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PUBLIC SERVICE  
COMMISSION

Mr. Jeff DeRouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602-0615

November 28, 2012

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

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

**Re: *Application of Kentucky Utilities Company for an Order Authorizing the Restructure and Refinancing of Unsecured Debt and the Assumption of Obligations and for Amendment of Existing Authority - Case No. 2010-00206***

Dear Mr. DeRouen:

Pursuant to Ordering Paragraph No. 9 of the Kentucky Public Service Commission's Order, dated September 30, 2010, in the aforementioned case, attached is a Form 8-K filed with the Securities and Exchange Commission ("SEC") on November 19, 2012.

From September 9, 2011 through November 19, 2012 and since the issuance of this Order, Kentucky Utilities Company ("KU") has filed seven Form 8-K's with the SEC. In the future, KU will endeavor to fulfill this reporting requirement by submitting the reports to the Commission in closer proximity to the date in which they are filed with the SEC and apologizes for the delay in filing the six additional Form 8-K's attached.

Please confirm your receipt of this filing by placing the File Stamp of your Office with date received on the extra copy and returning it to me in the enclosed envelope. Should you have any questions regarding the information filed herewith, please call me or Don Harris at (502) 627-2021.

Sincerely,

A handwritten signature in black ink that reads "Rick E. Lovekamp".

Rick E. Lovekamp

# KENTUCKY UTILITIES CO

## FORM 8-K (Current report filing)

Filed 11/19/12 for the Period Ending 11/19/12

Address	ONE QUALITY ST LEXINGTON, KY 40507
Telephone	6062552100
CIK	0000055387
SIC Code	4911 - Electric Services
Fiscal Year	12/29

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 19, 2012

<u>Commission File Number</u>	<u>Registrant; State of Incorporation; Address and Telephone Number</u>	<u>IRS Employer Identification No.</u>
1-11459	<b>PPL Corporation</b> (Exact name of Registrant as specified in its charter) (Pennsylvania) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-2758192
333-173665	<b>LG&amp;E and KU Energy LLC</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	20-0523163
1-2893	<b>Louisville Gas and Electric Company</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	61-0264150
1-3464	<b>Kentucky Utilities Company</b> (Exact name of Registrant as specified in its charter) (Kentucky and Virginia) One Quality Street Lexington, KY 40507-1462 (502) 627-2000	61-0247570

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

## Section 8 - Other Events

### Item 8.01 Other Events

On November 19, 2012, Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU" and, together with LG&E, the "Companies") issued a press release announcing that they have entered into a unanimous settlement agreement with the intervenors in their proceedings commenced in July 2012 before the Kentucky Public Service Commission ("KPSC") for increases in annual base electric rates at LG&E and KU, respectively, and an increase in annual base gas rates at LG&E. Subject to KPSC review and approval, the rate changes could become effective on January 1, 2013.

A hearing on the settlement is scheduled to begin on November 27, 2012. An order with respect to the rate proceedings is anticipated from the KPSC in December 2012.

A copy of the Companies' press release is filed herewith as Exhibit 99.1 and incorporated herein by reference.

## Section 9 - Financial Statements and Exhibits

### Item 9.01 Financial Statements and Exhibits

(a) Exhibits

- 99.1 - Press Release dated November 19, 2012 of Louisville Gas and Electric Company and Kentucky Utilities Company.

*Statements in this report and the accompanying press release, including statements with respect to future events and their timing, including the Companies' potential regulatory outcomes, such as the requested rate increases and rate mechanisms and the future rates or returns on equity ultimately authorized or achieved, as well as other statements as to future costs or expenses, regulation, corporate strategy and performance, are "forward-looking statements" within the meaning of the federal securities laws. Although the Companies believe that the expectations and assumptions reflected in these forward-looking statements are reasonable, these expectations, assumptions and statements are subject to a number of risks and uncertainties, and actual results may differ materially from the results discussed in the statements. The following are among the important factors that could cause actual results to differ materially from the forward-looking statements: subsequent phases of rate relief and regulatory cost recovery; market demand and prices for electricity; political, regulatory or economic conditions in states, regions or countries where the Companies conduct business; and the progress of actual construction, purchase or repair of assets subject to tracker mechanisms. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's, LG&E and KU Energy LLC's and the Companies' Form 10-K and other reports on file with the Securities and Exchange Commission.*

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

**PPL CORPORATION**

By: /s/ Mark F. Wilten  
Mark F. Wilten  
Vice President - Finance and Treasurer

**LG&E AND KU ENERGY LLC**

By: /s/ Gerald A. Reynolds  
Gerald A. Reynolds  
General Counsel, Chief Compliance Officer and  
Corporate Secretary

**LOUISVILLE GAS AND ELECTRIC COMPANY**

By: /s/ Gerald A. Reynolds  
Gerald A. Reynolds  
General Counsel, Chief Compliance Officer and  
Corporate Secretary

**KENTUCKY UTILITIES COMPANY**

By: /s/ Gerald A. Reynolds  
Gerald A. Reynolds  
General Counsel, Chief Compliance Officer and  
Corporate Secretary

Dated: November 19, 2012

**Media Contact: Chris Whelan**  
**24-hour media hotline: 1-888-627-4999**

**Nov. 19, 2012**

**LG&E, KU and interested parties reach unanimous settlement in rate proceedings**

(LOUISVILLE, Ky.) — Louisville Gas and Electric Company and Kentucky Utilities Company have reached a unanimous settlement agreement with all of the parties in the base rate cases before the Kentucky Public Service Commission. The recommended agreement, which is subject to KPSC approval, lowers the late-payment charge, extends the time period for paying customer bills, gives the company responsibility for natural gas service lines, and provides for additional charitable giving.

Under the agreement, LG&E's base electric rates will increase \$33.7 million, down from the original request of \$62.1 million. LG&E's base natural gas rates will increase \$15 million, down from the original ask of \$17.2 million. KU base electric rates will increase \$51 million, down from the original ask of \$82.4 million. LG&E and KU also agreed to lower their annual electric depreciation rates. The agreed upon return on equity is 10.25 percent for the base rates as well as the environmental cost recovery mechanism and the new "gas line tracker".

For KU customers using 1,000 kWh per month, the increase is expected to be \$4.82 per month, or about 5.8 percent.

For LG&E customers using 1,000 kWh per month, the increase is expected to be \$4.31 per month, or about 4.8 percent. For LG&E natural gas customers using 60 Ccf per month the increase is expected to be \$3.53 per month, or about 7.3 percent. Under the agreement, LG&E natural gas customers will now have a "gas line tracker" item on their bill that reflects the costs associated with the company's gas main replacement program and gas service lines. Previously, customers were responsible for repairs to the service line from the street to the house. Those repairs will now be the responsibility of the utility. LG&E plans to reimburse customers who demonstrate that they replaced their service lines due to failure from Jan. 1, 2011, through the end of this year.

"We're pleased with the settlement. There is a diverse group of interests represented in this case and they worked hard to develop an agreement that balanced the needs of everyone," said Lonnie Bellar, vice president, State Regulations and Rates. "There is always give and take in a settlement process, but in the end we came together to create a viable solution."

Other changes include reducing the late payment charge from 5 percent to 3 percent and extending the due date to 16 business days — at least 22 calendar days before a late payment charge is applied to the bill.

LG&E and KU each agreed to contribute an additional \$187,500 of shareholder funds annually to low-income programs, bringing the total shareholder commitment to \$1 million per year. The current Home Energy Assistance program also will increase from 16 to 25 cents per meter.

LG&E and KU also will propose a new two-year demand-side management program to help Kentucky school districts use energy wisely.

