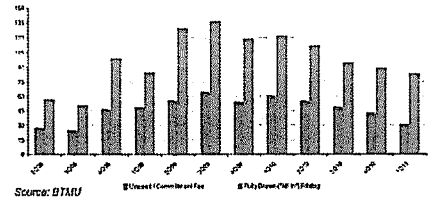
Federal Reserve

US ABS Issuance



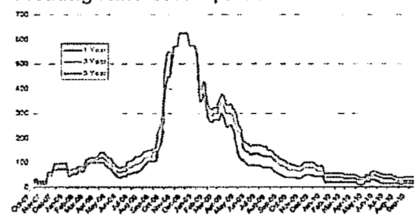
Asset Backed Alert

Average Pricing for Trade Receivable Programs



Source: BTMU

Floating Rate Card Spreads



Source: Morgan Stanley

2010 Overview

- 2010 was a rebound year as banks re-entered the market pushing spreads down from the historical highs of 2008 and 2009.
- 1st half activity in the conduit market was relatively slow, but began to pick-up with new programs from clients looking for lower cost liquidity and capital markets issuers accessing the ABCP market due to capital markets regulatory uncertainty.
- Structures remained conservative, but began to loosen as conduit investors looked to enter existing programs.

Volume

- ABCP outstanding dropped by 20% in 2010 to $380 billion due to liquid corporate balance sheets. This was partially offset by capital markets issuers accessing the ABCP market.
- Capital markets activity remained low due to regulatory uncertainty, expiration of TALF and declining consumer debt balances.

Structure and Pricing

- Multi-year structures gained favor in 2010 as companies looked for certainty of funding and rating agency credit.
- Many structures remained at AA and AAA levels.
- Trade receivable drawn pricing is trending below 90bps and is looking for a floor.
- Trade receivable un-drawn pricing is breaking away from the 50% of drawn spread rule.
- Assets with capital markets execution has seen substantial spread compression.

2011 Perspective

- Conduit activity is expected to pick-up as legacy revolvers price to current market levels, clients look for more cost efficient funding and to "right-size" revolver banks and as capital markets issuers look for a substitute.
- Pricing is expected to slowly drop and find a floor.
- Transactions will gently migrate to pre-crisis structures, but are not expected to loosen to that seen prior to the financial crisis. Conduit investors will begin to entertain new asset classes.
- Deferred Purchase Price Structures will be selectively used for off-balance sheet treatment.

Concerns and Considerations

- Regulatory and accounting changes will continue to impact the market.
- These changes are expected to have a bigger impact on the capital markets.
- Issuers in the conduit market will want to find investors that will weather these changes.

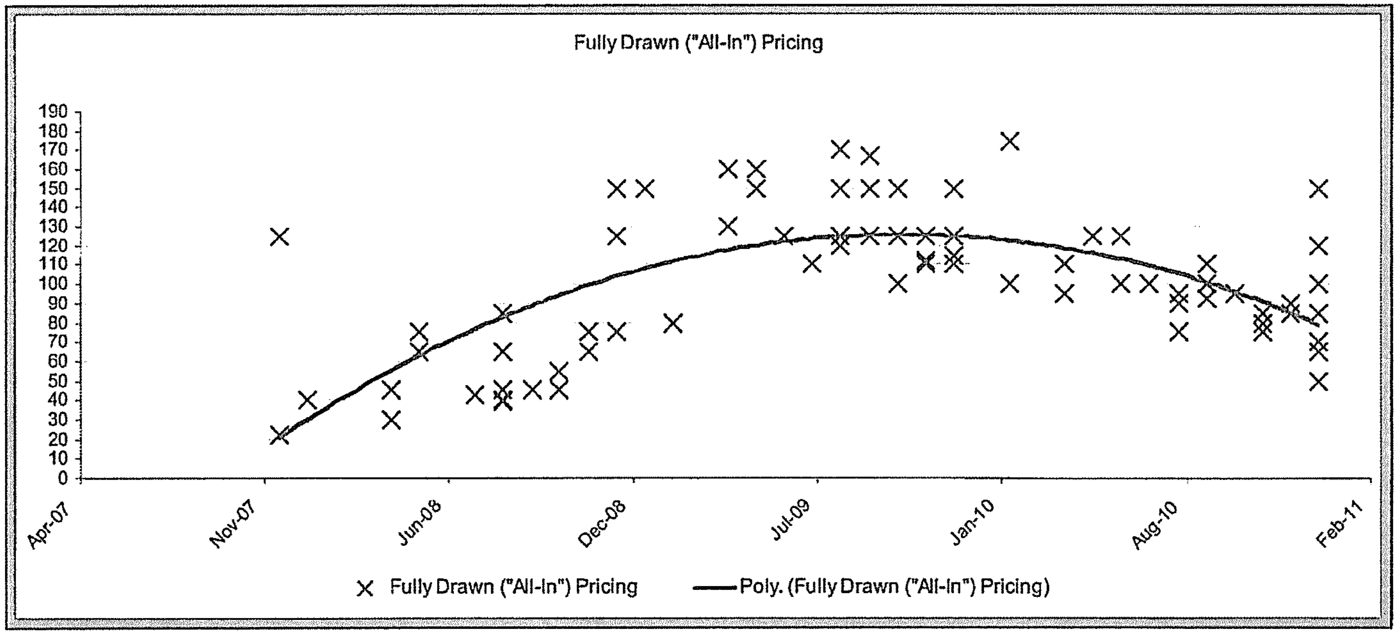
Bank of Tokyo-Mitsubishi UFJ

MUFG

LG&E KU

PPL companies

Securitization Market Pricing – Trade Receivable Spreads



- The above chart illustrates fully drawn pricing for trade receivable programs in which BTMU acts as a participant

Contact Information

BTMU SECURITIZATION GROUP CONTACT INFORMATION

Van Dusenbury

Phone: 212.782.6964
Fax: 212.782.6448
email: vdusenbury@us.mufg.jp

Van Dusenbury is a Managing Director and head of marketing and structuring of BTMU's Securitization products to the Bank's U.S. and multinational customers. Prior to joining BTMU in 1994, Mr. Dusenbury was a Vice President with the U.S. Securitization division of Citicorp Securities Inc. During his nine years with Citicorp, Mr. Dusenbury's responsibilities included marketing of Citicorp's various Securitization products to other financial institutions, as well as industry specific Fortune 500 companies.

Eric Williams

Phone: 212.782.4910
Fax: 212.782.6448
email: ewilliams@us.mufg.jp

Eric Williams is a Director responsible for marketing, originating and executing transactions for BTMU's U.S. clients. Prior to joining BTMU, Mr. Williams was a Director in Citigroup's Global Securitized Markets responsible for private and conduit funded transactions facing Citi's financial institution, middle market and acquisition finance clients. Mr. Williams holds a BS from Purdue University and an MBA from Northwestern's Kellogg Graduate School of Management.

Christopher Pohl

Phone: 212.782.4911
Fax: 212.782.6448
email: cpohl@us.mufg.jp

Christopher Pohl is a Director responsible for the marketing and structuring of BTMU's Securitization products to the Bank's U.S. and multinational customers. Prior to joining BTMU in 1996, Mr. Pohl was an Assistant Vice President with Bankers Trust's Asset Backed Services Group. While at Bankers Trust, Mr. Pohl was responsible for investor reporting, bond analytics and back-up servicing. Mr. Pohl holds a BS and an MBA from New York University's Stern School of Business.

Greg Hurst

Phone: 212.782.6963
Fax: 212.782.6448
email: ghurst@us.mufg.jp

Greg Hurst is a Director responsible for marketing, originating and executing BTMU's Securitization products for the Bank's U.S. clients. Prior to joining BTMU, Mr. Hurst was an Executive Director with the U.S. Structured Lending and Structured Credit Marketing groups of CIBC World Markets Corp. Mr. Hurst has extensive experience with a variety of asset classes and structures. Mr. Hurst holds a BA in Economics from the University of Vermont and an MBA in Finance from Rutgers Graduate School of Management.

BTMU SECURITIZATION GROUP CONTACT INFORMATION

Luna Mills

Phone: 212.782.6959
Fax: 212.782.6448
email: lmills@us.mufg.jp

Luna Mills is a Vice President supporting the origination and execution team of BTMU's Securitization Group. Prior to joining the Securitization Group, Mrs. Mills was a Marketing Officer with the Global Relationship Banking Division of BTMU for seven years. Prior to joining BTMU in 1998, Mrs. Mills spent five years in the Corporate Finance Division of Dai-Ichi Kangyo Bank, Ltd. Mrs. Mills holds a BA from New York University.

Nicolas Mounier

Phone: 212.782.4910
Fax: 212.782.6448
email: nmounier@us.mufg.jp

Nicolas Mounier is a Vice President supporting the origination team of BTMU's Securitization Group. Prior to joining BTMU, Mr. Mounier was with the ABCP Conduit Group of Credit Agricole for eight years, where he worked on the portfolio management needs of the various asset classes securitized through the Bank's conduit structures. Mr. Mounier holds a BS in Finance from Boston College.

Devang Sodha

Phone: 212.782.4253
Fax: 212.782.6448
email: dsodha@us.mufg.jp

Devang Sodha is a Vice President responsible for marketing, originating and executing transactions for BTMU's Securitization Group. Prior to joining BTMU in 2004 he was a member of the ABCP Conduit Group at Calyon for five years, as well as at Lehman Brothers in the Global Asset Backed Lending Group for four years and most recently at Ambac Assurance Corp. underwriting term securitization transactions for two years. Mr. Sodha holds a BS in Finance from Rutgers School of Business.

Michael Jopling

Phone: 212.782.6930
Fax: 212.782.6448
email: mjopling@us.mufg.jp

Michael Jopling is a Financial Analyst supporting the origination and execution team of BTMU's Securitization Group. Mr. Jopling started working with BTMU's Securitization Group in 2006. Mr. Jopling holds a BS in Mechanical Engineering with a minor in Mathematics from Syracuse University's L.C. Smith College of Engineering and Computer Science.

Shiro Tohari

Phone: 212.782.4929
Fax: 212.782.6448
email: stohari@us.mufg.jp

Shiro Tohari is a Financial Analyst supporting the origination and execution team of BTMU's Securitization Group. Mr. Tohari started working with BTMU's Securitization Group in 2009. Mr. Tohari holds a BA in Economics with a minor in Statistics from Rutgers University.

Appendix

Bank of Tokyo-Mitsubishi UFJ

Appendix I – Format for Data Requirements

✓ Monthly Receivables Balances

	BEGINNING OF MONTH RECEIVABLES BALANCE	GROSS SALES	DEBIT ADJUSTMENTS*	CASH COLLECTIONS	GROSS WRITE-OFFS	DILUTION / CREDIT ADJUSTMENTS**	UNAPPLIED CASH	END OF MONTH RECEIVABLES BALANCE
Jan-08								
Feb-08								
Mar-08								
Apr-08								
May-08								
Jun-08								
Jul-08								
Aug-08								
Sep-08								
Oct-08								
Nov-08								
Dec-08								
Jan-09								
Feb-09								
Mar-09								
Apr-09								
May-09								
Jun-09								
Jul-09								
Aug-09								
Sep-09								
Oct-09								
Nov-09								
Dec-09								
Jan-10								
Feb-10								
Mar-10								
Apr-10								
May-10								
Jun-10								
Jul-10								
Aug-10								
Sep-10								
Oct-10								
Nov-10								
Dec-10								

* *Billing adjustments, etc.*

** *Please fill out the details for returns, allowances, disputes, warranties, claims, etc. in the subsequent tables.*

Bank of Tokyo-Mitsubishi UFJ

MUFG

LG&E KU

PPL companies

Appendix I – Format for Data Requirements

✓ Portfolio Aging (exclude credit adjustments and unapplied cash, if possible)

	CURRENT	1 - 30 DAYS PAST DUE	31 - 60 DAYS PAST DUE	61 - 90 DAYS PAST DUE	91 - 120 DAYS PAST DUE	121 - 150 DAYS PAST DUE	151 - 180 DAYS PAST DUE	180+ DAYS PAST DUE	TOTAL	AFFILIATED RECEIVABLES	GOVERNMENT RECEIVABLES	FOREIGN RECEIVABLES	CANADIAN RECEIVABLES IN USD
Jan-08													
Feb-08													
Mar-08													
Apr-08													
Sep-10													
Oct-10													
Nov-10													
Dec-10													

✓ Dilution Detail

	DEFECTIVE MERCHANDISE / RETURNS	PRICE PROTECTION / REBATES	BILLING ERRORS / ADJUSTMENTS	PAYMENT DISCOUNTS	VOLUME REBATES	OTHER	TOTAL
Jan-08							
Feb-08							
Mar-08							
Apr-08							
Sep-10							
Oct-10							
Nov-10							
Dec-10							

Note: A minimum of the most recent 24 months of data is required to determine indicative advance rate and advance amount.

Bank of Tokyo-Mitsubishi UFJ

MUFG

LG&E KU

PPL companies

Appendix I – Format for Data Requirements

✓ Composition of the Portfolio by Billing Terms (monthly)

PAYMENT TERMS	OUTSTANDING JANUARY 2010	% OF TOTAL
TOTAL		

✓ Top Obligors (monthly)

	NAME	RECEIVABLES BALANCE OUTSTANDING	% OF TOTAL OUTSTANDING
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
	TOTAL		

Note: Receivable balances of affiliated obligors must be aggregated prior to ranking. Affiliated obligors comprise those directly or indirectly in control of, or controlled by, each other under common control.

DISCLAIMER

The information herein is provided for information purposes only, and is not to be used or considered as an offer or the solicitation of an offer to sell or to buy or subscribe for securities or other financial instruments. Neither this nor any other communication prepared by The Bank of Tokyo- Mitsubishi UFJ, Ltd. (collectively with its various offices and affiliates, "BTMU") is or should be construed as investment advice, a recommendation to enter into a particular transaction or pursue a particular strategy, or any statement as to the likelihood that a particular transaction or strategy will be effective in light of your business objectives or operations. Before entering into any particular transaction, you are advised to obtain such independent financial, legal, accounting and other advice as may be appropriate under the circumstances. In any event, any decision to enter into a transaction will be yours alone, not based on information prepared or provided by BTMU. BTMU hereby disclaims any responsibility to you concerning the characterization or identification of terms, conditions, and legal or accounting or other issues or risks that may arise in connection with any particular transaction or business strategy. Note that BTMU may have issued, and may in the future issue, other reports that are inconsistent with or that reach conclusions different from the information set forth herein. Such other reports, if any, reflect the different assumptions, views and/or analytical methods of the analysts who prepared them, and BTMU is under no obligation to ensure that such other reports are brought to your attention.

SunTrust Robinson Humphrey

PPL Corp.

Discussion Materials

April 29, 2011

ppl

SunTrust Robinson Humphrey Team

SunTrust Robinson Humphrey

Capital Markets Origination

John Gregg
Head of Capital Markets Origination
404.926.5440
john.gregg@suntrust.com

Equity Capital Markets

Arnold Evans
Group Head
404.926.5679
arnold_evans@rhco.com

Justin Adams
Managing Director
404.926.5139
justin_adams@rhco.com

M&A

Tom Gerlacher
Managing Director
404.813.0111
tom.gerlacher@suntrust.com

Stirling Bomar
Vice President
404.813.0592
stirling.bomar@suntrust.com

Asset Securitization

Leo Loughead
Managing Director
404.581.1498
leo.loughead@suntrust.com

J.D. Gettman
Vice President
404.813.6644
j.d.gettmann@suntrust.com

Investment Banking Coverage

John Fields
Group Head
404.724.3667
john.fields@suntrust.com

Sean Drinan
Managing Director
404.532.0989
sean.drinan@suntrust.com

Matt Veal
Associate
404.813.0129
matt.veal@suntrust.com

Chris Markel
Analyst
404.658.4691
chris.markel@suntrust.com

Fixed Income Derivatives

Frank Tantillo
Managing Director
404.926.5573
frank.tantillo@suntrust.com

Matt Rotenberry
Analyst
404.926.5736
matthew.rotenberry@suntrust.com

Debt Capital Markets Origination

Mark Huffstetler
Head of Debt Capital Markets Origination
404.813.0849
mark.huffstetler@suntrust.com

Syndicated & Leveraged Finance

David Stephenson
Director
404.658.4804
david.stephenson@suntrust.com

Brandon Graffeo
Vice President
404.813.5134
brandon.graffeo@suntrust.com

Investment Grade Debt Capital Markets

Omar F. Zaman
Director
404.926.5061
omar.f.zaman@suntrust.com

Andrew Sadow
Associate
404.926.5062
andrew.sadow@suntrust.com

Tax-Exempt Origination

Hank Harris
Managing Director
404.926.5307
hank.harris@suntrust.com

James Torrell
Vice President
404.926.5308
james.torrell@suntrust.com

Table of Contents

Executive Summary

SunTrust
Robinson Humphrey

Executive Summary

SunTrust Robinson Humphrey ("STRH") is pleased to discuss financing alternatives with PPL Corporation ("PPL" or the "Company")

In today's market, companies have access to a broad range of attractive financing alternatives

The low interest rate environment supplemented by strong investor demand favors issuers

Situation Overview

- PPL has plans to spend up to $4.8BN at the Kentucky-based regulated utilities with a focus on generation through 2015
  - The Company announced in April that it would target six coal units operated by Kentucky Utilities Company ("KU") and Louisville Gas & Electric Company ("LGE") for retirement by 2016, which is expected to be the year when the most stringent federal emissions regulations take effect
- PPL could supplement liquidity and funded debt capacity at KU and LGE with receivables securitization facilities
  - KU and LGE have average receivables balances of more than $300MM combined, which could be used to supplement liquidity at attractive rates
- In 2010, STRH and PPL discussed tax-exempt alternatives for bank funded loans and letter of credit facilities
  - At year end, the bank qualified loan exception expired for new money projects; however, banks are still able to provide attractive, non-bank qualified tax-exempt financing to clients for new projects or bond repurchase

STRH looks forward to partnering with PPL on future financing and liquidity needs

Meeting Objectives

- Revisit securitization as an alternative liquidity source, and update the Company on current market conditions, indicative pricing and structure
- Update the Company on the tax-exempt debt market, and provide indicative terms for non-bank qualified tax-exempt financing at KU and LGE

Receivables Securitization Discussion

SunTrust Robinson Humphrey

Receivables Securitization Summary

Overview

Receivables securitization would be KU and LGE's lowest cost funding source

- PPL could supplement liquidity and funded debt capacity at Kentucky Utilities Company and Louisville Gas & Electric Company with receivables securitization facilities
  - Frequently used by regulated utilities as an alternative to traditional bank and bond financing
  - Structured to focus on the credit profile of the underlying receivables rather than the corporate credit
  - Lower than the current market cost of bank financing

KU and LGE are both previous users of the securitization product

- STRH believes KU and LGE could support receivables securitization facilities in the range of $200MM to $300MM in aggregate
  - Each utility's credit agreement allows for receivables securitization financing
  - Regulatory approval may be required

Facility could be structured as multi-year for a modest pricing premium

- Receivables securitization facilities are typically 364-day commitments, though multi-year commitments are available
  - 364-day pricing in the range of 65 – 75 bps
  - 3-year pricing in the range of 80 – 90 bps

Indicative Pricing

- Indicative pricing for a receivables securitization facility:

Tenor	Drawn Spread	Unused Fee
364-day	65 - 75 bps	30 - 35 bps
3-year[1]	80 - 90 bps	35 - 40 bps

Receivables Securitization versus Revolving Credit Facility

	Drawn Spread
Receivables Securitization (364-day)	65 - 75 bps
Revolving Credit Facility	200 bps
Difference	(125 - 135 bps)

(1) 3-year pricing based on a grid

Indicative Terms

Proposed Summary Terms and Conditions

Borrower:	A wholly owned subsidiary of KU/LGE ("SPE")
Company/Servicer:	KU/LGE
Lead Arranger/Agent:	SunTrust Robinson Humphrey ("STRH")
Closing Date:	TBD
Description:	Conduit-funded utility service receivables securitization facility
Maturity:	364-day
Facility Size:	KU: $125MM - $150MM LGE: $100MM - $125MM
Security:	Utility service receivables transferred to the SPE by KU/LGE
Covenants:	Receivables-specific performance covenants plus the bank financial covenant package
Advance Rate:	Borrowing base driven by eligibility criteria and rating agency reserve formulas
Reporting:	Monthly

Pricing:		**Drawn Spread**	**Unused Fee**
	364-day:	65 - 75 bps	30 - 35 bps
	3 year:	80 - 90 bps	35 - 40 bps

Considerations

- « SPE borrower under the utility service receivables facility will be a newly formed subsidiary of the applicable utility
- « Each utility will service its receivables and manage its respective SPE
- « Securitization facilities have longer execution timeline than a bank loan and may require regulatory approval
- « Conduit-funded facility with CP cost basis
- « Multi-year commitment availability for modest pricing premium
- « Facility should be sized relative to expectations for receivables outstanding
- « Financial covenants would mirror the respective utility's bank credit facility
- « Funding capacity will float based on size and credit metrics of the receivables pool
- « 3-year facility would have a ratings-based pricing grid

Securitization Facility Sizing

(Amounts in $MMs)

Kentucky Utilities Company[1]	4Q10	3Q10	2Q10	1Q10	4Q09	3Q09	2Q09	1Q09	AVG	MIN	MAX
Customer A/R	$87	$107	$93	$104	$81	$86	$97	$75	$91	$75	$107
Other A/R	29	33	34	20	20	29	23	22	26	20	34
Unbilled Revenues	89	67	74	59	76	53	43	68	66	43	89
Total	$204	$207	$201	$184	$176	$168	$164	$165	$184	$164	$207
Estimated Facility Size (75% Advance Rate)[2]	$153	$155	$151	$138	$132	$126	$123	$124	$138	$123	$155

Louisville Gas & Electric Company[1]											
Customer A/R	$71	$72	$76	$82	$68	$57	$72	$94	$74	$57	$94
Other A/R	16	11	21	7	13	11	11	9	12	7	21
Unbilled Revenues	79	51	60	48	64	48	51	60	58	48	79
Total	$166	$134	$157	$138	$145	$117	$134	$163	$144	$117	$166
Estimated Facility Size (75% Advance Rate)[2]	$124	$100	$117	$103	$108	$88	$100	$122	$108	$88	$124

KU and LGE could use securitization as a cost effective mechanism to supplement liquidity

KU and LGE previously (E.ON era) had conduit securitization facilities sized at $50MM and $75MM, respectively

STRH expects receivables facilities for KU and LGE to have gross advance rates of 75%

- KU could support a securitization facility ranging from $125MM to $150MM
  - Receivables and unbilled revenue consistently range from $160MM to $200MM
- LGE could support a facility ranging from $100MM to $125MM
  - Receivables and unbilled revenue consistently range from $115MM to $165MM
- Facility size and advance rate would be based on the specific characteristics of each utility's receivables pool
  - Each utility's receivables balance swings seasonally between the first and third quarters

Indicative Advance Rate ($ MM's)		KU	LGE
Gross Receivable Balance (4Q10)		$204	$166
Less: Estimated Ineligible Receivables (10% of Gross)	(BEYOND 60 DAYS PAST DUE)	20	17
Eligible Receivable Balance (ERB)	INTERCOMPANY	$184	$149
Less: Estimated Concentrations (2% of ERB)	LARGE CUSTOMERS	4	3
Estimated Reserve Floor (15% of NRB)		27	22
Effective Advance Rate on Gross Receivable Balance		75%	75%

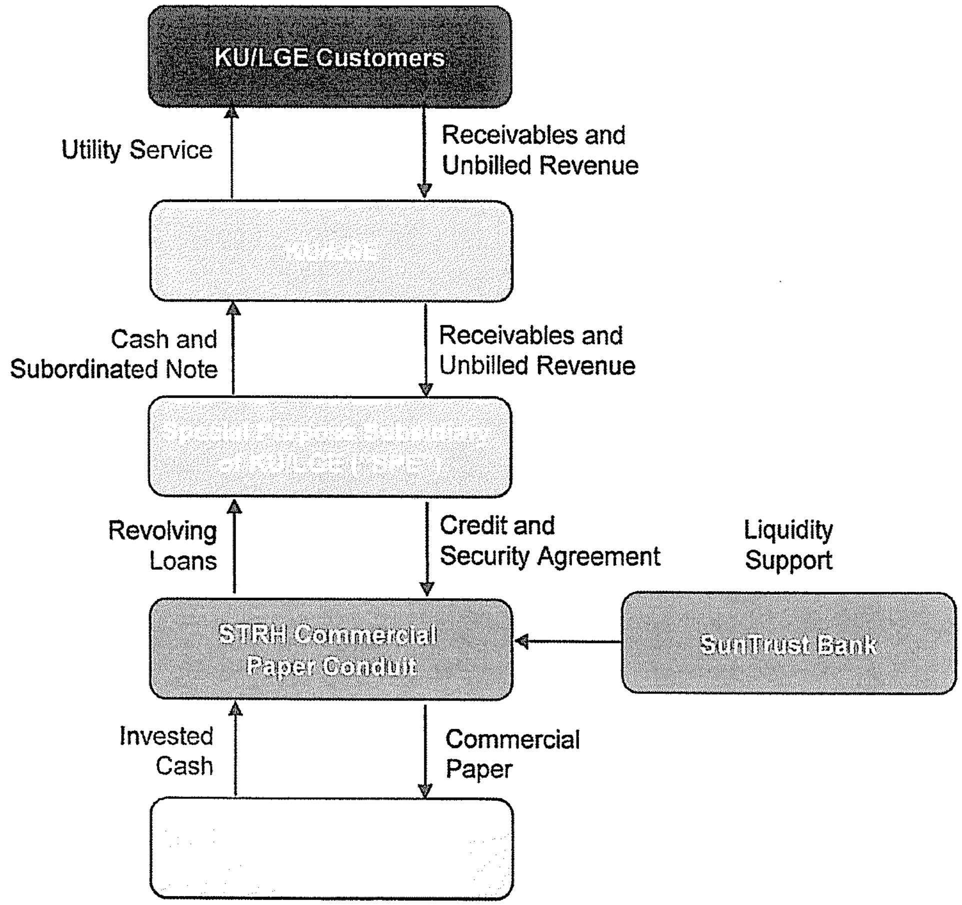
(1) Source: FERC filings

(2) Estimated utility service receivable facility sized at 75% of the gross balance

Structural Overview – Utility Service Receivables Securitization

A receivables financing would be structured as a standard two-step securitization transaction

- KU/LGE would form a special purpose subsidiary ("SPE") for the purpose of conducting the receivables securitization
- In the first step of the transaction, KU/LGE will sell all of its rights, title, and interest in a defined pool of utility service receivables and unbilled revenue (the "Collateral") to the SPE in exchange for cash and subordinated note
- Transfers between KU/LGE and the SPE will be made on a true sale basis and opined on as such by outside counsel
- In the second step of the transaction, the SPE will enter into a credit and security agreement ("CSA") with a commercial paper conduit administered by STRH (the "Conduit")
- The CSA will provide the SPE with loans from the Conduit on a revolving basis, secured by the Collateral
- The Conduit finances the loans it makes to the SPE by issuing asset-backed commercial paper, which is backed by a liquidity facility from SunTrust Bank
- Advances under the facility would be reflected as debt on KU/LGE's financial statements



SunTrust Robinson Humphrey

Securitization Diligence and Timeline

A receivables securitization facility for PPL can be comfortably executed in 6-8 weeks

Receivables Data Request

- Summary level information (not by customer / obligor)
  - 36 months of history (+/-) (2 YRS HISTORY O.K.)
- Receivables aging
  - Days past due ("dpd") or days past invoice ("dpi") basis
  - Aging buckets in thirty day increments, beginning with current (dpd) or 0-30 (dpi) out to 120+ dpd or 150+ dpi
  - Debit-only aging, with summary credit balances for each month
- Receivables roll-forward
  - Beginning balance (should match aging, adjusted for credit balances)
  - Sales
  - Non-cash credit adjustments (discounts and allowances)
  - Cash collections
  - Charge-offs (for inability to pay for credit reasons)
  - Ending balance (should match aging, adjusted for credit balances)
  - Beginning and ending balance of unbilled revenue
- Key characteristics
  - 10 largest balances in excess of 2% of total receivables
  - Obligor/customer deposit balances
  - Payable balances owed to large vendors that are also receivable obligors

Timeline

Week	Acitivity
Prior	PPL provides detailed receivable information
1	Detailed term sheet/Agreement on structure
2	Due diligence meeting/Receivables audit
3	Diligence follow-up/First draft of documents
4	Draft audit circulated/Documents turned
5	Create reporting templates/Documents turned
6	Audit report finalized/Documents turned
7	Documents finalized/Transaction closing
8	Overflow week

Conduit Market Update

Banks are active again in conduit and balance sheet-funded securitization facilities

Market Trends

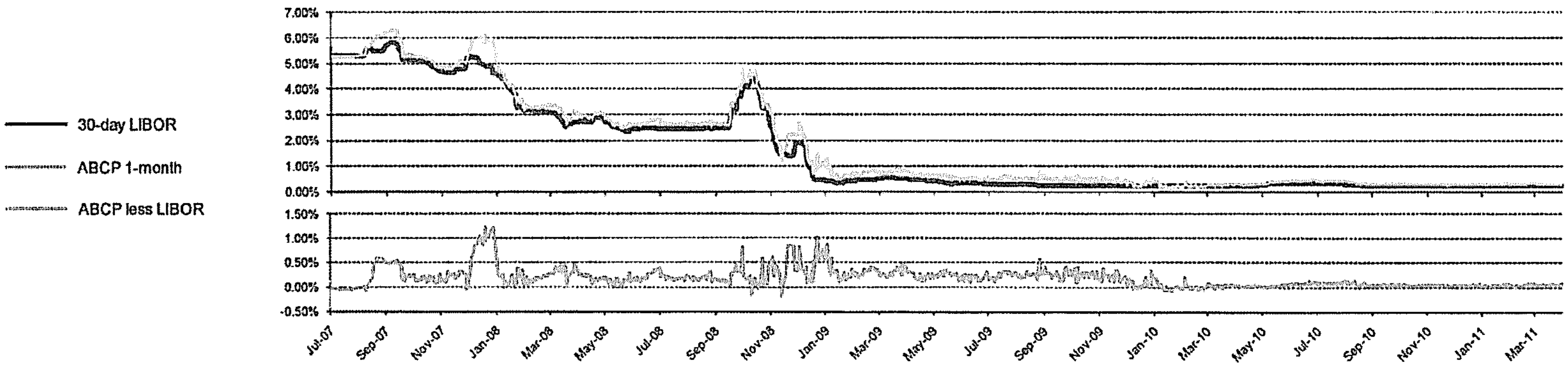
- Significant increase in new transaction activity since the beginning of 2010
- Accounting and regulatory changes are causing some banks to migrate their conduit business onto their balance sheets
- Issuers continue to diversify their securitization banks, resulting in more widely syndicated facilities
- Facilities longer than one year are increasingly common
  - Committed multi-year liquidity
  - Reduced re-pricing and roll-over risk

The conduit market is expected to grow in 2011, from a base of $400 Billion

US CP Market

- After a steady decline beginning in 4Q 2007, the US CP market has shown signs of stabilization from late 2009 through the first quarter of 2011
- ABCP rates have stabilized and continue to track LIBOR, after decoupling at times from 2007 through 2009
- Conduit facilities are becoming competitive with corporate A-2/P-2 issuance

30-Day LIBOR Rates vs. ABCP Index



SunTrust Robinson Humphrey

Comparable Transactions

Regulated utilities remain active users of the conduit market

Utility receivable securitization facilities are frequently syndicated at larger transaction sizes

364-day tenor remains the norm, given the size of conduit facilities relative to total credit commitments

Parent Company	Parent Rating S&P/Moody's/Fitch	Receivables Facility Size ($MMs)	Tenor	Syndication	Average Bank Hold	A/R Facility % of Total Utility Credit Facilities	Usage Profile	Participating Subsidiaries
American Electric Power	BBB/Baa2/BBB	$750	50% 364-day 50% 3 year	6 banks	$125	34%	80 - 90%	Columbus Southern, Indiana Michigan, Ohio Power, Public Service Company of Oklahoma, Southwestern Electric, Appalachian Power
AES	BB/Baa2/BB	$50	364-day	1 bank	$50	25%	Heavy	Indianapolis Power and Light
Alliant Energy	BBB+/Baa1/NR	$160	364-day	1 bank	$160	20%	Limitied	Interstate Power and Light Company (IPL)
Avista	BBB-/Baa3/BBB-	$50	364-day	1 bank	$50	11%	Limited	Avista
CenterPoint	BBB/Ba1/BBB-	$375	364-day	1 bank	$375	29%	Limited / Seasonal	CNP Energy Services, CNP Energy Mississippi River, CNP Energy Gas Transmission, CNP Energy Field Services
CMS Energy	BBB-/Ba1/BB+	$250	364-day	2 banks	$125	28%	25 - 50%	Consumers Energy
DUKE Energy	A-/Baa2/A-	$300 $450	2-year 364-day	3 banks	$250	13%	Heavy	Duke Energy Carolinas, Duke Energy Ohio, Duke Energy Indiana, Duke Energy Kentucky
EXELON	BBB/Baa1/BBB+	$225	364-day	1 bank	$225	28%	N/A	PECO
Great Plains	Baa3/BBB/NR	$95	364-day	1 bank	$95	14%	Seasonal	Kansas City Power and Light
FirstEnergy	BBB-/Baa3/BBB	$395	364-day	2 banks	$198	20%	Limited	Ohio Edison Company and Pennsylvania Electric Company
NiSource	BBB-/Ba2/BBB-	$475	364-day	2 banks	$238	24%	Moderate	Northern Indiana Public Service Company, Columbia of Ohio, Columbia of Pennsylvania
PPL	BBB+/Baa3/BBB	$150	364-day	1 bank	$150	44%	Limited	PPL Electric
TECO	BBB/Baa3/BBB-	$150	364-day	1 bank	$150	32%	20%	Tampa Electric Company
Energy Future Holdings (f/k/a TXU)	B-/Caa2/CCC	$700	Multi-year	1 bank	$700	21%	Moderate	TXU Energy

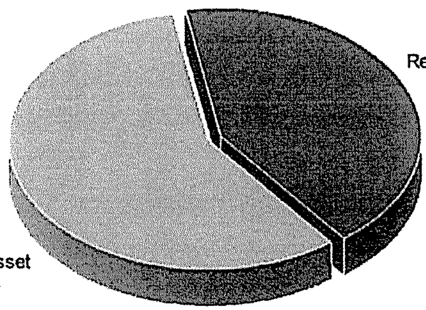
SunTrust Robinson Humphrey

STRH Trade Receivable Expertise

STRH is consistently recognized for our broad expertise, superior structuring capabilities, ease of execution, and on-going transaction support

Leading Trade Receivables Capabilities

- Consistent leader in trade receivables securitization
- As of March 31, 2011, trade receivables represented STRH's largest securitized asset class
    - 16 transactions
    - $1.6 BN in total commitments (42%)
- Our seasoned professionals' structuring experience allows STRH to provide superior advance rates and client friendly structures



Client-Focused Approach

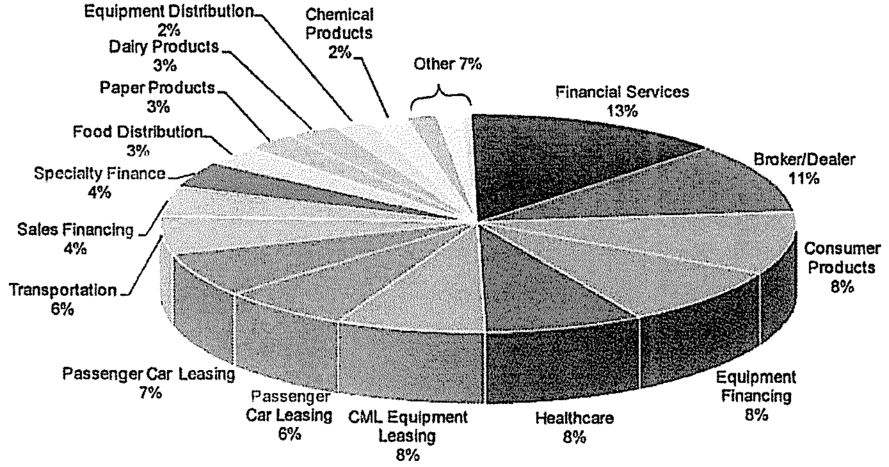
- STRH incorporates a relationship based approach to our securitization business. The team you meet in the marketing process will remain consistent throughout structuring, closing, and ongoing monitoring
- STRH's historical focus on first time issuers means that our professionals are uniquely suited to analyze and structure your transaction while providing personally tailored ongoing support
- Our team driven approach allows us to work directly with your personnel to implement the processes and functions necessary for smooth day-to-day operations
- STRH has extensive experience working with issuers to incorporate additional receivables acquired through acquisitions
- As part of our client focused strategy, each transaction undergoes a detailed strategic review annually often resulting in substantive enhancements to funding availability