If approved the new rates and all elements of the settlement agreement with the utilities and interested parties would take effect Jan. 1, 2013. The parties to the case are: the Attorney General for the Commonwealth of Kentucky, Kentucky Industrial Utility Customers, Community Action Council, Association of Community Ministries, The Kroger Co., Kentucky School Boards Association, Lexington-Fayette Urban County Government, Hess Corporation, and Stand Energy Corporation.

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*Louisville Gas and Electric Company and Kentucky Utilities Company, part of the PPL Corporation (NYSE: PPL) family of companies, are regulated utilities that serve a total of 1.2 million customers and have consistently ranked among the best companies for customer service in the United States. LG&E serves 321,000 natural gas and 397,000 electric customers in Louisville and 16 surrounding counties. Kentucky Utilities serves 546,000 customers in 77 Kentucky counties and five counties in Virginia. More information is available at [www.lge-ku.com](http://www.lge-ku.com) and [www.pplweb.com](http://www.pplweb.com).*

# KENTUCKY UTILITIES CO

## FORM 8-K (Current report filing)

Filed 06/18/12 for the Period Ending 06/18/12

Address	ONE QUALITY ST LEXINGTON, KY 40507
Telephone	6062552100
CIK	0000055387
SIC Code	4911 - Electric Services
Fiscal Year	12/29

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-



## Section 7 - Regulation FD

### Item 7.01 Regulation FD Disclosure

On June 18, 2012, Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU", and together with LG&E, the "Companies") delivered a notification to the Kentucky Public Service Commission ("KPSC") indicating their intention to terminate their pending Asset Purchase Agreement ("Agreement") entered into on September 15, 2011 with Bluegrass Generation Company L.L.C. ("Bluegrass"). The Agreement contemplated the purchase by the Companies of Bluegrass' 495 MW natural gas combustion turbine generating plant in LaGrange, Kentucky for an aggregate price of \$110 million. The Companies anticipate delivering applicable contractual notices of termination to Bluegrass on or about June 19, 2012.

In May 2012, the proposed transaction was approved by the KPSC, but received conditional authorization from the Federal Energy Regulatory Commission ("FERC"), subject to approval by FERC of satisfactory market-power mitigation measures. After review of available potential mitigation options, the Companies determined that the available options were not commercially justifiable.

The planned acquisition did not relate to current power supply requirements of the Companies, but rather to anticipated longer-term needs, and the Companies will continue to review options for estimated future energy requirements. The termination of the Agreement does not alter the Companies' previously announced plans to construct a new 640 MW natural gas combined-cycle generation plant at an existing plant site and retire 797 MW of older, coal-fired generating units prior to 2016.

*Statements in this Current Report, including statements with respect to future events and their timing, including the Companies' proposed activities, such as the planned construction, retirement and acquisition of generating units, as well as other statements as to future costs or expenses, regulation, corporate strategy and performance, are "forward-looking statements" within the meaning of the federal securities laws. Although PPL Corporation, LG&E and KU Energy LLC and the Companies believe that the expectations and assumptions reflected in these forward-looking statements are reasonable, these expectations, assumptions and statements are subject to a number of risks and uncertainties, and actual results may differ materially from the results discussed in the statements. The following are among the important factors that could cause actual results to differ materially from the forward-looking statements: subsequent phases of contracting for, purchase of and construction of the new facilities or component equipment; subsequent regulatory approval or permitting proceedings; market demand and prices for electricity, fuel and electrical generating facilities; and political, regulatory or economic conditions in states, regions or countries where the Companies conduct business. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's, LG&E and KU Energy LLC's and the Companies' Form 10-K and other reports on file with the Securities and Exchange Commission.*

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

**PPL CORPORATION**

By: /s/ Vincent Sorgi  
Vincent Sorgi  
Vice President and Controller

**LG&E AND KU ENERGY LLC**

By: /s/ John N. Voyles, Jr.  
John N. Voyles, Jr.  
Vice President, Transmission and  
Generation Services

**LOUISVILLE GAS AND ELECTRIC COMPANY**

By: /s/ John N. Voyles, Jr.  
John N. Voyles, Jr.  
Vice President, Transmission and  
Generation Services

**KENTUCKY UTILITIES COMPANY**

By: /s/ John N. Voyles, Jr.  
John N. Voyles, Jr.  
Vice President, Transmission and  
Generation Services

Dated: June 18, 2012

# KENTUCKY UTILITIES CO

## FORM 8-K (Current report filing)

Filed 06/08/12 for the Period Ending 06/08/12

Address	ONE QUALITY ST LEXINGTON, KY 40507
Telephone	6062552100
CIK	0000055387
SIC Code	4911 - Electric Services
Fiscal Year	12/29

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

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-

## Section 7 - Regulation FD

### Item 7.01 Regulation FD Disclosure

and

## Section 8 - Other Events

### Item 8.01 Other Events

On June 8, 2012, Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU", and together with LG&E, the "Companies") issued press releases announcing that they anticipate filing requests with the Kentucky Public Service Commission ("KPSC") for increases in annual base electric rates of \$62.1 million and \$82.4 million at LG&E and KU, respectively, and an increase in annual base gas rates of \$17.2 million at LG&E.

The Companies anticipate filing the rate increase applications with the KPSC on or after June 29, 2012. Subject to KPSC review and approval, the rate increases could become effective on or after January 1, 2013.

In connection with the rate application, LG&E also anticipates filing with the KPSC a request for a certificate of public convenience and necessity, including a rate tracking mechanism, to allow it to acquire and repair certain existing customer-owned gas line connection equipment and recover the costs associated with such activities, as well as certain other gas system projects. The LG&E gas line tracker would encompass approximate total revenues of \$120 million over an initial 5 year period from 2013-2017.

The Companies' anticipated requested increases represent increases in base electric rates of approximately 6.9 percent and 6.5 percent at LG&E and KU, respectively, and in LG&E base gas rates of approximately 7.0 percent. The Companies' anticipated applications include requests for authorized returns-on-equity at LG&E and KU of 11 percent each.

Copies of the press releases are furnished as Exhibits 99.1 and 99.2.

## Section 9 - Financial Statements and Exhibits

### Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 99.1 - Press Release dated June 8, 2012 of Louisville Gas and Electric Company.
- 99.2 - Press Release dated June 8, 2012 of Kentucky Utilities Company.

*Statements in this report and the accompanying press release, including statements with respect to future events and their timing, including the Companies' proposed regulatory filings, such as the requested rate increases and rate mechanisms and the future rates or returns on equity ultimately authorized or achieved, as well as other statements as to future costs or expenses, regulation, corporate strategy and performance, are "forward-looking statements" within the meaning of the federal securities laws. Although the Companies believe that the expectations and assumptions reflected in these forward-looking statements are reasonable, these expectations, assumptions and statements are subject to a number of risks and uncertainties, and actual results may differ materially from the results discussed in the statements. The following are among the important factors that could cause actual results to differ materially from the forward-looking statements: subsequent phases of rate relief and regulatory cost recovery; market demand and prices for electricity; political, regulatory or economic conditions in states, regions or countries where the Companies conduct business; and the pace and magnitude of actual purchase or repair of assets subject to tracker mechanisms. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's, LG&E and KU Energy LLC's and the Companies' Form 10-K and other reports on file with the Securities and Exchange Commission.*

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

PPL CORPORATION

By: /s/ Vincent Sorgi  
Vincent Sorgi  
Vice President and Controller

LG&E AND KU ENERGY LLC

By: /s/ Gerald A. Reynolds  
Gerald A. Reynolds  
General Counsel, Chief Compliance Officer and  
Corporate Secretary

LOUISVILLE GAS AND ELECTRIC COMPANY

By: /s/ Gerald A. Reynolds  
Gerald A. Reynolds  
General Counsel, Chief Compliance Officer and  
Corporate Secretary

KENTUCKY UTILITIES COMPANY

By: /s/ Gerald A. Reynolds  
Gerald A. Reynolds  
General Counsel, Chief Compliance Officer and  
Corporate Secretary

Dated: June 8, 2012

## **LG&E Requests Rate Change for Improved Service and Reliability**

*Increase amounts to less than 25 cents per day for electric and natural gas customers, to be effective January 2013, if approved by the Kentucky Public Service Commission*

LOUISVILLE, Ky., (June 8, 2012) – Louisville Gas and Electric Company announced today it plans to file a request with the Kentucky Public Service Commission later this month to increase base electric rates by \$62.1 million primarily to recover costs associated with improving service and reliability. The company is also requesting a \$17.2 million base natural gas rate increase.