STRH Securitization Portfolio

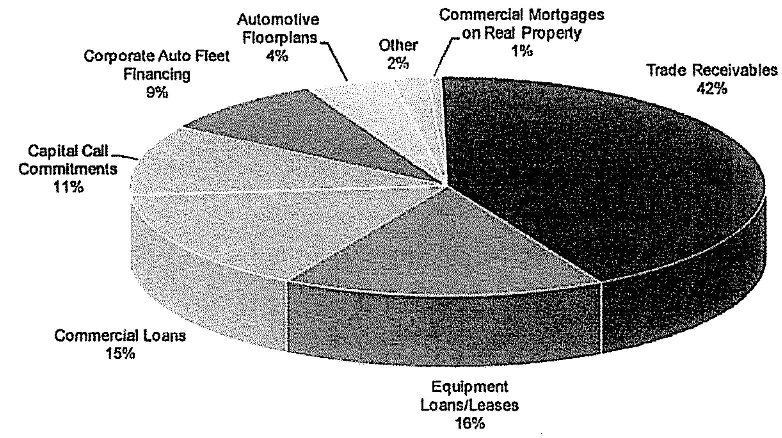
- STRH continues to view securitization as a valuable product for its corporate and commercial client base. As such, the Asset Securitization Group has been given significant new capacity to meet its aggressive growth objectives
- STRH has focused origination and portfolio management efforts on specific industries and asset classes in order to maximize the portfolio's risk return profile:
  - In 2010 STRH closed over $1.3BN in securitization commitments
  - In 2009 STRH closed more than $500MM in securitization commitments
- Portfolio is comprised of 37 individual originators with transaction sizes ranging from $100MM to $400MM

STRH Securitization Portfolio Profile – March 31, 2011

Industry Mix



Asset Mix



SunTrust Robinson Humphrey

Tax-Exempt Financing Discussion

SunTrust
Robinson Humphrey

Tax-Exempt Market Update

2010 Review

4Q 2010 saw a large amount of issuance in the municipal market

- Many issuers pushed deals into the market in the last quarter of 2010 to take advantage of various stimulus programs before they expired at the end of 2010. For the last quarter, volume was approximately $132.5BN, or roughly one-third higher than each of the three previous quarters. 4Q 2010 saw the highest level of 4Q issuance on record, with the next highest being in 2006 ($121.9BN)

Outflows in the tax-exempt mutual fund market grew to large levels towards the end of 2010 and have continued into 2011

- The end of 2010 saw increased tax-exempt mutual fund outflows. The week ending January 5th, 2011 was the eighth consecutive week of net outflows. Investors have pulled $23.3BN out of tax-exempt mutual funds in the last 8 weeks. The first wave of outflows was hypothesized to have taken place as investors tried to lock in gains; the continued outflows could be a result of the first wave of outflows forcing lower prices

Due to the high levels of issuance combined with record municipal mutual fund outflows, the market saw poor performance

- The heavy supply in the last quarter, combined with high levels of mutual fund outflows, contributed to the worst quarterly performance in over 16 years in the tax-exempt market. Municipal yields have jumped up since mid-October by 86 bps in 10 years and 97 bps in 30 years. The S&P Index tracking total returns on municipal bonds is down 4.4% in the past three months

- Total municipal issuance in 2010 set a record, up by 5.4% to $431.9BN, besting the previous record of $429.9BN set in 2007

Municipal issuance in 4Q 2010 was marked by a large increase in Build America Bonds

- Tax-exempt issuance was $274.2BN in 2010, representing the lowest levels since 2001. With the expiration of taxable options, it is expected that issuers will return to tax-exempt borrowing. Estimates for 2011 are between $375BN and $400BN

- Taxable issuance accounted for more than 35%, or $151.9BN, of total borrowings. Build America Bonds ("BABs") made up $117.3BN, or 27% of total market volume (77% of taxable volume). During December, taxable issuance accounted for approximately 40% of total market volume. Over the life of the program, BABs accounted for $187BN in issuance

Tax-Exempt Market Update

Tax-exempt mutual fund outflows and credit quality will continue to be driving factors for investors

Overall issuance in 2011 is expected to be down – tax-exempt issuance is expected to increase

Build America Bonds have seen increased demand due to scarcity following the program's expiration

Investors are not differentiating between various credit profiles in the tax-exempt market causing unnecessarily high yields for even AAA names

2011 – The Year Ahead

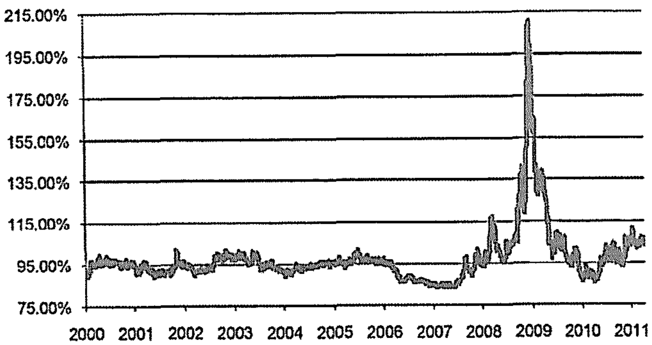
- Tax-exempt mutual fund outflows are expected to continue to be a determining factor for municipal yields
- It is anticipated that market participants will continue to focus on credit quality, preferring high grade names
  - Credit spreads could widen further as headlines continue to focus on deteriorating tax bases and unfunded or underfunded pension liabilities
  - Concerns about the financial stability of municipal issuers has been growing, stimulated by continuing media stories about imminent defaults and bankruptcies
- Overall issuance (taxable and tax-exempt) in 2011 is expected to be down, but tax-exempt issuance will increase, due in part to the expiration of various stimulus bill provisions, including the Build America Bond program
- Tax laws as well as absolute yields will determine retail demand
- As financial institutions slowly return to profitability, the demand for bank-qualified bonds should increase. However, bank-qualified issues have returned to the $10MM annual issuance requirement. This means that there will be fewer bank-qualified bonds offered, and we should therefore see a return to more normal bank-qualified spreads to non-bank-qualified bonds
- Spreads on existing Build America Bonds have narrowed significantly in early 2011, confirming the belief that the expiration of the program would boost their value. The most robust tightening is occurring for the bigger issues that are eligible for inclusion in long-duration taxable bond indices.

Market Snapshot – *As of April 28, 2011*

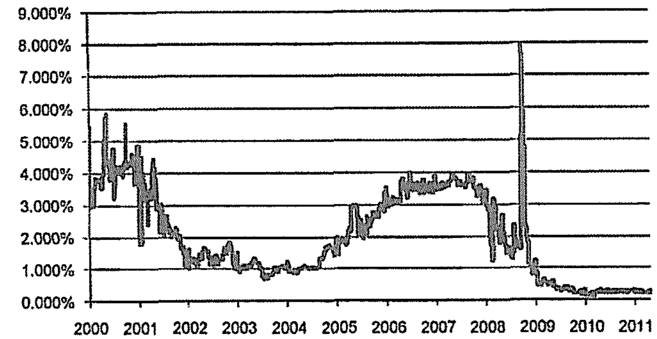
Market Commentary

- Municipal bonds sold just $46.94BN in the first quarter of 2011, according to Thompson Reuters. This marks the lowest level of issuance since the first quarter of 2000, and 55% less than the same period last year
- Rising borrowing costs have discouraged potential issuers; the 10-year AAA MMD averaged 3.18% during 1Q 2011 versus 2.98% in 4Q 2010. However, yields remain relatively low historically, discouraging potential investors (10-year AAA MMD averaged 3.75% over the last decade)
- According to SIFMA, municipal issuance totaled $46.8B in the first quarter of 2011, less than a third of issuance from fourth-quarter 2010 of $132.3B and less than half the issuance of the first quarter 2010. At current levels, issuance could fall below $200B in 2011
- This week's calendar, estimated to be $3.05B, comes on the heels of 8 straight days of municipal market rally. The 10-year AAA yield is now 2.99%, 19 bps lower than the average for the first quarter. The 30-year is now 4.70%, down from 4.85% on April 11
- Bank-qualified bonds continue to see aggressive bids. Last week's issues with good credit quality priced 10 to 30 bps above the AAA curve in the 15 to 25 year range. The most aggressive part of the bank qualified curve is now 20 to 25 years
- The rally can be partially attributed to the lack of supply in the market. However, demand remains light. Should supply increase, and demand does not increase in step, market participants expect yields to increase

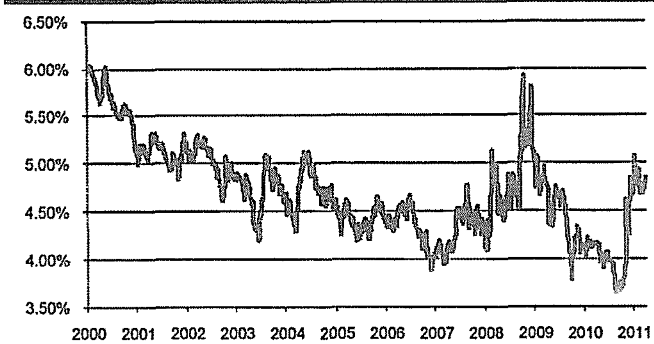
30-Year MMD to 30-Year Treasury



SIFMA Index



MMD Historical Analysis



Tax-Exempt Debt Summary – Immediate Needs/Opportunities

New Money Needs

- Kentucky Utilities - ~$100MM
- Other

Put Bonds / LC Maturities Coming Due Within 1 Year

		Put/LC Expiration Date
Louisville Gas & Electric Company – Louisville/Jefferson County Metro Government, Kentucky, Series 2000A	$25,000,000	Put 12/01/2011
Kentucky Utilities Company – County of Mercer, Kentucky, Series 2000A	$12,900,000	LC 12/01/2011
Kentucky Utilities Company – County of Carroll, Kentucky, Series 2004A	$50,000,000	LC 12/01/2011
Kentucky Utilities Company – County of Carroll, Kentucky, Series 2006B	$54,000,000	LC 12/01/2011
Kentucky Utilities Company – County of Carroll, Kentucky, Series 2008A	$77,947,000	LC 12/01/2011
Total	**$219,847,000**	

Failing Auctions

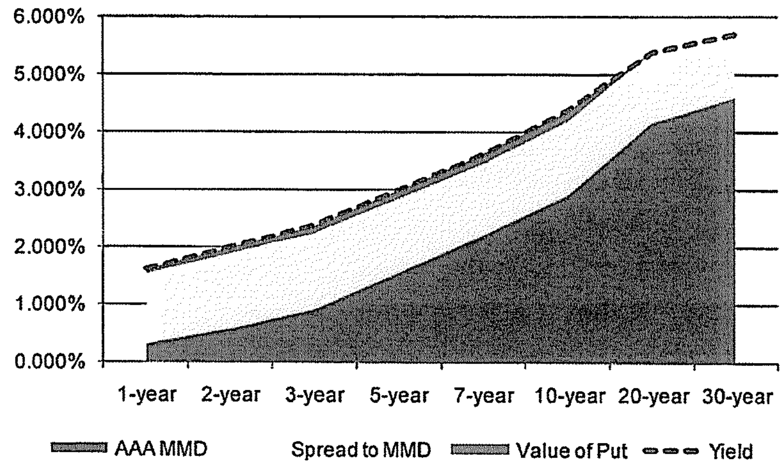
		Rate at Most Recently Failed Auction
Louisville Gas & Electric Company – County of Trimble, Kentucky, Series 2000A	$83,335,000	0.240% 3/30/2011
Louisville Gas & Electric Company – County of Jefferson, Kentucky, Series 2001A	$10,104,000	0.160% 4/26/2011
Kentucky Utilities Company – County of Carroll, Kentucky, Series 2002C	$96,000,000	0.302% 4/13/2011
Total	**$189,439,000**	

Interest Rate Update

Borrower:		Louisville Gas & Electric Kentucky Utilities Company	
Security:		Secured	
Ratings:		A2/A-/A+	
Structure	**AAA Level**	**Spread to MMD**	**Yield**
Put Bonds			
1-year	0.320%	1.305%	1.625%
2-year	0.580%	1.420%	2.000%
3-year	0.910%	1.465%	2.375%
5-year	1.560%	1.440%	3.000%
7-year	2.210%	1.415%	3.625%
10-year	2.910%	1.465%	4.375%
Term Bonds			
5-year	1.560%	1.290%	2.850%
10-year	2.910%	1.290%	4.200%
20-year	4.170%	1.230%	5.400%
30-year	4.610%	1.090%	5.700%

Pricing as of April 28, 2011

Louisville Gas & Electric / Kentucky Utilities Company



SunTrust Robinson Humphrey

Non-Bank Qualified Tax-Exempt Bank Loan

- Because short-term interest rates are so low, and the difference between short-term tax-exempt rates and short-term taxable rates is insignificant today, we have developed a multi-option solution for several of our clients which enables our clients to use a tax-exempt loan product or an LC structure interchangeably
- Since banks currently enjoy an extraordinarily low cost of funding, the difference between bank qualified bank loans and non-bank qualified bank loans has become much less significant, causing non-bank qualified bank loans to become an attractive alternative
- The conceptual advantage of using the tax-exempt loan structure is that your credit spread is also tax adjusted as well as your borrowing base cost
  - For example, the traditional advantage of the VRDB product was that rather than your base borrowing cost being based on LIBOR, the base borrowing cost is based on the tax-adjusted level of SIFMA
  - However, in today's environment, LIBOR and SIFMA are virtually the same, eliminating the advantage to our borrowers in the tax-exempt markets
  - The chart below illustrates the differences in rates between a VRDN structure, a bank qualified tax-exempt loan structure, and a non-bank qualified tax-exempt bank loan structure:

	LC-Backed Issue	Bank Qualified Loan - Previously Shown	Non-Bank Qualified Loan
Base Rate[1]	0.270%	0.211%	0.211%
Letter of Credit Fee	1.125%	-	-
Credit Spread	-	1.125%	1.125%
Subtotal	1.395%	1.336%	1.336%
Less: Tax Benefit	-	67%	75%
	1.395%	0.895%	1.002%
Facing Fee	0.125%	-	-
Remarketing Fee	0.125%	-	-
Placement Fee[2]	-	0.100%	0.100%
Fee Subtotal	0.250%	0.100%	0.100%
Total	**1.645%**	**0.995%**	**1.102%**

[1] *Base rate reflects SIFMA for the LC-backed issue option and LIBOR for the tax-exempt loan options*

[2] *The placement fees are amortized over 5 years* – 50 bps upfront

3 AND 5YR

SunTrust Robinson Humphrey

Tax Exempt Debt Summary

Louisville Gas & Electric Company

	Balance ($000's)	Maturity	Coupon	Ratings: Moody's	Ratings: S&P	Support	Call / Status
County of Jefferson, Kentucky Pollution Control Revenue Bonds, Series 1997A	$35,000	11/01/2027	Commercial Paper	A2/P-1	-	-	Anytime at Par
County of Trimble, Kentucky Pollution Control Revenue Bonds, Series 1997A	$35,000	11/01/2027	Commercial Paper	A2/P-1	A-	-	Anytime at Par
Louisville/Jefferson County Metro Government, Kentucky Pollution Control Revenue Bonds, Series 2000A	$25,000	05/01/2027	5.375%	A2	-	-	12/01/2011 Mandatory Put
County of Trimble, Kentucky Pollution Control Revenue Bonds, Series 2000A	$83,335	08/01/2030	Variable	A2	A-	Ambac	Auction Rate 03/30/2011 Fail @ 0.240
County of Trimble, Kentucky Pollution Control Revenue Bonds, Series 2001A	$27,500	09/01/2026	Commercial Paper	A2/P-1	A-	-	Anytime at Par
County of Jefferson, Kentucky Environmental Facilities Revenue Bonds, Series 2001A	$10,104	09/01/2027	Variable	-	A-	Ambac	Auction Rate 04/26/2011 Fail @ 0.160
County of Jefferson, Kentucky Pollution Control Revenue Bonds, Series 2001A	$22,500	09/01/2026	Commercial Paper	A2/P-1	A-	-	Anytime at Par
County of Trimble, Kentucky Pollution Control Revenue Bonds, Series 2002A	$41,665	10/01/2032	Variable	A2	A-	Ambac	Auction Rate 03/30/2011 ~~Success~~ @ 0.342 FAIL
Louisville/Jefferson County Metro Government, Kentucky Pollution Control Revenue Bonds, Series 2003A	$128,000	10/01/2033	1.900%	A2	A-	~~XL Capital~~	06/01/2012 Mandatory Put

SunTrust Robinson Humphrey

Tax Exempt Debt Summary

Louisville Gas & Electric Company (continued)							
	Balance ($000's)	Maturity	Coupon	Ratings Moody's	Ratings S&P	Support	Call / Status
Louisville/Jefferson County Metro Government, Kentucky Pollution Control Revenue Bonds, Series 2005A	$40,000	02/01/2035	5.750%	A2	-	-	12/02/2013 Mandatory Put
Louisville/Jefferson County Metro Government, Kentucky Pollution Control Revenue Bonds, Series 2007A	$31,000	06/01/2033	5.625%	A2	-	-	12/03/2012 Mandatory Put
Louisville/Jefferson County Metro Government, Kentucky Pollution Control Revenue Bonds, Series 2007B	$35,000	06/01/2033	1.900%	A2	A-/A-2	Ambac	04/02/2012 Mandatory Put
County of Trimble, Kentucky Environmental Facilities Revenue Refunding Bonds, Series 2007A	$60,000	06/01/2033	4.600%	A2	A-	Ambac	06/01/2017 @ 100
Total Tax-Exempt Debt	$574,104						