LG&E and its sister utility, Kentucky Utilities Company, have invested more than \$1 billion over the last 29 months to meet energy demands and improve service and reliability. More than 4,000 generation, transmission and electric and gas distribution projects have occurred during that time.

Some of the largest investments were to meet customers' continued growing energy needs and enhance reliability—the new 585-megawatt unit at the Trimble County 2 Generating Station, one of the cleanest coal-fired units in the country, upgrades to the distribution and transmission systems and upgrades at Ohio Falls, the hydroelectric plant on the Ohio River. LG&E also made considerable investments in its natural gas business as part of its continued 615-mile natural gas main replacement project and increased leak surveying.

In addition, LG&E is requesting a Certificate of Public Convenience and Necessity for a proposed five-year natural gas line program, similar to what many other gas utilities around the country have done, to relieve customers from the responsibility of maintaining the part of the gas infrastructure called the “riser” – the pipe from the ground to the meter – and allow LG&E to make necessary repairs on it. As part of the program, LG&E would proactively replace certain gas risers and take ownership of the natural gas line segment that runs from the customer property line to the LG&E gas meter. The costs associated with this program and the continuation of the gas main replacement project would be recovered under a new rate mechanism called a “gas line tracker,” which would appear as a separate line item on LG&E natural gas customers' bills.

The utilities have taken significant steps to improve service by creating nearly 175 new jobs since the last rate case. Many of the positions are located in Morganfield at LG&E's and KU's new customer care center, where approximately 50 employees were hired.

The utilities also have created a number of jobs to help meet tighter federal cyber security standards as well as more stringent transmission reliability requirements. LG&E and KU were honored last year for superior commitment to reliability performance by SERC Reliability Corporation, the nonprofit organization responsible for promoting and improving system reliability.

“We are creating additional jobs, adding cleaner energy and improving our service to ensure that we continue to deliver safe and reliable energy at the lowest cost possible,” said Victor A. Staffieri, chairman, CEO and president of LG&E and KU. “We continue to be ranked as an industry leader in areas such as low rates, safety, reliability and operational excellence, and, just as a vehicle needs regular maintenance, we must continue to invest in our system.”

For a residential LG&E electric customer using 1,000 kWh per month, this will mean an increase of approximately \$7.21 per month, or less than 25 cents per day. For a natural gas customer using 60 Ccf per month, the base rate increase will be approximately \$3.44 per month, or 11 cents per day. The initial cost associated with the gas line tracker would be approximately \$2.35 per month beginning 2013.

LG&E will file for the increase on June 29 and, if approved, the increases will not occur until January 2013. Customers can visit [www.lge-ku.com/rates](http://www.lge-ku.com/rates) for more information concerning the requested rate adjustments.

To help offset the requested rate increases, customers are encouraged to take action and enroll in the company's energy efficiency programs designed to help customers save energy and money. Visit [www.lge-ku.com/savingenergy](http://www.lge-ku.com/savingenergy) for a complete list of energy efficiency programs and services.

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**Kentucky Utilities Requests Rate Change for Improved Service and Reliability**

*Increase amounts to less than 25 cents per day, to be effective January 2013, if approved by the Kentucky Public Service Commission*

LEXINGTON, Ky., (June 8, 2012) – Kentucky Utilities Company announced today it plans to file a request with the Kentucky Public Service Commission later this month to increase base electric rates by \$82.4 million primarily to recover costs associated with improving service and reliability.

KU and its sister utility, Louisville Gas and Electric Company, have invested nearly \$1 billion in the last 29 months to meet energy demands and improve service and reliability. More than 4,000 generation, transmission and electric and gas distribution projects have occurred during that time.

Some of the largest investments were to meet customers' continued growing energy needs and enhance reliability—the new 585-megawatt unit at the Trimble County 2 Generating Station, one of the cleanest coal-fired units in the country, upgrades to the distribution system and transmission systems, enhanced substation reliability and upgrades at Dix Dam, the hydroelectric plant on Lake Herrington.

The utilities have taken significant steps to improve service by creating nearly 175 new jobs since the last rate case. Many of the positions are located in Morganfield at LG&E's and KU's new customer care center, where approximately 50 employees were hired.

The utilities also have created a number of jobs to help meet tighter federal cyber security standards as well as more stringent transmission reliability requirements. KU and LG&E were honored last year for superior commitment to reliability performance by SERC Reliability Corporation, the non-profit organization responsible for promoting and improving system reliability.

“We are creating additional jobs, adding cleaner energy and improving our service to ensure that we continue to deliver safe and reliable energy at the lowest cost possible,” said Victor A. Staffieri, chairman, CEO and president of LG&E and KU. “We continue to be ranked as an industry leader in areas such as low rates, safety, reliability and operational excellence, and, just as a vehicle needs regular maintenance, we must continue to invest in our system.”

For a residential KU customer using 1,000 kWh per month, this will mean an increase of approximately \$6.98 per month, or less than 25 cents per day.

KU will file for the increase on June 29 and, if approved, the increase will not occur until January 2013. Customers can visit [www.lge-ku.com/rates](http://www.lge-ku.com/rates) for more information concerning the requested rate adjustments.

To help offset the requested rate increase, customers are encouraged to take action and enroll in the company's energy efficiency programs designed to help customers save energy and money. Visit [www.lge-ku.com/savingenergy](http://www.lge-ku.com/savingenergy) for a complete list of energy efficiency programs and services.

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333-173665	<b>LG&amp;E and KU Energy LLC</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	20-0523163
1-2893	<b>Louisville Gas and Electric Company</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	61-0264150
1-3464	<b>Kentucky Utilities Company</b> (Exact name of Registrant as specified in its charter) (Kentucky and Virginia) One Quality Street Lexington, KY 40507-1462 (502) 627-2000	61-0247570

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

## Section 8 - Other Events

### Item 8.01 Other Events

On December 15, 2011, Louisville Gas and Electric Company (“LG&E”) and Kentucky Utilities Company (“KU” and, collectively with LG&E, the “Companies”) received Kentucky Public Service Commission (“KPSC”) approval in their proceedings before the KPSC relating to environmental cost recovery (“ECR”) plans. The KPSC order approves the terms of the previously announced Settlement Agreement, dated November 9, 2011, entered into between the Companies and the parties to the current proceedings (“Settlement Agreement”). The KPSC order authorizes the installation of environmental upgrades at certain of the Companies’ plants during 2012-2016 representing approximate capital costs of \$1.4 billion at LG&E and \$896 million at KU.

In connection with the approved projects, the KPSC order allows recovery through the ECR rate mechanism of the capital costs and operating expenses of the projects and grants Certificates of Public Convenience and Necessity for their construction. The KPSC order also confirms an existing 10.63% authorized return on equity for projects remaining from earlier ECR plans of the Companies and provides for an authorized return on equity of 10.10% for the approved projects in their 2011 ECR proceedings.