Tax Exempt Debt Summary

Kentucky Utilities Company

	Balance ($000's)	Maturity	Coupon	Ratings Moody's	Ratings S&P	Support	Call / Status
County of Mercer, Kentucky Solid Waste Disposal Facility Revenue Bonds, Series 2000A	$12,900	05/01/2023	Variable	Aa1/VMIG1	AAA/A-1+	Wells Fargo 12/01/2011	Anytime at Par
County of Mercer, Kentucky Pollution Control Revenue Bonds, Series 2002A	$7,400	02/01/2031	Commercial Paper	A2/P-1	A-/A-3	-	Anytime at Par
County of Muhlenberg, Kentucky Pollution Control Revenue Bonds, Series 2002A	$2,000	02/01/2032	Commercial Paper	A2/P-1	A-/A-3	-	Anytime at Par
County of Carroll, Kentucky Pollution Control Revenue Bonds, Series 2002A	$20,930	02/01/2032	Commercial Paper	A2/P-1	A-/A-3	-	Anytime at Par
County of Carroll, Kentucky Pollution Control Revenue Bonds, Series 2002B	$2,400	02/01/2032	Commercial Paper	A2/P-1	A-/A-3	-	Anytime at Par
County of Carroll, Kentucky Pollution Control Revenue Bonds, Series 2002C	$96,000	10/01/2032	Variable	A2	A-	Ambac	Auction Rate 04/13/2011 Fail @ 0.302
County of Carroll, Kentucky Environmental Facilities Revenue Bonds, Series 2004A	$50,000	10/01/2034	Variable	Aa1/VMIG1	AAA/A-1+	Wells Fargo 12/01/2011	Anytime at Par
County of Carroll, Kentucky Environmental Facilities Revenue Refunding Bonds, Series 2006B	$54,000	10/01/2034	Variable	Aa1/VMIG1	AAA/A-1+	Wells Fargo 12/01/2011	05/02/2011 Mandatory Full Tender
County of Carroll, Kentucky Environmental Facilities Revenue Bonds, Series 2007A	$17,875	02/01/2026	5.750%	A2	A-	-	06/01/2018 @ 100

Tax Exempt Debt Summary

Kentucky Utilities Company (continued)							
	Balance ($000's)	Maturity	Coupon	Ratings		Support	Call / Status
				Moody's	S&P		
County of Trimble, Kentucky Environmental Facilities Revenue Bonds, Series 2007A	$8,927	03/01/2037	6.000%	A2	A-	Ambac	06/01/2018 @ 100
County of Carroll, Kentucky Environmental Facilities Revenue Bonds, Series 2008A	$77,947	02/01/2035	Variable	Aa1/VMIG1	AAA/A-1+	Wells Fargo 12/01/2011	05/02/2011 Mandatory Full Tender
Total Tax-Exempt Debt	$350,379						

SunTrust Robinson Humphrey

SunTrust Tax-Exempt Experience

We offer our clients complete underwriting capabilities with a full suite of tax-exempt product offerings

VEPCO
$40,000,000
Sole Manager
April 2011

Georgia Power
$83,515,000
Sole Manager
January 2011

Mississippi Power
$50,000,000
Sole Manager
December 2010

Mississippi Power
$50,000,000
Co-Manager
December 2010

TECO
$75,000,000
Co-Manager
November 2010

Arizona Public Service
$80,900,000
Co-Manager
October 2010

Tucson Electric Power Company
$100,000,000
Co-Manager
October 2010

Southern California Edison
$100,000,000
Co-Manager
October 2010

Arizona Public Service
$32,650,000
Co-Senior Manager
July 2010

Public Service Company of NM
$403,845,000
Co-Manager
May 2010

Oglethorpe Power
$133,550,000
Co-Manager
April 2010

VEPCO
$40,000,000
Senior Manager
March 2010

Atlantic City Electric
$23,150,000
Co-Manager
March 2010

Tucson Electric Power Company
$130,000,000
Co-Manager
January 2010

VEPCO
$50,000,000
Sole Manager
February 2010

Oglethorpe Power
$112,055,000
Co-Manager
December 2009

FirstEnergy Generation
$78,835,000
Co-Manager
November 2009

First Energy Generation
$81,640,000
Co-Manager
October 2009

Georgia Power
$75,000,000
Senior Manager
September 2009

Rochester Gas & Electric
$39,850,000
Co-Senior Manager
July 2009

Arizona Public Service
$163,975,000
Co-Manager
June 2009

Arizona Public Service
$179,000,000
Co-Manager
May 2009

Dominion Energy
$50,000,000
Co-Senior Manager
May 2009

Oglethorpe Power
$248,350,000
Co-Senior Manager
December 2008

Wisconsin Electric Power
$67,000,000
Senior Manager
August 2008

First Energy Generation
$141,260,000
Senior Manager
July 2008

Mid American Energy
$57,325,000
Senior Manager
July 2008

Appalachian Power
$50,275,000
Senior Manager
June 2008

Important Disclosures

SunTrust Robinson Humphrey is the trade name for the corporate and investment banking services of SunTrust Banks, Inc. and its subsidiaries, including SunTrust Robinson Humphrey, Inc. member, FINRA and SIPC.

Debt and equity underwriting, trading, research and sales, loan syndications, municipal securities trading and sales, and mergers and acquisitions advisory services are offered by SunTrust Robinson Humphrey, inc.

Cash management, loans and related products, foreign exchange, risk management products and services and agency services are offered by various non-broker dealer subsidiaries of SunTrust Banks, Inc.

PPL Electric Utilities
PPL Energy Supply LLC
Kentucky Utilities
Louisville Gas & Electric

STRH Commercial Paper Capabilities

May 17, 2011

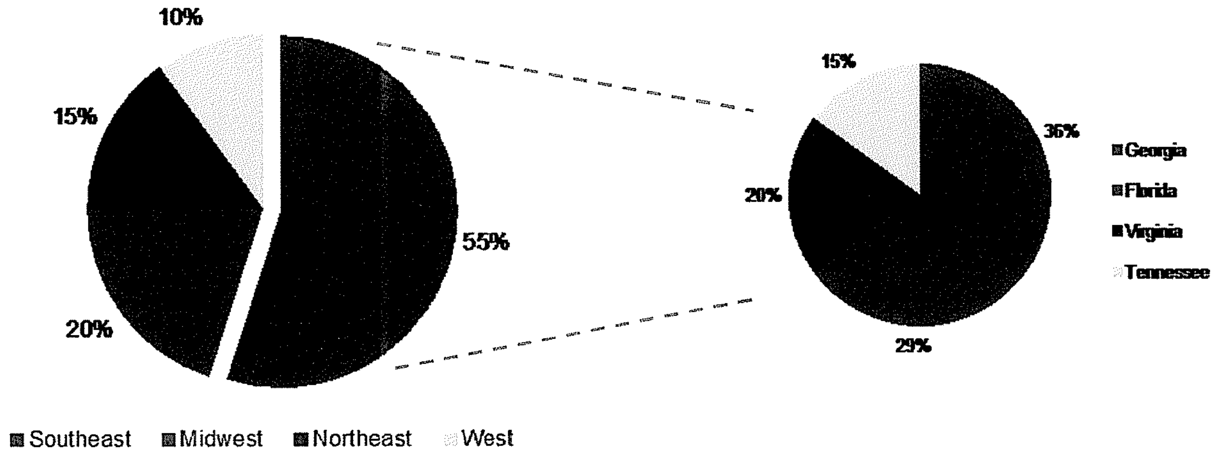
Commercial Paper Capabilities

Volume

- *Annual commercial paper trading volume exceeds $300Bln*
- *Primary dealer on over 80 programs totaling over $63Bln*

Distribution

- *Extensive investor network with over 2,000 accounts utilized to increase issuer diversification*
  - *Large institutional money funds and asset managers*
  - *Smaller corporate and institutional accounts typically not covered by other dealers*
- *Geographic distribution focused in the Southeast used to further enhance issuer diversification*



Expertise

- *Average years of experience on money market trading desk of 21 years*

Active Programs (partial list)

AGL Capital Corp.	Dairy Farmers of America	Kansas City P&L	Nicor Inc	Ryder System, Inc.
Atmos Energy Corp	Darden Restaurants	Kellogg Company	Northern Illinois Gas	Sherwin-Williams Co
AutoZone, Inc.	DCP Midstream,LLC	Kinder Morgan Energy	Oglethorpe Power	St. Jude Medical, Inc.
Block Financial LLC	Delmarva Power & Light	Leggett & Platt, Inc.	ONEOK, Inc.	Three Pillars Funding
Brown-Forman Corp.	Equifax Inc.	Lowe's Companies	Pepco Holdings, Inc.	TJX Companies, Inc.
C.R. Bard, Inc.	Florida Power & Light	McCormick & Co	Precision Cast Corp.	Torchmark Corp.
Cardinal Health, Inc.	Harris Corp.	McDonald's Corp.	Puget Sound Energy Inc	Vulcan Materials
CVS Corporation	HJ Heinz Finance Co.	MidAmerican Energy	Questar Corp	WellPoint Inc.

SunTrust Robinson Humphrey

SunTrust Robinson Humphrey Strengths and Dealer Role

Strengths

Volume

- Trades in over $300 billion of commercial paper annually
- Acts as primary dealer on over 80 programs totaling over $63 billion

Distribution

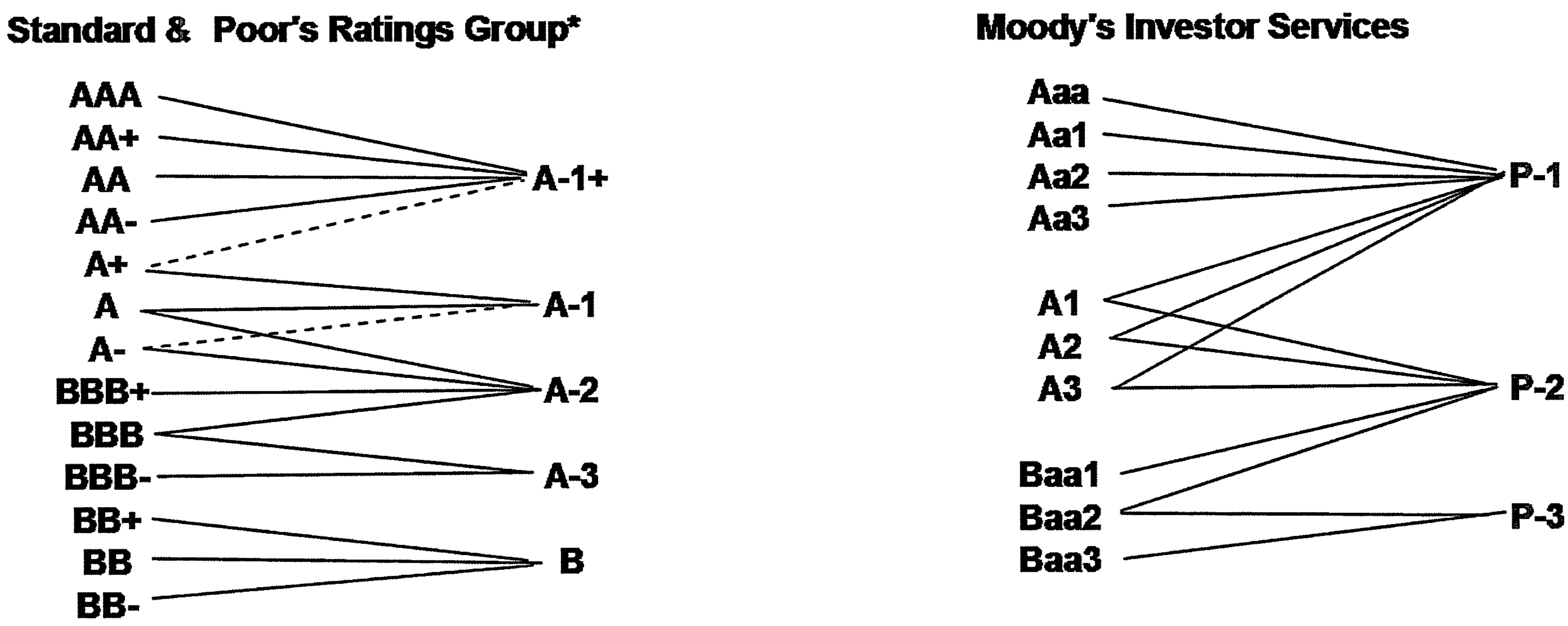
- Provides an extensive investor network with over 2,000 accounts, including relationships with Tier 2 and Tier 3 accounts typically not covered by the Street

Dealer Role

Expertise

- Manages and executes all aspects of the commercial paper program
- Prepares and distributes placement memorandum to potential investors
- Negotiates and manages all legal documentation
- Provides ongoing commercial paper market information
- Keeps in constant contact with investors

Long Term Credit Ratings Equivalents



*Dotted lines indicate combinations that are highly unusual
Source: Federal Reserve Board of Governors

Tier 2 and Tier 3 Commercial Paper Market Rates

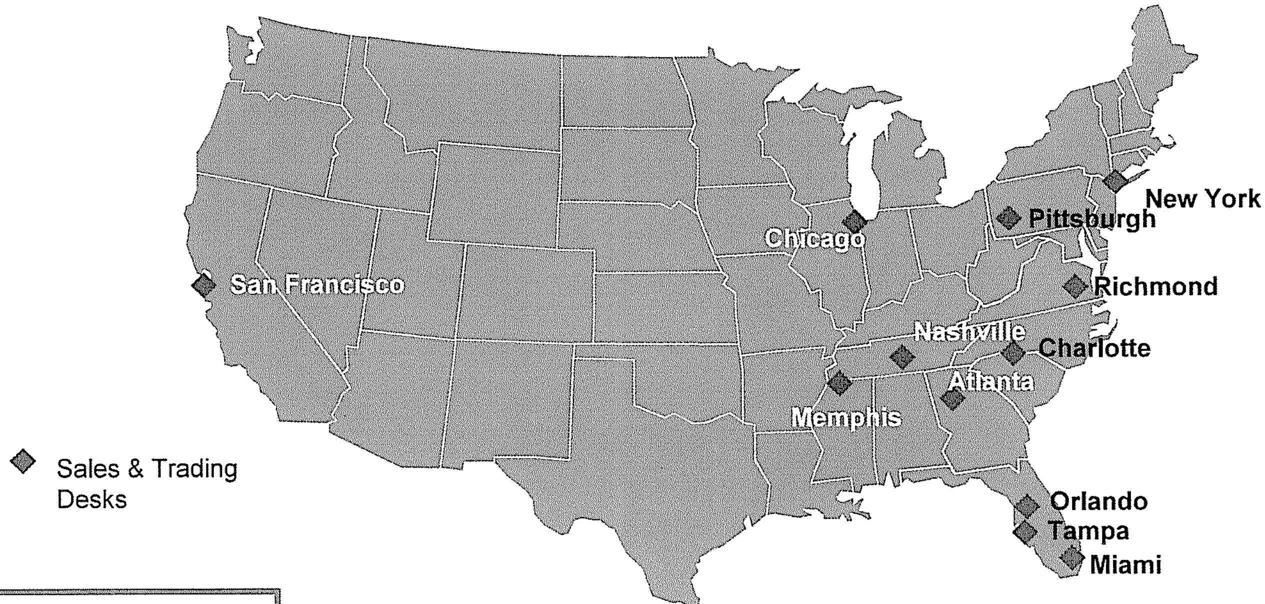
- Liquidity for A2/P2 CP has vastly improved from a two years ago.
- Outstandings in Tier 2 paper have gone down to $47B from a historical average of $65B.
- Spreads for A2/P2, A3/P2, A2/P3 and A3/P3 paper are very similar to where they were pre-crisis:

•A2/P2	0.23 – 0.35 for o/n	0.32 – 0.40 for term
•A2/P3,A3/P2	0.35 – 0.60 for o/n	0.40 – 0.80 for term
•A3/P3	0.45 – 0.75 for o/n	0.50 – 1.25 for term

- Rates are very name specific for issuers below A2/P2.
- Available liquidity for a low split program is now close to $900Mln.