The KPSC order notes KU’s consent in the Settlement Agreement to defer requested approval for certain environmental upgrades at its E.W. Brown plant, which represented an estimated \$218 million in capital costs. KU retains the right to operate and dispatch the E.W. Brown plant in accordance with applicable environmental standards and the right to request approval of the deferred projects in future regulatory proceedings.

Under the terms of the KPSC order, the Companies will increase funding levels for certain heating assistance programs for low-income customers.

*Statements in this report and the accompanying press release, including statements with respect to future events and their timing, including the proposed transactions contemplated in the Companies’ regulatory filing, such as the new environmental facilities construction, the eventual operation of such facilities, the actual capital costs and operating expenses associated therewith and the rate recovery or returns on equity ultimately achieved, as well as other statements as to future costs or expenses, regulation, corporate strategy and performance, are “forward-looking statements” within the meaning of the federal securities laws. Although the Companies believe that the expectations and assumptions reflected in these forward-looking statements are reasonable, these expectations, assumptions and statements are subject to a number of risks and uncertainties, and actual results may differ materially from the results discussed in the statements. The following are among the important factors that could cause actual results to differ materially from the forward-looking statements: receipt of any remaining necessary government permits, approvals, subsequent phases of rate relief and regulatory cost recovery; market demand and prices for electricity; political, regulatory or economic conditions in states, regions or countries where the Companies conduct business; and new state, federal or foreign legislation, including new tax or environmental legislation or regulation. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation’s Form 10-K, each Company’s respective Form S-4 registration statement and other reports on file with the Securities and Exchange Commission.*

## Section 9 - Financial Statements and Exhibits

### Item 9.01 Financial Statements and Exhibits

(d) Exhibits

99.1 - Press Release dated December 15, 2011 of Louisville Gas and Electric Company and Kentucky Utilities Company.

---

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

**PPL CORPORATION**

By: /s/ Vincent Sorgi  
Vincent Sorgi  
Vice President and Controller

**LG&E AND KU ENERGY LLC**

By: /s/ S. Bradford Rives  
S. Bradford Rives  
Chief Financial Officer

**LOUISVILLE GAS AND ELECTRIC COMPANY**

By: /s/ S. Bradford Rives  
S. Bradford Rives  
Chief Financial Officer

**KENTUCKY UTILITIES COMPANY**

By: /s/ S. Bradford Rives  
S. Bradford Rives  
Chief Financial Officer

Dated: December 16, 2011

Contact:

**Chris Whelan**  
T 502-627-4999  
F 502-627-3629

December 15, 2011

**KPSC Approves LG&E and KU ECR Settlement Agreement**  
*\$2.3 Billion in Upgrades Expected to Meet Stricter EPA Regulations*

(LOUISVILLE, Ky.) – The Kentucky Public Service Commission today approved the unanimous settlement agreement in the environmental cost recovery case for Louisville Gas and Electric Company and Kentucky Utilities Company.

As approved by the KPSC, LG&E will invest \$1.4 billion and KU will invest \$896 million for a total of \$2.3 billion in environmental upgrades to meet new, stricter Environmental Protection Agency regulations. As filed in the original application, LG&E will modernize the flue gas desulfurization systems, better known as scrubbers, at the Mill Creek generating station as well as install fabric-filter baghouse systems for increased particulate and mercury control on all units at Mill Creek and for Unit 1 at the Trimble County generating station. KU will install the same type of fabric-filter baghouse systems for increased particulate and mercury control on all units at the Ghent generating station and on unit 3 at the Brown generating station. Brown will also be converting its current coal ash pond to a dry storage landfill.

As part of the settlement agreement, units 1 and 2 at the Brown plant will continue to operate as they have been. The installation of the fabric filter baghouse system for particulate emission reductions on the Brown units 1 and 2 will be deferred two years until the EPA provides a clearer understanding of the requirements of the new National Ambient Air Standard rule for ozone that is due to be released in late 2012.

As part of the agreement, the companies also will provide an additional \$500,000 in shareholder funds to the LG&E and KU Home Energy Assistance programs -- \$250,000 in 2011 and the remaining \$250,000 in 2012. The current HEA program will increase the current per meter charge from 15 to 16 cents.

“We are glad to have the commission’s approval on our environmental improvement plans. The parties to the case worked hard to reach the unanimous settlement agreement and, now, we can focus on the large scale projects we have ahead of us,” said Lonnie Bellar, vice president of state rates and regulatory.

(more)

The companies will continue to earn the existing 10.63 percent return on equity for projects remaining from earlier ECR plans and will earn 10.10 percent return on equity on projects in the 2011 ECR applications.

In addition to LG&E and KU, the settling parties were the Kentucky Attorney General, the Community Action Council, Kentucky Industrial Utility Customers, the Kroger Company, Lexington-Fayette Urban County Government, Metro Housing, the Sierra Club/National Resource Defense Council and the U.S. Department of Defense.

###

*Louisville Gas and Electric Company and Kentucky Utilities Company, part of the PPL Corporation (NYSE: PPL) family of companies, are regulated utilities that serve a total of 1.2 million customers and have consistently ranked among the best companies for customer service in the United States. LG&E serves 321,000 natural gas and 397,000 electric customers in Louisville and 16 surrounding counties. Kentucky Utilities serves 546,000 customers in 77 Kentucky counties and five counties in Virginia. More information is available at [www.lge-ku.com](http://www.lge-ku.com) and [www.pplweb.com](http://www.pplweb.com).*

# KENTUCKY UTILITIES CO

## FORM 8-K (Current report filing)

Filed 11/10/11 for the Period Ending 11/09/11

Address	ONE QUALITY ST LEXINGTON, KY 40507
Telephone	6062552100
CIK	0000055387
SIC Code	4911 - Electric Services
Fiscal Year	12/29

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 9, 2011

<u>Commission File Number</u>	<u>Registrant; State of Incorporation; Address and Telephone Number</u>	<u>IRS Employer Identification No.</u>
1-11459	<b>PPL Corporation</b> (Exact name of Registrant as specified in its charter) (Pennsylvania) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-2758192
333-173665	<b>LG&amp;E and KU Energy LLC</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	20-0523163
1-2893	<b>Louisville Gas and Electric Company</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	61-0264150
1-3464	<b>Kentucky Utilities Company</b> (Exact name of Registrant as specified in its charter) (Kentucky and Virginia) One Quality Street Lexington, KY 40507-1462 (502) 627-2000	61-0247570

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-



## **Section 1 – Registrants' Business and Operations**

### **Item 1.01 Entry into a Material Definitive Agreement**

On November 9, 2011, Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU" and, collectively with LG&E, the "Companies") entered into a settlement agreement ("Settlement Agreement") with the intervenors in their proceedings ("Proceedings") commenced in June 2011 before the Kentucky Public Service Commission ("KPSC") relating to environmental cost recovery ("ECR") plans. The original applications sought approval to install environmental upgrades at certain of the Companies' plants during 2012-2016, including recovery through the ECR rates mechanism of approximate capital costs of \$1.4 billion at LG&E and \$1.1 billion at KU, plus operating expenses.