STRH's Sales & Trading Platform Covers a Geographically Diverse Investor Base

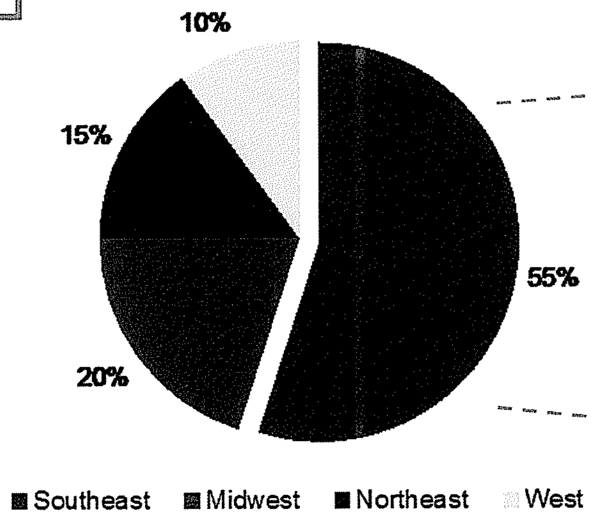
National Distribution Map

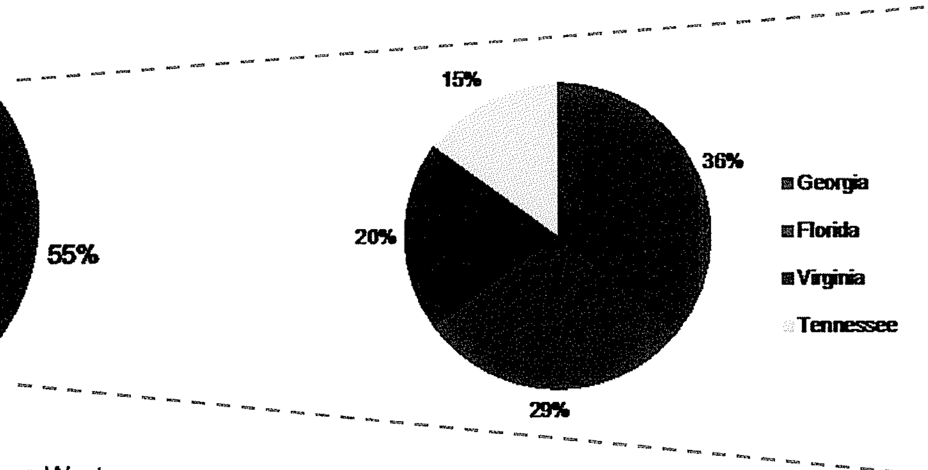


SunTrust Robinson Humphrey has a network of sales representatives in 12 offices with dedicated traders in the Atlanta and Memphis offices

Geographical Analysis

SunTrust Robinson Humphrey maintains a solid national network of investors with a focus in the Southeast





SunTrust Robinson Humphrey

In Addition to Geographic Diversification, We Offer a Variety of Investor Types

Our unique investor base is broken down into two groups:

National Institutional Investors – Money Market Funds, Mutual Funds, Large Bank Trust Departments, Large Insurance Companies, and Investment Advisors

Regional Institutional Investors – Corporations, State Treasurers, Municipalities, Regional Bank Trust Departments, and Regional Insurance Companies

Targeting These Different Groups of Investors

National Institutional Investors

Key Concerns

- Ratings Stability
- Yield Sensitivity
- Equity and Term Market Performance
- Dealer Support in Form of Secondary Market
- Company and Industry Fundamentals
- Amount of Paper Outstanding
- 2a-7 restrictions

Regional Institutional Investors

Key Concerns

- Ratings Stability
- Name Recognition
- Issuer Strength within Industry
- Date Specific
- Depth and Breadth of Dealer Relationship

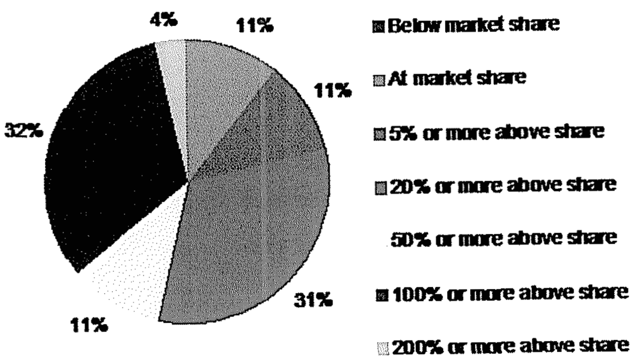
STRH Outperforming Its Peers In Distribution During Crisis

SunTrust Robinson Humphrey continuously demonstrates its solid ability to distribute commercial paper, as shown by the amount of paper STRH distributes versus its fair share in programs

SunTrust Robinson Humphrey's commercial paper desk consistently distributes more than its fair share of paper, resulting in stronger execution and tighter pricing for the issuer.

There is not a single client in the portfolio with which STRH distributes less than its fair share and 36% of the portfolio where STRH distriibutes over 100% of its fair share. The table to the right highlights some of the issuers with which STRH successfully places over 100% of its fair share.

As a dealer, STRH would work to achieve the best pricing and execution possible.



Issuer	Outstanding (000s)	Dealers	STRH Fair Share (MM)	STRH Distribution	Percent	% Above Fair Share
Pepco Holdings	$57,253	4	$14,313	$43,300	76%	203%
Atlantic City Electric	$55,918	4	$13,980	$40,299	72%	188%
Leggett & Platt	$40,600	4	$10,150	$28,000	69%	176%
Delmarva Power	$10,214	4	$2,554	$7,042	69%	176%
Atmos	$52,903	3	$17,634	$46,201	87%	162%
AutoZone	$221,000	4	$55,250	$136,782	62%	148%
Ryder	$206,608	4	$51,652	$126,951	61%	146%
AGL Resources	$301,101	4	$75,275	$150,964	50%	101%
Dairy Farmers of America	$63,125	2	$31,563	$63,125	100%	100%
Explorer Pipeline	$2,000	2	$1,000	$2,000	100%	100%
Three Pillars	$1,452,000	4	$363,000	$633,185	44%	74%
Sherwin Williams	$158,000	4	$39,500	$65,250	41%	65%
Northern Illinois Gas	$344,000	4	$86,000	$141,000	41%	64%
Georgia Transmission	$146,099	2	$73,050	$108,769	74%	49%
Harris	$75,200	4	$18,800	$27,200	36%	45%
Kansas City P&L	$249,215	3	$83,072	$119,200	48%	43%
MidAmerican Energy	$296,000	7	$42,286	$55,457	19%	31%
Heinz	$1,269,000	4	$317,250	$394,700	31%	24%
Florida Power & Light	$303,800	4	$75,950	$94,179	31%	24%
Kellogg	$930,000	7	$132,857	$164,300	18%	24%
Ogelthorpe Power	$109,119	3	$36,373	$43,872	40%	21%
McCormick	$91,381	6	$15,230	$18,300	20%	20%
Equifax	$251,000	2	$125,500	$142,000	57%	13%
Florida Power Corp (Progress)	$77,187	3	$25,729	$27,824	36%	8%
Wellpoint	$683,566	4	$170,892	$184,355	27%	8%
Excel Paralubes	$58,351	2	$29,176	$29,941	51%	3%
Torchmark	$180,232	6	$30,039	$30,372	17%	1%
CVS	$1,635,000	4	$408,750	$412,525	25%	1%

SunTrust Robinson Humphrey

U.S. Commercial Paper Market Update

Weekly Update

SunTrust Robinson Humphrey

- Total commercial paper outstandings grew by 1.20% or $13.6Bln to $1.150Tln last week. Total outstandings are now higher by 9.51% YTD. Financial cp outstandings increased by 2.04% or $11.80Bln to $589.3Bln. Corporate issuance increased by 1.48% or $2.6Bln to $177.9Bln. Asset Backed cp outstandings decreased by 0.23% or $0.9Bln to $382.4Bln. According to iMoneyNet, as of Tuesday April 26th , Money Market Mutual Funds total assets under management gained by $8.04Bln to $2.704Tln . The average seven day yield on taxable money market funds held firm at it's new historical low of 0.02% for a fourth consecutive week in a row.

- The A1+/P1 and A1/P1 commercial paper market found the Fed funds and general repo collateral markets come closer together last week resulting in slightly wider front-end rates. Money market mutual fund managers looked to the long end of the market to pick up yield as, according to the Federal Reserve statistics, over 15.85% of AA/Aa Financial paper was placed three months and beyond. This compares to the same date range in March at just over 7.5% placement. In addition, MMMF managers continue to find various forms of CD's and MTN's . European risk remains attractive for Spanish and Italian names in light of growing speak surrounding Greek default and possible ECB responses. The S&P negative outlook for the U.S. did not affect the short end of the market since the uncertainty surrounding the debt of the U.S. is already priced into market rates. The longer end of the money market curve saw lower rates yesterday when Bernanke gave no hint of the Fed dropping the "extended period" language. Rates for December Fed funds futures have gone back to levels seen in October of last year which indicates the market's view that the Fed will be on hold for the remainder of 2011.

- The A2/P2 market declined by 5.43% or $2.7Bln to $47.0Bln total outstanding this week. The demand for Tier 2 paper remains high and rates remain tight with the rest of the market to be in the 1mL +8bps to +13bps area. Issuers typically remain in the 45 day and shorter range. As month-end approaches, investors are looking for wider levels than last month. The lower split A2/P3 and A3/P2 markets had stable rates from last week for issuers with a good investor base. Some recognizable A2/P3 paper found placement this week at L+35 to 40 for short maturities. Term placement beyond a few weeks for issuers is available on a case by case basis depending on issuer depth.

- Overnight LIBOR is currently trading at 0.134% vs. 0.135% last week while 3-month LIBOR is at 0.2730% this week vs. 0.2737% last week. The 3 month LIBOR/OIS rate increased to 15.45bps from 15.38bps last week. The forward market (FRA/OIS) speculates the LIBOR/OIS spread will be 15bps in June and 16bps by September 2011. In addition, Fed funds futures are priced for a 25bp Fed tightening by February 2012. In Europe, the EONIA is currently trading at 1.286% vs 1.434%, down from a new two year high set last week. Three month Euribor increased for the week to 1.375% vs 1.356% indicating that more ECB rate hikes are on the way. The Euribor-OIS spread decreased to 17.2bps from 18.7bps.

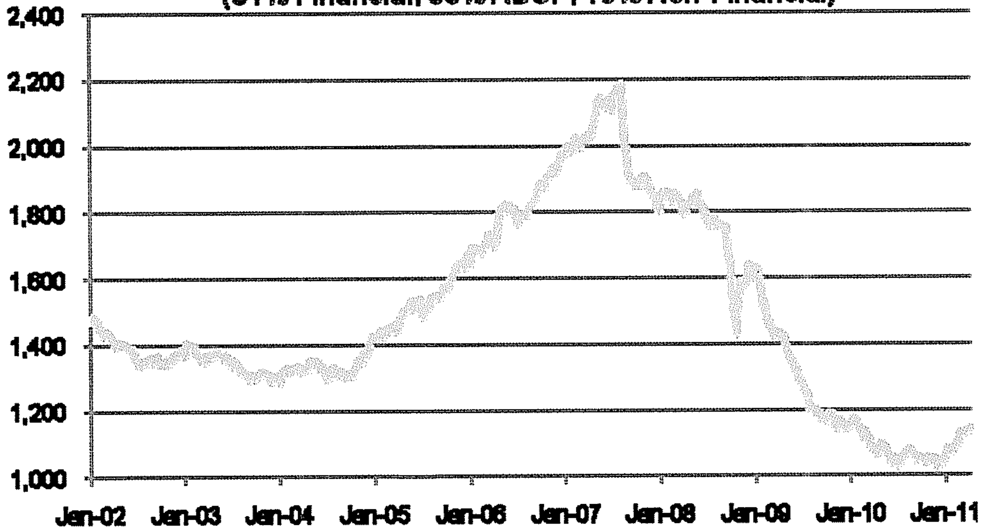
U.S. Commercial Paper Market Update

May 17, 2011 Matt.Vincent@SunTrust.com (404) 926-5498

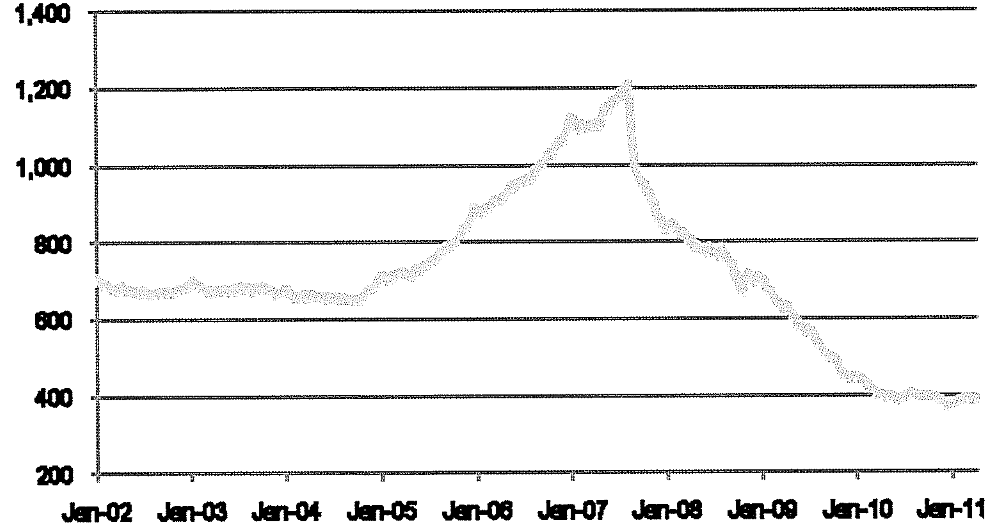
SunTrust Robinson Humphrey

Total CP Outstanding ($Bln)

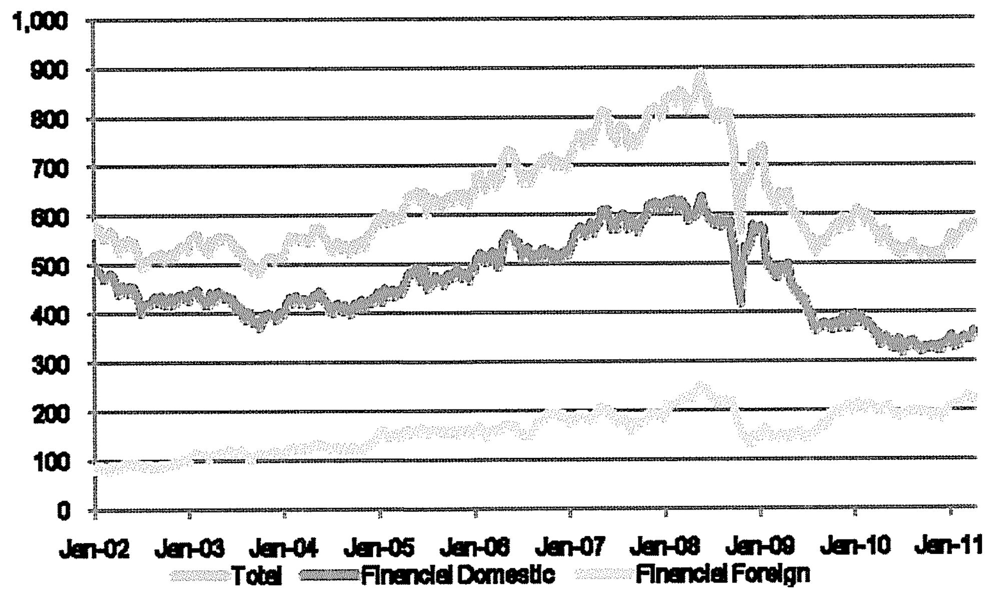
(51% Financial, 36% ABCP, 13% Non-Financial)



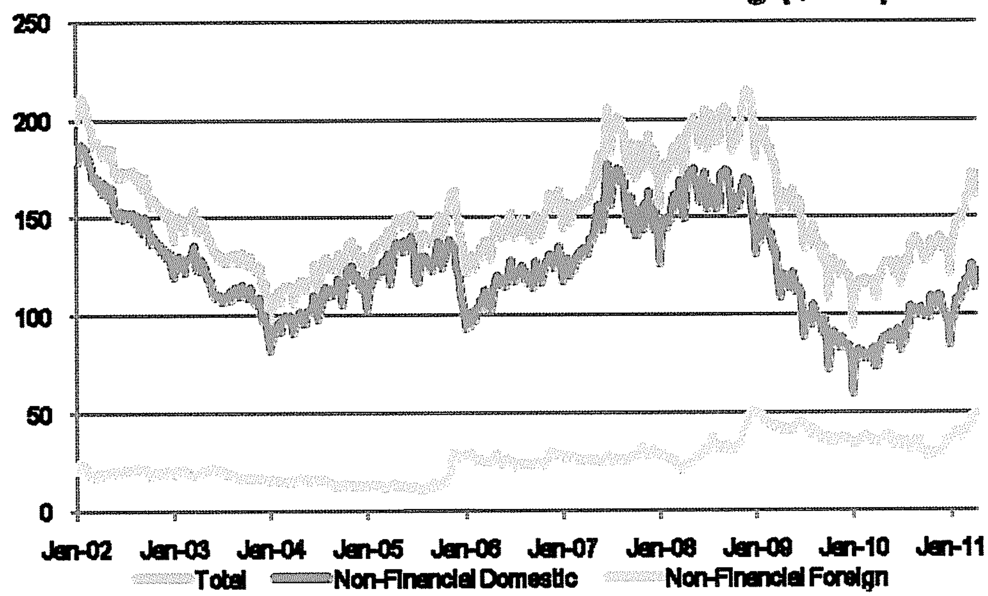
ABCP Outstanding ($Bln)



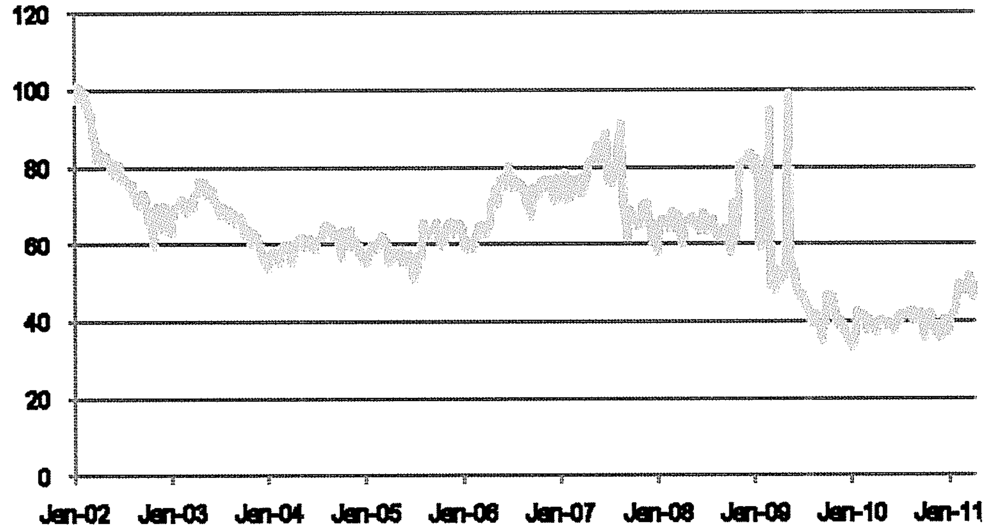
Financial CP Outstanding ($Bln)



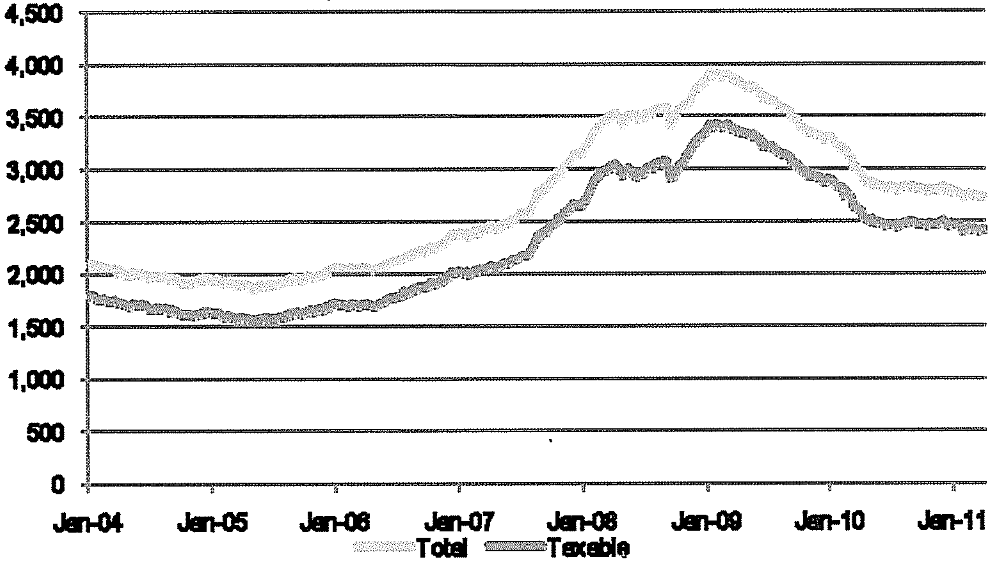
Non-Financial CP Outstanding ($Bln)



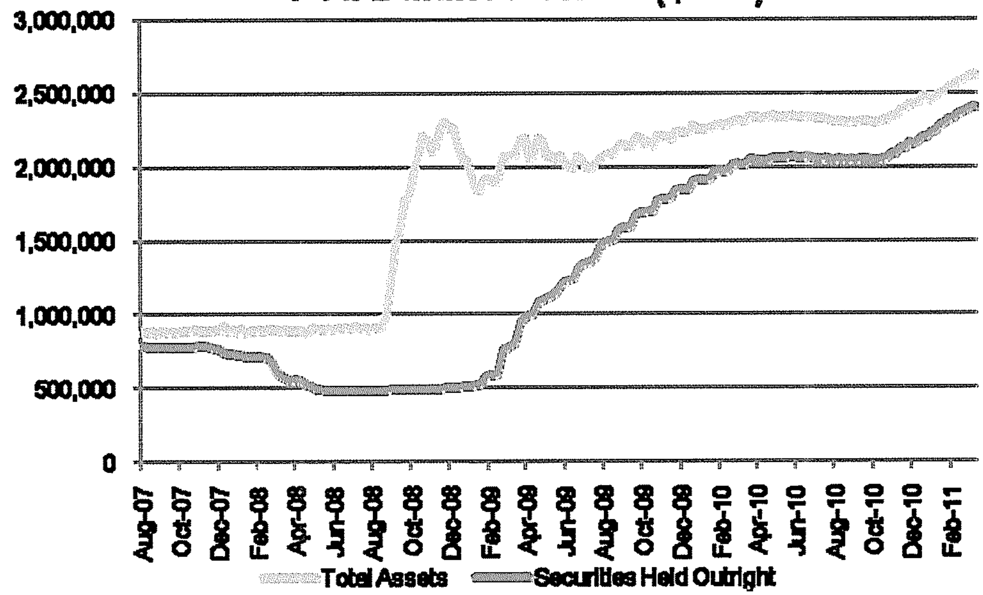
Tier 2 CP Outstanding ($Bln)



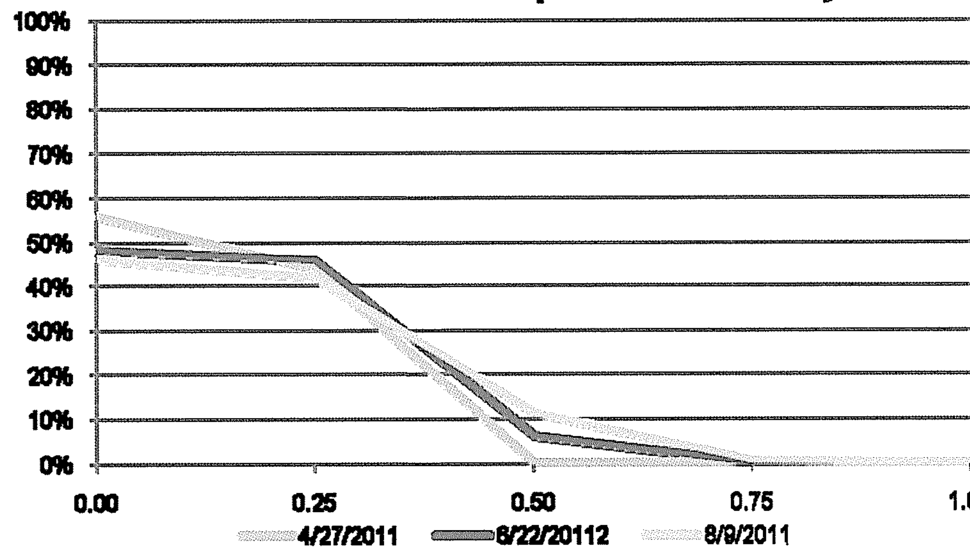
Money Market Fund Assets ($Bln)

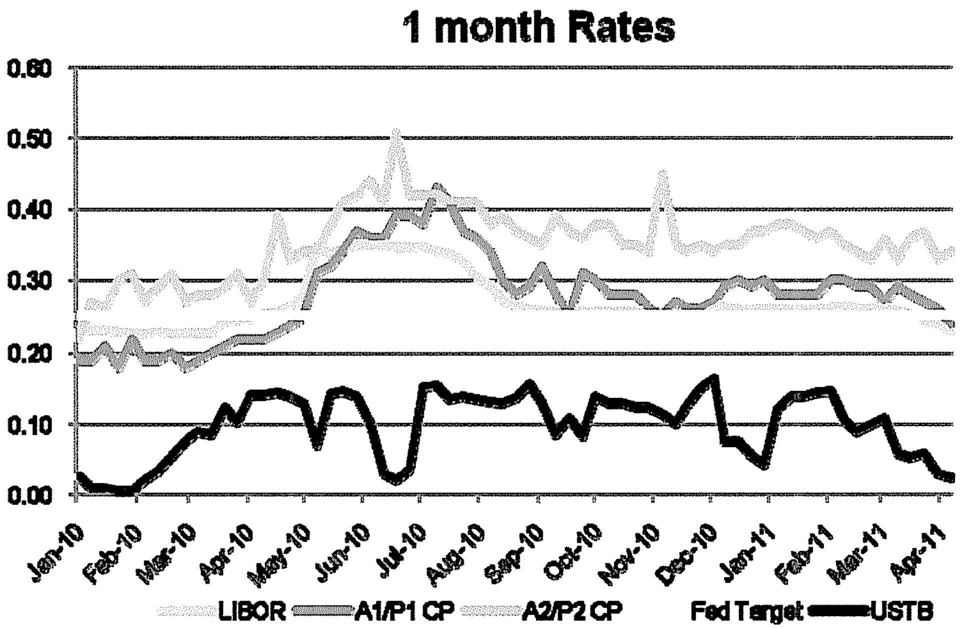


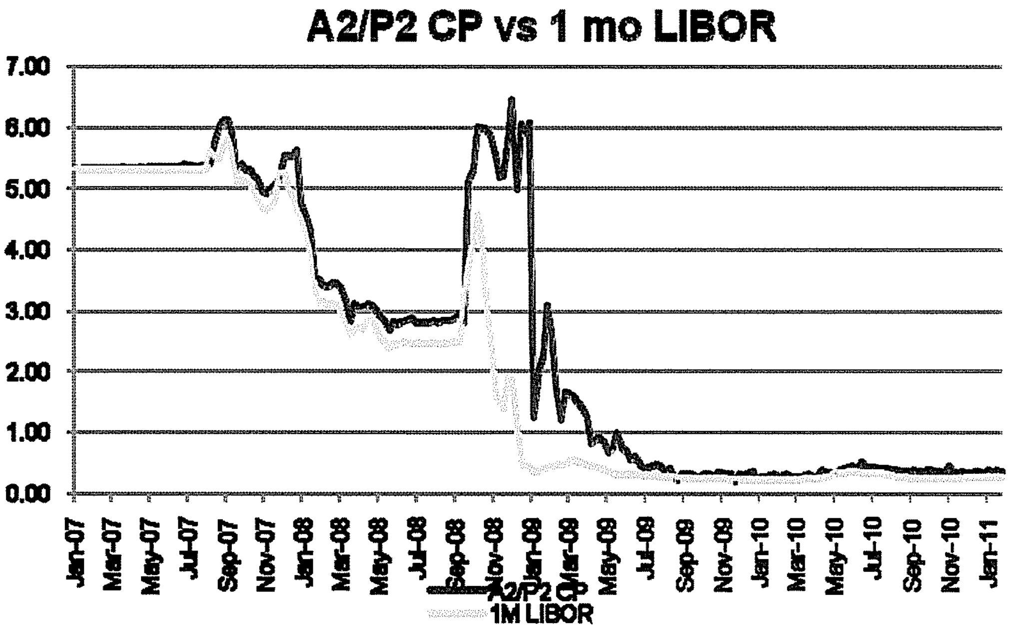
Fed Balance Sheet ($Bln)

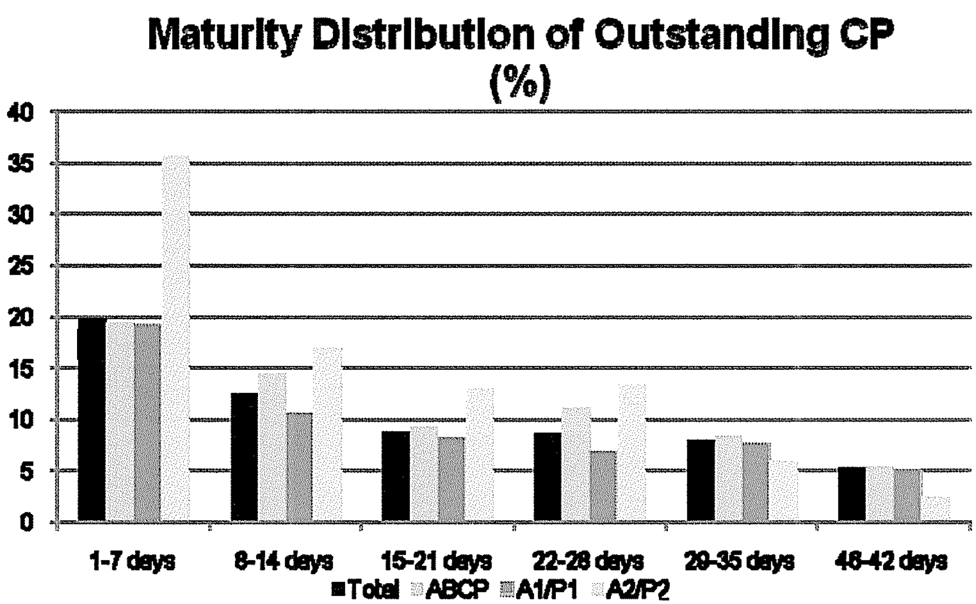


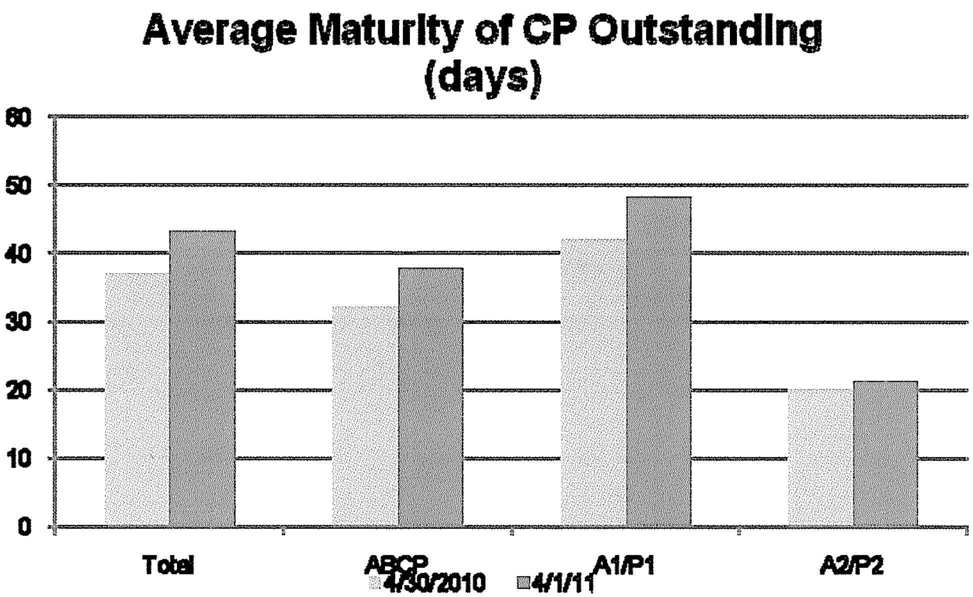
Fed Funds Implied Probability

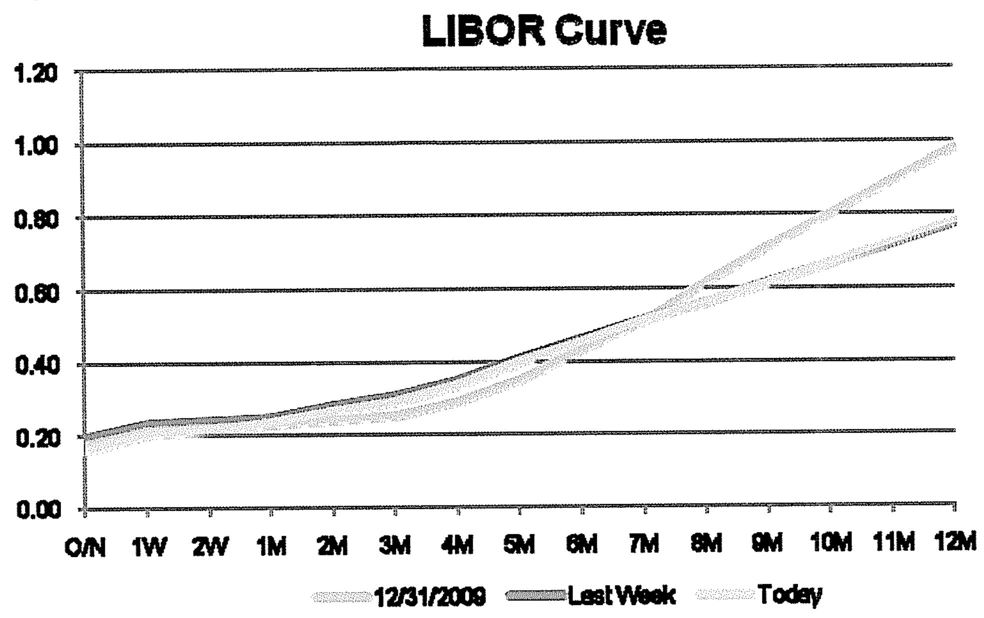


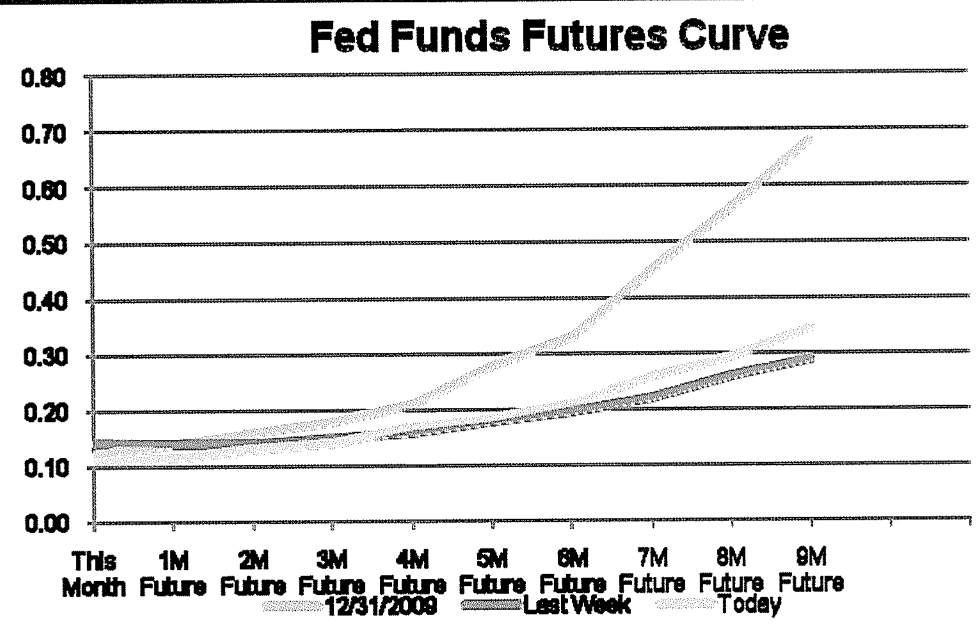

1 month Rates
0.60
0.50
0.40
0.30
0.20
0.10
0.00
Jan-10
Feb-10
Mar-10
Apr-10
May-10
Jun-10
Jul-10
Aug-10
Sep-10
Oct-10
Nov-10
Dec-10
Jan-11
Feb-11
Mar-11
Apr-11
LIBOR
A1/P1 CP
A2/P2 CP
Fed Target
USTB

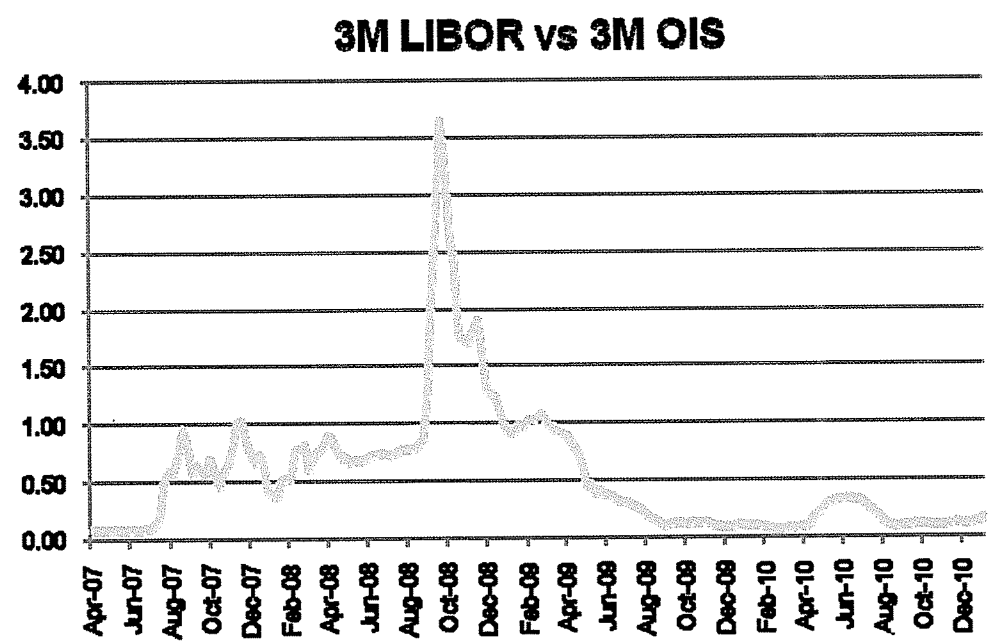

A2/P2 CP vs 1 mo LIBOR
7.00
6.00
5.00
4.00
3.00
2.00
1.00
0.00
Jan-07
Mar-07
May-07
Jul-07
Sep-07
Nov-07
Jan-08
Mar-08
May-08
Jul-08
Sep-08
Nov-08
Jan-09
Mar-09
May-09
Jul-09
Sep-09
Nov-09
Jan-10
Mar-10
May-10
Jul-10
Sep-10
Nov-10
Jan-11
A2/P2 CP
1M LIBOR