The Settlement Agreement provides that the parties will favorably recommend to the KPSC for approval, or not oppose, approximately \$2.25 billion of the Companies' \$2.5 billion in capital projects for which approval was originally requested, constituting approximately \$1.4 billion and \$850 million at LG&E and KU, respectively. Under the Settlement Agreement, the \$250 million in remaining capital costs are deferred and may be the subject of future regulatory proceedings for approval to construct the deferred projects and recover the associated costs through the ECR rate mechanism. The deferred projects relate to certain proposed environmental upgrades at KU's E.W. Brown plant, for which plant KU retains the right to operate and dispatch in accordance with applicable environmental standards. The Settlement Agreement confirms an existing 10.63% authorized return on equity for projects remaining from earlier ECR plans of the Companies and provides for an authorized return on equity of 10.10% for projects in their 2011 ECR applications.

The Settlement Agreement also contains other provisions whereby the Companies will increase funding levels for certain heating assistance programs for low-income customers.

The settling parties have agreed to recommend, or in some cases to not challenge, the approval by the KPSC of the adjusted ECR applications. The Settlement Agreement remains subject to approval by the KPSC. An order with respect to the Proceedings is anticipated from the KPSC in December 2011.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

PPL CORPORATION

By: /s/ Vincent Sorgi  
Vincent Sorgi  
Vice President and Controller

LG&E AND KU ENERGY LLC

By: /s/ S. Bradford Rives  
S. Bradford Rives  
Chief Financial Officer

LOUISVILLE GAS AND ELECTRIC COMPANY

By: /s/ S. Bradford Rives  
S. Bradford Rives  
Chief Financial Officer

KENTUCKY UTILITIES COMPANY

By: /s/ S. Bradford Rives  
S. Bradford Rives  
Chief Financial Officer

Dated: November 10, 2011

# KENTUCKY UTILITIES CO

## FORM 8-K (Current report filing)

Filed 10/25/11 for the Period Ending 10/19/11

Address	ONE QUALITY ST LEXINGTON, KY 40507
Telephone	6062552100
CIK	0000055387
SIC Code	4911 - Electric Services
Fiscal Year	12/29

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 19, 2011

<u>Commission File Number</u>	<u>Registrant; State of Incorporation; Address and Telephone Number</u>	<u>IRS Employer Identification No.</u>
1-11459	<b>PPL Corporation</b> (Exact name of Registrant as specified in its charter) (Pennsylvania) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-2758192
1-32944	<b>PPL Energy Supply, LLC</b> (Exact name of Registrant as specified in its charter) (Delaware) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-3074920
1-905	<b>PPL Electric Utilities Corporation</b> (Exact name of Registrant as specified in its charter) (Pennsylvania) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-0959590
333-173665	<b>LG&amp;E and KU Energy LLC</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	20-0523163
1-2893	<b>Louisville Gas and Electric Company</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	61-0264150
1-3464	<b>Kentucky Utilities Company</b> (Exact name of Registrant as specified in its charter) (Kentucky and Virginia) One Quality Street Lexington, KY 40507-1462 (502) 627-2000	61-0247570

---

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

## Section 8 - Other Events

### Item 8.01 Other Events

On October 19, 2011, each of PPL Energy Supply, LLC, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company (individually a "Registrant" and, collectively, the "Registrants") amended their respective revolving credit facilities with Wells Fargo, National Association, as Administrative Agent, Issuing Lender and Swingline Lender, to extend the initial termination date of each revolving credit facility from a date in 2014 to October 19, 2016 and to reduce certain interest rates and fees payable by each of the Registrants under their respective revolving credit facility, as set forth in the copies of each of the amendments to the revolving credit facilities filed as Exhibits 10.1 through 10.4 to this Report, each of which is incorporated herein by reference.

## Section 9 - Financial Statements and Exhibits

### Item 9.01 Financial Statements and Exhibits

#### (d) Exhibits

- 10.1 - Amendment No. 1 to Credit Agreement dated as of October 19, 2011 to Revolving Credit Agreement dated as of October 19, 2010 among PPL Energy Supply, LLC, the Lenders party thereto and Wells Fargo, National Association, as Administrative Agent, Issuing Lender and Swingline Lender.
  - 10.2 - Amendment No. 1 to Credit Agreement dated as of October 19, 2011 to Revolving Credit Agreement dated as of December 31, 2010 among PPL Electric Utilities Corporation, the Lenders party thereto and Wells Fargo, National Association, as Administrative Agent, Issuing Lender and Swingline Lender.
  - 10.3 - Amendment No. 2 to Credit Agreement dated as of October 19, 2011 to Revolving Credit Agreement dated as of November 1, 2010 among Louisville Gas and Electric Company, the Lenders party thereto and Wells Fargo, National Association, as Administrative Agent, Issuing Lender and Swingline Lender.
  - 10.4 - Amendment No. 2 to Credit Agreement dated as of October 19, 2011 to Revolving Credit Agreement dated as of November 1, 2010 among Kentucky Utilities Company, the Lenders party thereto and Wells Fargo, National Association, as Administrative Agent, Issuing Lender and Swingline Lender.
-

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

PPL CORPORATION

By: /s/ Vincent Sorgi  
Vincent Sorgi  
Vice President and Controller

PPL ENERGY SUPPLY, LLC

By: /s/ Vincent Sorgi  
Vincent Sorgi  
Vice President and Controller

PPL ELECTRIC UTILITIES CORPORATION

By: /s/ Vincent Sorgi  
Vincent Sorgi  
Vice President and Chief Accounting Officer

LG&E AND KU ENERGY LLC

By: /s/ S. Bradford Rives  
S. Bradford Rives  
Chief Financial Officer

LOUISVILLE GAS AND ELECTRIC COMPANY

By: /s/ S. Bradford Rives  
S. Bradford Rives  
Chief Financial Officer

KENTUCKY UTILITIES COMPANY

By: /s/ S. Bradford Rives  
S. Bradford Rives  
Chief Financial Officer

Dated: October 25, 2011

**AMENDMENT NO. 1 TO CREDIT AGREEMENT**

AMENDMENT dated as of October 19, 2011 (this “ **Amendment** ”) to the Revolving Credit Agreement dated as of October 19, 2010 (as amended, amended and restated or otherwise modified from time to time, the “ **Credit Agreement** ”) among PPL ENERGY SUPPLY, LLC (the “ **Borrower** ”), the LENDERS party thereto (the “ **Lenders** ”) and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Issuing Lender and Swingline Lender (the “ **Agent** ”).

**WITNESSETH:**

WHEREAS, the parties hereto desire to amend the Credit Agreement to (i) extend the scheduled Termination Date from December 31, 2014 to October 19, 2016, (ii) modify the definition of “Applicable Percentage” and (iii) make certain other amendments as provided herein.

NOW, THEREFORE, the parties hereto agree as follows:

**SECTION 1** . *Defined Terms; References* . Unless otherwise specifically defined herein, each term used herein that is defined in the Credit Agreement has the meaning assigned to such term in the Credit Agreement. Each reference to “hereof”, “hereunder”, “herein” and “hereby” and each other similar reference and each reference to “this Agreement” and each other similar reference contained in the Credit Agreement shall, after this Amendment becomes effective, refer to the Credit Agreement as amended hereby.

**SECTION 2** . *Extension of Termination Date* . The definition of “Termination Date” in Section 1.01 of the Credit Agreement is amended by changing the date specified therein from “December 31, 2014” to “October 19, 2016.”

**SECTION 3** . *Reduction of Interest Rates* . The chart set forth in the definition of “Applicable Percentage” in Section 1.01 of the Credit Agreement (the “ **Existing Pricing Schedule** ”) is deleted and replaced by the chart set forth below (the “ **New Pricing Schedule** ”). The New Pricing Schedule shall apply to interest and fees accruing under the Credit Agreement on and after the date hereof. The Existing Pricing Schedule shall continue to apply to interest and fees accruing under the Credit Agreement prior to the date hereof.