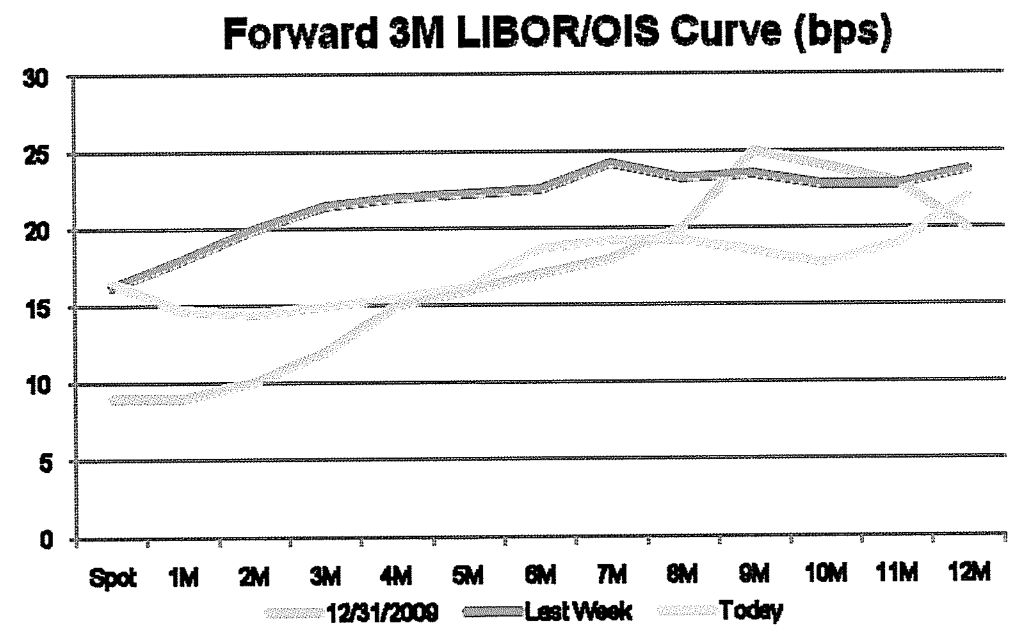

Maturity Distribution of Outstanding CP (%)
40
35
30
25
20
15
10
5
0
1-7 days
8-14 days
15-21 days
22-28 days
29-35 days
46-42 days
Total
ABCP
A1/P1
A2/P2


Average Maturity of CP Outstanding (days)
60
50
40
30
20
10
0
Total
ABCP
A1/P1
A2/P2
4/30/2010
4/1/11


LIBOR Curve
1.20
1.00
0.80
0.60
0.40
0.20
0.00
O/N 1W 2W 1M 2M 3M 4M 5M 6M 7M 8M 9M 10M 11M 12M
12/31/2009 Last Week Today


Fed Funds Futures Curve
0.80
0.70
0.60
0.50
0.40
0.30
0.20
0.10
0.00
This Month 1M Future 2M Future 3M Future 4M Future 5M Future 6M Future 7M Future 8M Future 9M Future
12/31/2009 Last Week Today


3M LIBOR vs 3M OIS
4.00
3.50
3.00
2.50
2.00
1.50
1.00
0.50
0.00
Apr-07 Jun-07 Aug-07 Oct-07 Dec-07 Feb-08 Apr-08 Jun-08 Aug-08 Oct-08 Dec-08 Feb-09 Apr-09 Jun-09 Aug-09 Oct-09 Dec-09 Feb-10 Apr-10 Jun-10 Aug-10 Oct-10 Dec-10


Forward 3M LIBOR/OIS Curve (bps)
30
25
20
15
10
5
0
Spot 1M 2M 3M 4M 5M 6M 7M 8M 9M 10M 11M 12M
12/31/2009 Last Week Today

U.S. Commercial Paper Market Update

May 17, 2011 Matt.Vincent@SunTrust.com (404) 926-5498

SUNTRUST ROBINSON HUMPHREY

Ratings Category	Issuer Description	Other Dealers	Ticker	Size $MM	SEC reg Type	S&P Short	S&P Long	Moody's Short	Moody's Long	Fitch Short	Fitch Long
TOP TIER:	*Brown-Forman Bev Eur Ltd*	JPM,MS,BCLY,WFC	BFBEVE	225	4(2)	A-1	NA	P-1	NR	NR	NR
	Brown-Forman Corp.	JPM,MS,BCLY,WFC	BFPP	1,000	4(2)	A-1	A	P-1	A2	NR	NR
	Colonial Pipeline Co.	BAS,BCLY,MS	COLPP	375	4(2)	A-1	A	P-1	A2	NR	NR
	Lowe's Companies	BAS,BCLY	LOW	1,750	3(a)3	A-1	A	P-1	A1	F1	A
	McDonald's Corp.	BAS,CITI,MS	MCDPP	2,000	4(2)	A-1	A	P-1	A2	F1	A
	Northern Illinois Gas	BAS,CITI,CSFB,GS,JPM	NIGAS	700	3(a)3	A-1+ *-	AA *-	P-1	Aa3	F1	AA-
SPLIT TIER:	*C.R. Bard, Inc.*	JPM	BCR	300	4(2)	A-1	A	P-2	A3	NR	NR
	Florida Power & Light Company	CITI, BAS	FPL	2,500	3(a)3	A-2	A-	P-1	Aa3	F1	AA-
	Georgia Transmission Corp.	BAS	GTRCPP	200	4(2)	A-1+	AA-	P-2	Baa1	F1+	AA-
	LOCAP LLC	CSFB	LOCAP	50	4(2)	A-1	NR	P-2	NR	F1	NR
	MidAmerican Energy Company	CSFB, JPM, BCLY, GS	MEC	700	3(a)3	A-2	A-	P-1	A2	F1	A+
	McCormick & Company	BAS,CSFB,GS,CITI	MKCPP	1,000	4(2)	A-2	A-	P-1	A2	NR	NR
	Nicor Inc	BAS, CSFB, JPM, WFC	GAS	1,000	3(a)3	A-1+ *-	AA *-	P-2	NR	F1	A
	Oglethorpe Power Corp.	BAS, WFC	OTPCPP	355	4(2)	A-1	A	P-2	Baa1	F1	NR
	Precision Cast Corp.	BAS,PJC	PRECAS	1,000	4(2)	A-1	A-	P-2	A3	NR	NR
	Questar Corp	BAS, CSFB, GS	STR	500	4(2)	A-1	A	P-2	NR	NR	NR
	Sherwin-Williams Co	CITI, BAS	SHW	910	4(2)	A-1	A	P-2	A3	F1	A
	St. Jude Medical, Inc.	BAS, JPM	STJ	1000	4(2)	A-1	A	P-2	NR	F1	A
	TJX Companies, Inc.	JPM, BAS	TJXPP	1,000	4(2)	A-1	A	P-2	NR	NR	NR
	Torchmark Corp.	JPM, MS,BAS	TMKPP	600	4(2)	A-1	A	P-2	A3	NR	NR
SECOND TIER:	*AGL Capital Corp.*	MS, BAS, WFC	AGLCAP	1,140	4(2)	A-2	BBB+	P-2	NR	F2	A-
	Atlantic City Electric	CSFB, JPM, BAS	ATE	250	3(a)3	A-2	A	P-2	A3	F2	A-
	Atmos Energy Corp	BAS, JPM, WFC	ATO	600	4(2)	A-2	BBB+	P-2	Baa2 *+	F2	BBB+
	AutoZone, Inc.	BAS,WFC	AZO	1,300	4(2)	A-2	BBB	P-2	Baa2	F2	BBB
	Block Financial LLC	BAS, GS, MS	BFCPP	2,000	4(2)	A-2	BBB	P-2	Baa2	NR	NR
	CVS Corporation	BAS,CSFB,WFC,BCLY	CVS	3,325	4(2)	A-2	BBB+	P-2	Baa2	F2	BBB+
	Dairy Farmers of America	BAS	DFAINC	400	4(2)	A-2	BBB+	P-2	Baa2	NR	NR
	Darden Restaurants	MS, GS	DRI	750	3(a)3	A-2	BBB	P-2	Baa2	F2	BBB
	DCP Midstream,LLC	BCLY,GS,BAS	DCPMID	800	4(2)	A-2	BBB	P-2	Baa2	F2	BBB
	Delmarva Power & Light	CSFB, JPM, BAS	DEW	500	3(a)3	A-2	A	P-2	A3	F2	A
	Equifax Inc.	BAS	EFX	500	4(2)	A-2	BBB+	P-2	Baa1	NR	NR
	Explorer Pipeline Company	BCLY	EXPPIP	100	4(2)	A-2	NR	P-2	NR	NR	NR
	FedEx Corp.	BAS, GS, JPM, MS	FDXPP	3,000	4(2)	A-2	BBB	P-2	Baa2	F2	BBB
	Florida Power Corp.	JPM, BAS	FPC	400	3(a)3	A-2 *+	A *+	P-2	A1 *-	F2	A
	Harris Corp.	BAS,CITI,MS	HRS	750	3(a)3	A-2	BBB+	P-2	Baa1	NR	NR
	HJ Heinz Finance Co.	BAS,GS,JPM,BCLY	HNZFPP	2,000	4(2)	A-2	BBB	P-2	Baa2	F2	BBB
	Kansas City Power & Light	JPM, BAS	KSPOLI	600	4(2)	A-2	BBB	P-2	A3	NR	NR
	Kellogg Company	BAS,BCLY,DB,GS,JPM	KELLOG	2,500	4(2)	A-2	BBB+	P-2	A3	F2	A-
	Kinder Morgan Energy, LP	BAS,BCLY,CITI,GS,JPM	KMP	1,786	4(2)	A-2	BBB	P-2	Baa2	F2	BBB
	Leggett & Platt, Inc.	GS, JPM, WFC	LEGPP	600	4(2)	A-2	BBB+	P-2	Baa1	NR	NR
	ONEOK, Inc.	BAS, CITI	ONEOK	1,600	4(2)	A-2	BBB	P-2	Baa2	NR	NR
	ONEOK Partners, L.P.	BAS, CITI	OKSPP	1,000	4(2)	A-2	BBB	P-2	P-2	Baa2	NR
	Potomac Electric Power	CSFB, JPM, GS, BAS	POM	500	3(a)3	A-2	A	P-2	Baa1	F2	A
	Puget Sound Energy Inc	BAS,WFC,BCLY, PJC	PSD	500	3(a)3	A-2	BBB	P-2	A3	NR	NR
	Ryder System, Inc.	JPM, MS, WFC	R	800	3(a)3	A-2	BBB+	P-2	Baa1	F2	A-
	SunTrust Banks, Inc.	None	STI	840	3(a)3	A-2	BBB	P-2	Baa1	F2	BBB+
	Three Pillars Funding Corp.	C, GS, CSFB	THRPIL	10000	4(2)	NR	NR	P-2	NR	F2	NR
	WellPoint Inc.	BAS, CITI, JPM, WFC	WELLPT	2,500	4(2)	A-2	A-	P-2	Baa1	F1	A-
THIRD TIER:	*Cardinal Health, Inc.*	BAS, GS, JPM, WFC	CAH	1,500	4(2)	A-2	BBB+	P-3	Baa3	F2	BBB+
	CenterPoint Energy Resources Corp	BCLY	CTRESC	950	4(2)	A-2	BBB	P-3 *+	Baa3 *+	F2	BBB
	Pepco Holdings, Inc.	CSFB, JPM, BAS	PEPCO	700	4(2)	A-2	BBB+	P-3	Baa3	F2	BBB
	Weatherford International Inc.	JPM,BAS,MS	WFTCPP	2,500	4(2)	A-3	BBB	P-2	Baa2	NR	NR
	Vulcan Materials Company	BAS, CITI, GS	VMCNEW	2000	4(2)	B	BB	P-3 *-	Ba1	NR	NR

Commercial Paper Dealership Programs

SunTrust Robinson Humphrey Commercial Paper Dealership Programs

Issuer Description	Other Dealers	Ticker	Size $MM	SEC reg Type	S&P Short	S&P long	Moody's Short	Moody's long	Fitch Short	Fitch long
AGL Capital Corp.	MS, BAS, WFC	AGLCAP	1140	4(2)	A-2	BBB+ *-	P-2	NR	F2	A-
Alfa Corporation	GS	ALFA	230	3(a)3	NR	NR	NR	NR	NR	NR
Atlantic City Electric	CSFB, JPM, BAS	ATE	250	3(a)3	A-2	A	P-2	A3	F2	A-
Atmos Energy Corp	BAS, JPM, WFC	ATO	600	4(2)	A-2	BBB+	P-2	Baa2 *+	F2	BBB+
AutoZone, Inc.	BAS,WFC	AZO	1300	4(2)	A-2	BBB	P-2	Baa2	F2	BBB
Block Financial LLC	BAS, GS, MS	BFCPP	2000	4(2)	A-2	BBB	P-2	Baa2	NR	NR
Brown-Forman Corp.	JPM,MS,BCLY,WFC	BFPP	1000	4(2)	A-1	A	P-1	A2	NR	NR
Brown-Forman Bev Eur Ltd	JPM,MS,BCLY,WFC	BFBEVE	225	4(2)	A-1	NA	P-1	NR	NR	NR
Cardinal Health, Inc.	BAS, GS, JPM, WFC	CAH	1500	4(2)	A-2	BBB+	P-3	Baa3	F2	BBB+

AGL Capital Corp. — AGL Capital Corp. is the financing subsidiary of AGL Resources Inc. which sells and distributes natural gas to customers primarily in Georgia and Southeastern Tennessee. The company also holds interest in other energy-related businesses, including natural gas and electricity marketing, wholesale and retail propane sales, gas supply services, and customer products.

Alfa Corporation — Alfa Corporation, through its subsidiaries, is involved in insurance, consumer financing, leasing, real estate investments, residential and commercial construction, and real estate sales. The Company's insurance subsidiaries write life insurance and property and casualty insurance in Alabama, Georgia, and Mississippi.

Atlantic City Electric — Atlantic City Electric Company generates, transmits, distributes and sells electricity in southern New Jersey.

Atmos Energy Corp — Atmos Energy Corporation distributes natural gas to utility customers in several states. The Company's non-utility operations span various states and provide natural gas marketing and procurement services to large customers. Atmos Energy also manages company-owned natural gas storage and pipeline assets, including an intrastate natural gas pipeline in Texas.

AutoZone, Inc. — AutoZone, Inc. is a specialty retailer of automotive parts, chemicals, and accessories targeting the do-it-yourself consumer. The Company offers a variety of products, including new and remanufactured automotive hard parts, maintenance items, and accessories.

Block Financial LLC — Block Financial LLC offers investment services to the general public; and originates, purchases, services, and sells conforming and nonconforming residential mortgages.

Brown-Forman Corp. — Brown-Forman Corporation is a diversified producer and marketer of consumer products. The Company produces and markets a wide variety of wines an spirits. Brown-Forman also produces and markets tableware and giftware, as well as luggage.

Brown-Forman Bev Eur Ltd — Brown-Forman Corporation is a diversified producer and marketer of consumer products. The Company produces and markets a wide variety of wines an spirits. Brown-Forman also produces and markets tableware and giftware, as well as luggage. Brown-Forman Beverages, Europe, Ltd is unconditionally guaranteed by Brown-Forman Corp.

Cardinal Health, Inc. — Cardinal Health, Inc. provides complementary products and services to healthcare providers and manufacturers. The Company's services include pharmaceutical distribution, health-care product manufacturing, distribution and consulting services, drug delivery systems development, pharmaceutical packaging, automated dispensing systems manufacturing, and retail pharmacy franchising.

SunTrust Robinson Humphrey Commercial Paper Dealership Programs

Issuer Description	Other Dealers	Ticker	Size $MM	SEC reg Type	S&P Short	S&P long	Moody's Short	Moody's long	Fitch Short	Fitch long
CenterPoint Energy Resources Corp CenterPoint Energy Resources Corporation is involved in the distribution and transmission of natural gas, including gathering, marketing, and storage. The Company's gas distribution business is conducted through Arkla, Entex, and Minnegasco, as well as their affiliates. CenterPoint serves customers in Minnesota, Texas, Arkansas, Louisiana, Oklahoma, and Mississippi.	BCLY	CTRESC	950	4(2)	A-2	BBB	P-3 *+	Baa3 *+	F2	BBB
Century Tel, Inc. CenturyTel, Inc., an integrated communications company, provides local exchange telephone services and wireless telephone services. The company also provides long distance, Internet access, and security monitoring services. CenturyTel operates in rural areas and small to mid-size cities in 26 states across the country.	BAS, CITI	CTLPP	1500	4(2)	B	BB	P-3	Baa3	F3	BBB-
Colonial Pipeline Co. Colonial Pipeline Co. is an interstate common carrier of petroleum products. The Company delivers gasolines, kerosenes, home heating oils, diesel fuels, and national defense fuels to shipper terminals in various states. Colonial's system transports these fuels from Texas, Louisiana, Mississippi, and Alabama to marketing terminals in the Southeast and Eastern Seaboard in the United States.	BAS,BCLY,MS	COLPP	375	4(2)	A-1	A	P-1	A2	NR	NR
CHS Inc. CHS Inc. is a diversified agricultural foods company that provides essential resources to customers around the world. The Company is owned by farmers, ranchers, and cooperatives, as well as preferred stockholders. CHS provides products and services ranging from grain marketing to food processing, operates petroleum refineries/pipelines, and markets Centex energy products.	None	CHS	100	3(a)3	A-2	BBB+	P-2	Baa1	NR	NR
C.R. Bard, Inc. C.R. Bard, Inc. designs, manufactures, packages, distributes, and sells medical, surgical, diagnostic, and patient care devices. The Company sells a broad range of products worldwide to hospitals, individual healthcare professionals, extended care facilities and alternate site facilities. Bard markets vascular, urological, oncological, and surgical specialties products.	JPM	BCR	300	4(2)	A-1	A	P-2	A3	NR	NR
CVS Corporation CVS Corporation, through its wholly-owned CVS Pharmacy and Revco subsidiaries, operates a drug store chain in the Northeast, Mid-Atlantic, Southeast and Mid-West areas of the United States.	BAS,CSFB,WFC,BCLY	CVS	3325	4(2)	A-2	BBB+	P-2	Baa2	F2	BBB+
Dairy Farmers of America Diary Farmers of America, Inc. is the dominant dairy cooperative in the United State and the largest milk marketer in the world. DFA is the 3rd largest agricultural cooperative of any kind in the U.S.	BAS	DFAINC	400	4(2)	A-2	BBB+	P-2	Baa2	NR	NR
Darden Restaurants Darden Restaurants, Inc. operates casual dining restaurants in North America. The Company owns and operates restaurants under the names Red Lobster, Bahama Breeze, and The Olive Garden.	MS, GS	DRI	750	3(a)3	A-2	BBB	P-2	Baa2	F2	BBB
DCP Midstream,LLC DCP Midstream LLC gathers, treasts, compresses, processes, transports, markets and stores natural gas. The Company also produces, fractionates, transports, trades and markets natural gas liquids	BCLY,GS,BAS	DCPMID	800	4(2)	A-2	BBB	P-2	Baa2	F2	BBB
Delmarva Power & Light Delmarva Power & Light Company, a subsidiary of Connectiv, generates, purchases, delivers, and sells electricity. The Company also provides regulated gas service.	CSFB, JPM, BAS	DEW	500	3(a)3	A-2	A	P-2	A3	F2	A

SunTrust Robinson Humphrey Commercial Paper Dealership Programs

Issuer Description	Other Dealers	Ticker	Size $MM	SEC reg Type	S&P Short	S&P long	Moody's Short	Moody's long	Fitch Short	Fitch long
Equifax Inc. Equifax Inc. brings buyers and sellers together through its information management, transaction processing, direct marketing, and customer relationship management businesses. The company serves the financial services, retail, credit card, telecommunicatins/utilities, transportation, information technology and healthcare industries and government.	BAS	EFX	500	4(2)	A-2	BBB+	P-2	Baa1	NR	NR
Explorer Pipeline Company Explorer Pipeline operates a nearly 1,900 mile pipeline system that transports gasoline, diesel fuel, and jet fuel from the Gulf Coast to the Midwest. They are based out of Tulsa, OK, and also serve Houston, Dallas, Ft. Worth, St. Louis, and Chicago.	BCLY	EXPPIP	100	4(2)	A-2	NR	P-2	NR	NR	NR
FedEx Corp. FedEx Corp. is comprised of a family of companies, providing transportation, e-commerce, and supply chain management services for customers. The Company provides worldwide express delivery, ground small-parcel delivery, less-than-truckload freight delivery, supply chain management services, customs brokerage services, and trade facilitation and electronic commerce solutions.	BAS, GS, JPM, MS	FDXPP	3000	4(2)	A-2	BBB	P-2	Baa2	F2	BBB
Florida Power & Light Company Florida Power & Light Company generates, transmits, distributes, and sells electric energy in the state of Florida.	CITI, BAS	FPL	2500	3(a)3	A-2	A-	P-1	Aa3	F1	AA-
Florida Power Corp. Florida Power Corporation (doing business as Progress Energy Florida, Inc.) is an operating public utility engaged in the generation, purchase, transmission, distribution and sale of electricity in west	JPM, BAS	FPC	400	3(a)3	A-2 *+	A *+	P-2	A1 *-	F2	A
Georgia Transmission Corp. Georgia Transmission Corporation is a wholesale transmission company serving 39 of Georgia's 42 rural electric membership cooperatives (EMCs), which are also the owners of the Company. The members serve 1.3 million electric meters, which represent 3.1 million people throughout Georgia.	BAS	GTRCPP	200	4(2)	A-1+	AA-	P-2	Baa1	F1+	AA-
Harris Corp. Harris Corporation is an international communications equipment company focused on product, system and service solutions. The Company provides a range of products and services for commercial and government communications markets such as wireless, broadcast and network supoort.	BAS,CITI,MS	HRS	750	3(a)3	A-2	BBB+	P-2	Baa1	NR	NR
HJ Heinz Finance Co. HJ Heinz Finance is the majority owned finance arm of the HJ Heinz Company. It was established to borrow funds in the financial markets for general corporate purposes. HJ Heinz Company acts as sole guarantor for the HJ Heinz Finance program.	BAS,GS,JPM,BCLY	HNZFPP	2,000	4(2)	A-2	BBB	P-2	Baa2	F2	BBB
Kansas City Power & Light Kansas City Power & Light Co. is a wholly owned subsidiary of Great Plains Energy.	JPM, BAS	KSPOLI	600	4(2)	A-2	BBB	P-2	A3	NR	NR
Kellogg Company Kellogg Company manufactures and markets ready-to-eat cereal and other grain-based food products, as well as soy protein-based meat alternatives. The Company's products are marketed under trademarks such as Kellogg's, Rice Krispies, Pop Tarts, Eggo, Keebler, and Worthington.	BAS,BCLY,DB,GS,JPM	KELLOG	2,500	4(2)	A-2	BBB+	P-2	A3	F2	A-

SunTrust Robinson Humphrey Commercial Paper Dealership Programs

Issuer Description	Other Dealers	Ticker	Size $MM	SEC reg Type	S&P Short	S&P long	Moody's Short	Moody's long	Fitch Short	Fitch long
Kinder Morgan Energy, LP	BAS,BCLY,CITI,GS,JPM	KMP	1,786	4(2)	A-2	BBB	P-2	Baa2	F2	BBB
Kinder Morgan Energy Partners, L.P. is a pipline transportation and energy storage company. The company operates pipelines and terminals. The pipelines transport natural gas, gasoline, crude oil, carbon dioxide and other products; and its terminals store petroleum products and chemicals, and handle bulk materials like coal and petroleum coke.										
LOCAP LLC	CSFB	LOCAP	50	4(2)	A-1	NR	P-2	NR	F1	NR
LOCAP LLC is a common carrier crude oil pipeline which provides a link between storage facilities of LOOP LLC and St. James, Louisiana for distribution of crude oil to nearby refineries and into the mid-continent of the United States. LOCAP is owned by Marathon Pipe LLC(49.90%) and Marathon Domestic LLC (8.62%), both indirect wholly-owned companies of Marathon Oil Corporation, and Shell Company (41.48%). Shell Pipeline Company LP is an indirect wholly owned subsidiaryof Shell Oil Company.										
Leggett & Platt, Inc.	GS, JPM, WFC	LEGPP	600	4(2)	A-2	BBB+	P-2	Baa1	NR	NR
Leggett & Platt, Incorporated manufactures a wide range of engineered products. The Company's products include components for bedding, furniture, and other residential furnishings, as well as office and institutional furnishings components, retail store fixtures and displays. Leggett also manufactures die castings, custom tooling, drawn wire and other products.										
Lowe's Companies	BAS,BCLY	LOW	1750	3(a)3	A-1	A	P-1	A1	F1	A
Lowe's Companies, Inc. retail distributes building materials and supplies through stores in the United States. The Company's products include lumber, home decoration and lights, kitchen, bath, laundry items, yard tools, patio accessories, garden tools, and heating, cooling and water systems.										
McCormick & Company	BAS,CSFB,GS,CITI	MKCPP	1000	4(2)	A-2	A-	P-1	A2	NR	NR
McCormick & Company, Inc. manufactures, markets, and distributes spices, herbs, seasonings, flavorings, and other specialty food products to the entire food industry. The Company also, through subsidiaries, manufactures and markets specialty plastic bottles and tubes for food, personal care, and other industries.										
McDonald's Corp.	BAS,CITI,MS	MCDPP	2000	4(2)	A-1	A	P-1	A2	F1	A
McDonald's Corporation operates and franchises fast-food restaurants worldwide. The Company's franchised and company operated fast food restaurants offer a variety of low price fast foods in locations around the world.										
MidAmerican Energy Company	CSFB, JPM, BCLY, GS	MEC	700	3(a)3	A-2	A-	P-1	A2	F1	A+
MidAmerican Energy Company is a full service utility company based in Iowa. The company serves electric customers and natural gas customer in Iowa, Illinois, and South Dakota.										
Nicor Inc	BAS, CSFB, JPM, WFC	GAS	1000	3(a)3	A-1+ *-	AA *-	P-2	NR	F1	A
Nicor Inc. is the holding company for Northern Illinois Gas Company and Tropical Shipping. Northern Illinois Gas distributes natural gas in the northern third of Illinois. Tropical Shipping transports containerized freight in the Caribbean.										
Northern Illinois Gas	BAS,CITI,CSFB,GS,JPM	NIGAS	700	3(a)3	A-1+ *-	AA *-	P-1	Aa3	F1	AA-
Northern Illinois Gas Company delivers natural gas to customers, including transportation service, gas storage, and gas supply backup. The Company's service territory encompasses most of the northern third of Illinois, excluding the city of Chicago. Customers include residential, commercial, and industrial customers.										

SunTrust Robinson Humphrey Commercial Paper Dealership Programs

Issuer Description	Other Dealers	Ticker	Size $MM	SEC reg Type	S&P Short	S&P long	Moody's Short	Moody's long	Fitch Short	Fitch long
Oglethorpe Power Corp.	BAS, WFC	OTPCPP	355	4(2)	A-1	A	P-2	Baa1	F1	NR
ONEOK, Inc.	BAS, CITI	ONEOK	1600	4(2)	A-2	BBB	P-2	Baa2	NR	NR
ONEOK Partners, L.P.	BAS, CITI	OKSPP	1000	4(2)	A-2	BBB	P-2	Baa2	NR	NR
Pepco Holdings, Inc.	CSFB, JPM, BAS	PEPCO	700	4(2)	A-2	BBB+	P-3	Baa3	F2	BBB
Potomac Electric Power	CSFB, JPM, GS, BAS	POM	500	3(a)3	A-2	A	P-2	Baa1	F2	A
Precision Cast Corp.	BAS,PJC	PRECAS	1000	4(2)	A-1	A-	P-2	A3	NR	NR
Puget Sound Energy Inc	BAS,WFC,BCLY, PJC	PSD	500	3(a)3	A-2	BBB	P-2	A3	NR	NR
Questar Corp	BAS, CSFB, GS	STR	500	4(2)	A-1	A	P-2	NR	NR	NR
Ryder System, Inc.	JPM, MS, WFC	R	800	3(a)3	A-2	BBB+	P-2	Baa1	F2	A-
Sherwin-Williams Co	CITI, BAS	SHW	910	4(2)	A-1	A	P-2	A3	F1	A

Oglethorpe Power Corp.: Oglethorpe Power Corporation is in the business of providing wholesale electric service to its retail electric cooperative members. The members are local customer-owned cooperatives providing retail electric service on a non-profit basis.

ONEOK, Inc.: ONEOK, Inc. is a diverisfied energy company. The Company is involved in the natural gas and natural gas liquids business across the United States. The Company's headqurters are located in Tulsa, Oklah

ONEOK Partners, L.P.: ONEOK Partners, L.P., through a subsidiary limited partnership, owns a general partner interest in a master limited partnership. The partnership owns an interstate pipeline system that transports gas prima in the upper Midwest and Mid Continent regions of the United States.

Pepco Holdings, Inc.: Pepco Holdings, Inc. delivers electricity to customers located in New Jersey, Delaware, Maryland, Virginia, and the District of Columbia. The Company also sells natural gas, Internet, local and long-distance telephone, cable television, and energy services to businesses and consumers.

Potomac Electric Power: Potomac Electric Power Company generates, transmits, distributes, and sells electric energy in the Washington, DC metropolitan area. The Company serves residential, commercial, and federal government customers. Potomac Electric, through its subsidiaries, also offers natural gas, Internet, local and long distance telephone, cable television, and energy services.

Precision Cast Corp.: Precision Castparts Corp. is a worldwide manufacturer of complex metal components and products. The Company manufactures large, complex structural investment castings and airfoil castings used in jet aircraft engines. Precision has also expanded into industrial gas turbine, industrial metal working tolls and machines, and other metal products markets.

Puget Sound Energy Inc: Puget Sound Energy, Inc. is an electric and natural gas transmission and distribution utility company. Puget Sound Energy, Inc. is a subsidiary of Puget Energy Inc.

Questar Corp: Questar Corporation is a natural gas-focused energy company with lines of business such as gas and oil exploration and production, midstream field services, energy marketing, interstate gas transportation, and retail gas distribution.

Ryder System, Inc.: Ryder System, Inc. provides a continuum of logistics, supply chain, and transportation management solutions worldwide. The Company's offerings range from full-service leasing, commercial rental and maintenance of vehicles to integrated services. The Company also offers comprehensive supply chain solutions, logistics management services, and e-Commerce solutions.

Sherwin-Williams Co: The Sherwin-Williams Company manufactures, distrubutes, and sells paints, coatings, and related products. The Company's products are marketed under the Sherwin-Williams, Dutch Boy, Kem-Tone, and other brand names. Sherwin-Williams' products are sold to professional, industrial, commercial, and retail customers primarily in North and South America.

SunTrust Robinson Humphrey Commercial Paper Dealership Programs

Issuer Description	Other Dealers	Ticker	Size $MM	SEC reg Type	S&P Short	S&P long	Moody's Short	Moody's long	Fitch Short	Fitch long
St. Jude Medical, Inc. St. Jude Medical, Inc. develops manufactures, and distributes medical devices for the worldwide cardiovascular market. The Company serves patients and its health care customers with products and services including heart valves, cardiac rhythm management systems, specialty catheters, and other cardiovascular devices.	BAS, JPM	STJ	1000	4(2)	A-1	A	P-2	NR	F1	A
SunTrust Banks, Inc. SunTrust Bank, Inc. is a super-regional bank holding company. The Company's subsidiary banks operate in Florida, Georgia, Alabama, Maryland, Tennessee, Virginia, North Carolina, South Carolina, and the District of Columbia. SunTrust provides a wide range of personal, corporate, and institutional financial services.	None	STI	840	3(a)3	A-2	BBB	P-2	Baa1	F2	BBB+
Three Pillars Funding Corp. TPFC will purchase, and make loans secured by, interests in receivables, securities and other financial assets including loans, rights to future cash flows from contracts or operating assets and leases. Program credit enhancement will be provided by one of more letters of credit issued by SunTrust Bank. The required amount will initially be equal to the greater of (i) 10% of the aggregate commitments of the Issuer to purchase, or make loans secured by, receivables OR (ii) $50,000,000.	C, GS, CSFB	THRPIL	10000	4(2)	NR	NR	P-2	NR	F2	NR
TJX Companies, Inc. The TJX Companies, Inc. retails off-price apparel and home fashions. The Company currently operates T.J. Maxx, Marshalls, HomeGoods, and A.J. Wright stores in the United States. TJX also operates Winners stores in Canada and T.K. Maxx stores in Europe.	JPM, BAS	TJXPP	1000	4(2)	A-1	A	P-2	NR	NR	NR
Torchmark Corp. Torchmark Corporation is an insurance and financial services holding company. The Company's subsidiaries offer life and health insurance, and annuities. Life products include traditional and interest sensitive whole life insurance as well as term life insurance. Health products include Medicare supplement, cancer, accident, long-term care, and limited hospital and surgical coverages.	JPM, MS,BAS	TMKPP	600	4(2)	A-1	A	P-2	A3	NR	NR
Vulcan Materials Company Vulcan Materials Company produces contruction aggregates. The Company quarries crushed stone, sand, and gravel.	BAS, CITI, GS	VMCNEW	2000	4(2)	B	BB	P-3 *-	Ba1	NR	NR
Weatherford International Inc. Weatherford International Ltd. Provides equipment and services used for the drilling, completion, and production of oil and natural gas wells. The Company offers drilling and intervention services, completion systems, artificial lift systems, and compression services. Weatherford conducts operations in substantially all of the oil and natural gas producing regions in the world.	JPM,BAS,MS	WFTCPP	2500	4(2)	A-3	BBB	P-2	Baa2	NR	NR
WellPoint Inc. WellPoint Inc. is a health benefits company. The Company provides health benefits, dental and vision benefits, pharmacy benefits, life insurance, and life and disability insurance benefits. WellPoint operations include Blue Cross and Blue Shield plans.	BAS, CITI, JPM, WFC	WELLPT	2500	4(2)	A-2	A-	P-2	Baa1	F1	A-

* Credit Watch

SEC definitions are as follows: 3(a)(3) is the standard exemption for commercial paper programs which allows this security to be sold in blocks of $100k increments. 4(2) is defined as a private placement exemption from registration where the minimum transaction is $250k. 4(2) paper sold as a secondary transaction relies on a 144A exemption and is permitted only with Qualified Institutional Buyers (QIB). A QIB form should be on record for each client. Please be advised that STRH may rely on the 144A exemption from registration provisions of Section 5 of the Securities Act of 1933.

The information provided above is based on sources which we believe to be reliable, but has not been independently verified. SunTrust Robinson Humphrey and its affiliates, officers, analysts, or employees do not assume responsibility for and do not make representations or warranties (express or implied) as to the accuracy of the information. Additional information is available upon request.

Matt Vincent - Commercial Paper Desk - 404-926-5498

Important Disclosures

SunTrust Robinson Humphrey is the trade name for the corporate and investment banking services of SunTrust Banks, Inc. and its subsidiaries, including SunTrust Robinson Humphrey, Inc., member, FINRA and SIPC.

Debt and equity underwriting, trading, research and sales, loan syndications, municipal securities trading and sales, and mergers and acquisitions advisory services are offered by SunTrust Robinson Humphrey, Inc.

Cash management, loans and loan related products, foreign exchange, risk management products and services and agency services are offered by various non-broker dealer subsidiaries of SunTrust Banks, Inc.