	Borrower's Ratings (S&P /Moody's)	Applicable Percentage for Commitment Fees	Applicable Percentage for Base Rate Loans	Applicable Percentage for Euro-Dollar Loans and Letter of Credit Fees
Category A	≥ A from S&P / A2 from Moody's	0.100%	0.000%	1.000%
Category B	≥ A- from S&P / A3 from Moody's	0.125%	0.125%	1.125%
Category C	BBB+ from S&P / Baa1 from Moody's	0.175%	0.250%	1.250%
Category D	BBB from S&P / Baa2 from Moody's	0.200%	0.500%	1.500%
Category E	BBB- from S&P / Baa3 from Moody's	0.250%	0.625%	1.625%
Category F	≤BB+ from S&P / Ba1 from Moody's	0.350%	0.875%	1.875%

**SECTION 4** . *Administrative Agent's Fees.* Section 8.10 of the Credit Agreement is hereby amended to read in its entirety:

“The Borrower shall pay to the Administrative Agent for its own account fees in the amount and at the times agreed to and accepted by the Borrower, pursuant to that certain fee letter dated as of September 20, 2011 among the Borrower, the Administrative Agent, Bank of America, N.A., The Royal Bank of Scotland plc, Wells Fargo Securities, Merrill Lynch, Pierce, Fenner & Smith Incorporated and RBS Securities Inc.”

**SECTION 5** . *Changes in Commitments.* With effect from and including the Amendment Effective Date, (i) each Person listed on Schedule 1 hereto that is not a party to the Credit Agreement (each, a “ **New Lender** ” and, together with each Lender that is not an Exiting Lender, the “ **Continuing Lenders** ”) shall become a Lender party to the Credit Agreement, (ii) the Commitment of each Lender shall be the amount set forth opposite the name of such Lender on Schedule 1 and (iii) the Commitment Appendix set forth on Schedule 1 hereto shall replace the Commitment Appendix attached to the Credit Agreement. On the Amendment Effective Date, any Lender whose Commitment is changed to zero (each, an “ **Exiting Lender** ”) shall cease to be a Lender party to the Credit Agreement, and all accrued fees and other amounts payable under the Credit Agreement for the account of each Exiting Lender shall be due and payable on such date; provided that the provisions of Sections 2.12, 2.16, 2.17 and 9.03 of the Credit Agreement shall continue to inure to the benefit of each Exiting Lender after the Amendment

Effective Date. On the Amendment Effective Date, the Commitment Ratio of the Continuing Lenders shall be redetermined giving effect to the adjustments to the Commitments referred to in this Section 5, and the participations of the Continuing lenders in and the obligations of the Continuing Lenders in respect of any Letters of Credit outstanding on the Amendment Effective Date shall be reallocated to reflect such redetermined Commitment Ratio.

**SECTION 6** . *Representations and Warranties.* The following sections of Article V of the Credit Agreement are amended as follows:

(a) The references to “December 31, 2009” in Section 5.04(a) and Section 5.04(c) of the Credit Agreement are changed to “December 31, 2010” and Section 5.04(b) of the Credit Agreement is hereby amended to read in its entirety:

“The unaudited consolidated balance sheet of the Borrower and its Consolidated Subsidiaries as of June 30, 2011 and the related unaudited consolidated statements of income and cash flows for the six months then ended fairly present, in conformity with GAAP applied on a basis consistent with the financial statements referred to in subsection (a) of this Section, the consolidated financial position of the Borrower and its Consolidated Subsidiaries as of such date and their consolidated results of operations and cash flows for such six-month period (subject to normal year-end audit adjustments).”

(b) Each reference to “Escrow Closing Date” in Section 5.11 of the Credit Agreement shall be deemed to be a reference to the “Amendment Effective Date,” and Schedule 5.11 of the Credit Agreement is deleted and replaced by the new Schedule 5.11 set forth below.

**Restricted Subsidiaries <sup>1</sup>**

<b><u>Restricted Subsidiary</u></b>	<b><u>Jurisdiction of Organization</u></b>
PPL Generation, LLC	Delaware
PPL Montana Holdings, LLC	Delaware
PPL Montana, LLC	Delaware
PPL Martins Creek, LLC	Delaware
PPL Brunner Island, LLC	Delaware
PPL Montour, LLC	Delaware
PPL Susquehanna, LLC	Delaware

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<sup>1</sup> As of October 19, 2011

**SECTION 7** . *Letter of Credit Fees*. Section 2.07(b) of the Credit Agreement is amended by changing the rate specified therein from “0.25%” to “0.20%.”

**SECTION 8** . *Full Force and Effect; Ratification* . Except as expressly modified herein, all of the terms and conditions of the Credit Agreement are unchanged, and, as modified hereby, the Borrower confirms and ratifies all of the terms, covenants and conditions of the Credit Agreement. This Amendment constitutes the entire and final agreement among the parties hereto with respect to the subject matter hereof and there are no other agreements, understandings, undertakings, representations or warranties among the parties hereto with respect to the subject matter hereof except as set forth herein.

**SECTION 9** . *Governing Law* . This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

**SECTION 10** . *Counterparts* . This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

**SECTION 11** . *Effectiveness* . This Amendment shall become effective as of the first date when (i) the Agent shall have received, for the account of each Lender, repayment of all outstanding Loans in full together with interest thereon and all accrued but unpaid fees thereunder, including under Section 2.12 of the Credit Agreement, for the period up to but excluding the Amendment Effective Date (it being understood that the principal amount so repaid may, at the Borrower's request and subject to the conditions set forth herein and in the Credit Agreement, be reborrowed on the Amendment Effective Date in accordance with the Commitments in effect at such time giving effect to the adjustments in Section 5 above) and (ii) each of the following conditions are met (the “ **Amendment Effective Date** ”):

(a) the Agent shall have received from the Borrower, each Exiting Lender and each Continuing Lender a counterpart hereof signed by such party or facsimile or other written confirmation (in form satisfactory to the Agent) that such party has signed a counterpart hereof;

(b) the Agent shall have received a duly executed revised Note for the account of each Lender requesting delivery of such Note pursuant to Section 2.05 of the Credit Agreement;

(c) the Agent shall have received satisfactory opinions of counsel for the Borrower, dated the Amendment Effective Date;

(d) the Agent shall have received a certificate dated the Amendment Effective Date signed on behalf of the Borrower by the Chairman of the Board, the President, any Vice President, the Treasurer or the Assistant Treasurer of the Borrower stating that (A) on the Amendment Effective Date and after giving effect to this Amendment, no Default shall have occurred and be continuing and (B) the representations and warranties of the Borrower contained in the Credit Agreement after giving effect to this Amendment are true and correct on and as of the Amendment Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they were true and correct as of such earlier date and except for the representations in Section 5.16 of the Credit Agreement, which were true and correct as of the Effective Date;

(e) the Agent shall have received (i) a certificate of the Secretary of State of the State of Delaware, dated as of a recent date, as to the good standing of the Borrower and (ii) a certificate of the Secretary or an Assistant Secretary of the Borrower dated the Amendment Effective Date and certifying (A) that attached thereto is a true, correct and complete copy of (x) the Borrower's certificate of formation certified by the Secretary of State of the State of Delaware and (y) the limited liability company agreement of the Borrower, (B) as to the absence of dissolution or liquidation proceedings by or against the Borrower, (C) that attached thereto is a true, correct and complete copy of resolutions adopted by the managers of the Borrower authorizing the execution, delivery and performance of this Amendment and each other document delivered in connection herewith and that such resolutions have not been amended and are in full force and effect on the date of such certificate and (D) as to the incumbency and specimen signatures of each officer of the Borrower executing this Amendment or any other document delivered in connection herewith;

(f) all necessary governmental (domestic or foreign), regulatory and third party approvals, if any, in connection with the transactions contemplated by this Amendment and the other Loan Documents shall have been obtained and remain in full force and effect, in each case without any action being taken by any competent authority which could restrain or prevent such transaction or impose, in the reasonable judgment of the Agent, materially adverse conditions upon the consummation of such transactions; provided that any such approvals with respect to elections by the Borrower to increase the Commitment as contemplated by Section 2.19 of the Credit Agreement need not be obtained or provided until the Borrower makes any such election; and

(g) the Agent shall have received all costs, fees and expenses due to the Agent, the Joint Lead Arrangers (as such term is defined in the Commitment Letter) and the Lenders.

**SECTION 12** . *Miscellaneous* . This Amendment shall constitute a Loan Document for all purposes of the Credit Agreement and the other Loan Documents. The provisions of this Amendment are deemed incorporated into the Credit Agreement as if fully set forth therein. The Borrower shall pay all reasonable out-of-pocket costs and expenses of the Agent incurred in connection with the negotiation, preparation and execution of this Amendment and the transactions contemplated hereby.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

PPL ENERGY SUPPLY, LLC

By: /s/ James E. Abel

Name: James E. Abel

Title: Vice President and Treasurer

[Signature Page to Energy Supply – Amendment]

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WELLS FARGO BANK, NATIONAL ASSOCIATION, as Agent

By: /s/ Keith Luettel

Name: Keith Luettel

Title: Vice President

[Signature Page to Energy Supply – Amendment]

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BANK OF AMERICA, N.A.

By: /s/ Michael Mason

Name: Michael Mason

Title: Director

[Signature Page to Energy Supply – Amendment]

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THE ROYAL BANK OF SCOTLAND PLC

By: /s/ Andrew N Taylor

Name: Andrew N Taylor

Title: Vice President

[Signature Page to Energy Supply – Amendment]

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CREDIT SUISSE AG, Cayman Islands Branch

By: /s/ Mikhail Faybusovich

Name: Mikhail Faybusovich

Title: Director

By: /s/ Vipul Dhadda

Name: Vipul Dhadda

Title: Associate

[Signature Page to Energy Supply – Amendment]

---

THE BANK OF NOVA SCOTIA

By: /s/ Thane Rattew

Name: Thane Rattew

Title: Managing Director

[Signature Page to Energy Supply – Amendment]

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THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.

By: /s/ Bradford Joyce

Name: Bradford Joyce

Title: Director

[Signature Page to Energy Supply – Amendment]

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UNION BANK, N.A.

By: /s/ Michael Agrimis

Name: Michael Agrimis

Title: Vice President

[Signature Page to Energy Supply – Amendment]

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BARCLAYS BANK PLC

By: /s/ Michael Mozer

Name: Michael Mozer

Title: Vice President

[Signature Page to Energy Supply – Amendment]

---

BNP PARIBAS

By: /s/ Francis DeLaney

Name: Francis DeLaney

Title: Managing Director

By: /s/ Pasquale Perraglia

Name: Pasquale Perraglia

Title: Vice President

[Signature Page to Energy Supply – Amendment]

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CITIBANK, N.A.

By: /s/ Anita J. Brickell

Name: Anita J. Brickell

Title: Vice President

[Signature Page to Energy Supply – Amendment]

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JPMORGAN CHASE BANK, N.A.

By: /s/ Juan Javellana

Name: Juan Javellana

Title: Executive Director

[Signature Page to Energy Supply – Amendment]

---

MORGAN STANLEY BANK, N.A.

By: /s/ Michael King

Name: Michael King

Title: Authorized Signatory

[Signature Page to Energy Supply – Amendment]

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ROYAL BANK OF CANADA

By: /s/ Patrick Shields

Name: Patrick Shields

Title: Authorized Signatory

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---

UBS LOAN FINANCE LLC

By: /s/ Irja R. Otsa

Name: Irja R. Otsa  
Title: Associate Director

By: /s/ Mary E. Evans

Name: Mary E. Evans  
Title: Associate Director

[Signature Page to Energy Supply – Amendment]

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GOLDMAN SACHS BANK USA

By: /s/ Mark Walton

Name: Mark Walton

Title: Authorized Signatory

[Signature Page to Energy Supply – Amendment]

---

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK

By: /s/ Dixon Schultz

Name: Dixon Schultz

Title: Managing Director

By: /s/ Sharada Manne

Name: Sharada Manne

Title: Director

[Signature Page to Energy Supply – Amendment]

---

DEUTSCHE BANK AG NEW YORK BRANCH

By: /s/ Ming K. Chu

Name: Ming K. Chu  
Title: Vice President

By: /s/ Virginia Cosenza

Name: Virginia Cosenza  
Title: Vice President

[Signature Page to Energy Supply – Amendment]

---

KEYBANK NATIONAL ASSOCIATION

By: /s/ Craig A. Hanselman

Name: Craig A. Hanselman

Title: Vice President

[Signature Page to Energy Supply – Amendment]

---



LLOYDS TSB BANK PLC

By: /s/ Windsor R. Davies

Name: Windsor R. Davies

Title: Managing Director

By: /s/ Charles Foster

Name: Charles Foster

Title: Managing Director

[Signature Page to Energy Supply – Amendment]

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ J. James Kim

Name: J. James Kim

Title: Vice President

[Signature Page to Energy Supply – Amendment]

---

BAYERISCHE LANDESBANK, NEW YORK BRANCH

By: /s/ Rolf Siebert

Name: Rolf Siebert

Title: Senior Vice President

By: /s/ Gina Sandella

Name: Gina Sandella

Title: Vice President

[Signature Page to Energy Supply – Amendment]

---

BANCO BILBAO VIZCAYA ARGENTARIA S.A. – NEW YORK  
BRANCO

By: /s/ Michael Oka  
Name: Michael Oka  
Title: Executive Director

By: /s/ Nietzsche Rodricks  
Name: Nietzsche Rodricks  
Title: Executive Director

[Signature Page to Energy Supply – Amendment]

---

THE BANK OF NEW YORK MELLON

By: /s/ John N. Watt

Name: John N. Watt

Title: Vice President

[Signature Page to Energy Supply – Amendment]

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MIZUHO CORPORATE BANK, LTD.

By: /s/ Raymond Ventura

Name: Raymond Ventura

Title: Deputy General Manager

[Signature Page to Energy Supply – Amendment]

---

SOVEREIGN BANK

By: /s/ Robert D. Lanigan

Name: Robert D. Lanigan

Title: SVP

[Signature Page to Energy Supply – Amendment]

---

SUNTRUST BANK

By: /s/ Andrew Johnson

Name: Andrew Johnson

Title: Director

[Signature Page to Energy Supply – Amendment]

---



CIBC INC.

By: /s/ Josh Hogarth

Name: Josh Hogarth

Title: Director

By: /s/ Eoin Roche

Name: Eoin Roche

Title: Executive Director

[Signature Page to Energy Supply – Amendment]

---

FIFTH THIRD BANK

By: /s/ Randolph J. Stierer

Name: Randolph J. Stierer

Title: Vice President

[Signature Page to Energy Supply – Amendment]

---

PNC BANK, NATIONAL ASSOCIATION

By: /s/ Edward M. Tessalone

Name: Edward M. Tessalone

Title: Senior Vice President

[Signature Page to Energy Supply – Amendment]

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SUMITOMO MITSUI BANKING CORPORATION

By: /s/ Masakazu Hasegawa

Name: Masakazu Hasegawa

Title: Managing Director

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THE NORTHERN TRUST COMPANY

By: /s/ Peter J. Hallan

Name: Peter J. Hallan

Title: Vice President

[Signature Page to Energy Supply – Amendment]

---

LAND BANK OF TAIWAN

By: /s/ Henry Leu

Name: Henry Leu

Title: SVP & General Manager

[Signature Page to Energy Supply – Amendment]

---

WING LUNG BANK LTD. LOS ANGELES BRANCH

By: /s/ Irene Kwan

Name: Irene Kwan

Title: VP/ Deputy Branch Manager

[Signature Page to Energy Supply – Amendment]

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## Commitment Appendix

Lender	Revolving Commitment
Wells Fargo Bank, National Association	\$153,750,000.00
Bank of America, N.A.	153,750,000.00
The Royal Bank of Scotland plc	153,750,000.00
Credit Suisse AG, Cayman Islands Branch	142,500,000.00
The Bank of Nova Scotia	142,500,000.00
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	71,250,000.00
Union Bank, N.A.	71,250,000.00
Barclays Bank PLC	142,500,000.00
BNP Paribas	142,500,000.00
Citibank, N.A..	142,500,000.00
JPMorgan Chase Bank, N.A.	142,500,000.00
Morgan Stanley Bank, N.A.	142,500,000.00
Royal Bank of Canada	142,500,000.00
UBS Loan Finance LLC	142,500,000.00
Goldman Sachs Bank USA	142,500,000.00
Credit Agricole Corporate & Investment Bank	105,000,000.00
Deutsche Bank AG New York Branch	105,000,000.00
KeyBank National Association	105,000,000.00
Lloyds TSB Bank plc	105,000,000.00
U.S. Bank National Association	105,000,000.00
Bayerische Landesbank, New York Branch	51,000,000.00
Banco Bilbao Vizcaya Argentaria S.A.	51,000,000.00
The Bank of New York Mellon	51,000,000.00
Mizuho Corporate Bank, Ltd.	51,000,000.00
Sovereign Bank	51,000,000.00
SunTrust Bank	51,000,000.00
CIBC Inc.	30,000,000.00
Fifth Third Bank	30,000,000.00
PNC Bank, National Association	30,000,000.00
Sumitomo Mitsui Banking Corporation	30,000,000.00
The Northern Trust Company	20,250,000.00
Land Bank of Taiwan	0.00
Wing Lung Bank Ltd. Los Angeles Branch	0.00
<b>Total</b>	<b>\$3,000,000,000.00</b>



**AMENDMENT NO. 1 TO CREDIT AGREEMENT**

AMENDMENT dated as of October 19, 2011 (this “ **Amendment** ”) to the Revolving Credit Agreement dated as of December 31, 2010 (as amended, amended and restated or otherwise modified from time to time, the “ **Credit Agreement** ”) among PPL ELECTRIC UTILITIES CORPORATION (the “ **Borrower** ”), the LENDERS party thereto (the “ **Lenders** ”) and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Issuing Lender and Swingline Lender (the “ **Agent** ”).

**WITNESSETH:**

WHEREAS, the parties hereto desire to amend the Credit Agreement to (i) extend the scheduled Termination Date from December 31, 2014 to October 19, 2016, (ii) modify the definition of “Applicable Percentage” and (iii) make certain other amendments as provided herein.

NOW, THEREFORE, the parties hereto agree as follows:

**SECTION 1** . *Defined Terms; References* . Unless otherwise specifically defined herein, each term used herein that is defined in the Credit Agreement has the meaning assigned to such term in the Credit Agreement. Each reference to “hereof”, “hereunder”, “herein” and “hereby” and each other similar reference and each reference to “this Agreement” and each other similar reference contained in the Credit Agreement shall, after this Amendment becomes effective, refer to the Credit Agreement as amended hereby.

**SECTION 2** . *Extension of Termination Date*. The definition of “Termination Date” in Section 1.01 of the Credit Agreement is amended by changing the date specified therein from “December 31, 2014” to “October 19, 2016.”

**SECTION 3** . *Reduction of Interest Rates*. The chart set forth in the definition of “Applicable Percentage” in Section 1.01 of the Credit Agreement (the “ **Existing Pricing Schedule** ”) is deleted and replaced by the chart set forth below (the “ **New Pricing Schedule** ”). The New Pricing Schedule shall apply to interest and fees accruing under the Credit Agreement on and after the date hereof. The Existing Pricing Schedule shall continue to apply to interest and fees accruing under the Credit Agreement prior to the date hereof.

	Borrower's Ratings (S&P /Moody's)	Applicable Percentage for Commitment Fees	Applicable Percentage for Base Rate Loans	Applicable Percentage for Euro-Dollar Loans and Letter of Credit Fees
Category A	≥ A from S&P / A2 from Moody's	0.100%	0.000%	1.000%
Category B	≥ A- from S&P / A3 from Moody's	0.125%	0.125%	1.125%
Category C	BBB+ from S&P / Baa1 from Moody's	0.175%	0.250%	1.250%
Category D	BBB from S&P / Baa2 from Moody's	0.200%	0.500%	1.500%
Category E	BBB- from S&P / Baa3 from Moody's	0.250%	0.625%	1.625%
Category F	≤ BB+ from S&P / Ba1 from Moody's	0.350%	0.875%	1.875%

SECTION 4 . *Administrative Agent's Fees.* Section 8.10 of the Credit Agreement is hereby amended to read in its entirety:

“The Borrower shall pay to the Administrative Agent for its own account fees in the amount and at the times agreed to and accepted by the Borrower, pursuant to that certain fee letter dated as of September 20, 2011 among the Borrower, the Administrative Agent, Bank of America, N.A., The Royal Bank of Scotland plc, Wells Fargo Securities, Merrill Lynch, Pierce, Fenner & Smith Incorporated and RBS Securities Inc.”

SECTION 5 . *Changes in Commitments.* With effect from and including the Amendment Effective Date, (i) each Person listed on Schedule 1 hereto that is not a party to the Credit Agreement (each, a “**New Lender**” and, together with each Lender that is not an Exiting Lender, the “**Continuing Lenders**”) shall become a Lender party to the Credit Agreement, (ii) the Commitment of each Lender shall be the amount set forth opposite the name of such Lender on Schedule 1 and (iii) the Commitment Appendix set forth on Schedule 1 hereto shall replace the Commitment Appendix attached to the Credit Agreement. On the Amendment Effective Date, any Lender whose Commitment is changed to zero (each, an “**Exiting Lender**”) shall cease to be a Lender party to the Credit Agreement, and all accrued fees and other amounts payable under the Credit Agreement for the account of each Exiting Lender shall be due and payable on such date; provided that the provisions of Sections 2.12, 2.16, 2.17 and 9.03 of the Credit Agreement shall continue to inure to the benefit of each Exiting Lender after the Amendment Effective Date. On the Amendment Effective Date, the Commitment Ratio of the Continuing Lenders shall be redetermined giving effect to the adjustments to the Commitments referred to in this Section 5, and the participations of

the Continuing lenders in and the obligations of the Continuing Lenders in respect of any Letters of Credit outstanding on the Amendment Effective Date shall be reallocated to reflect such redetermined Commitment Ratio.

SECTION 6 . *Letter of Credit Fees*. Section 2.07(b) of the Credit Agreement is amended by changing the rate specified therein from “0.25%” to “0.20%.”

SECTION 7 . *Representations and Warranties*. The following sections of Article V of the Credit Agreement are amended as follows:

(a) The references to “December 31, 2009” in Section 5.04(a) and Section 5.04(c) of the Credit Agreement are changed to “December 31, 2010” and Section 5.04(b) of the Credit Agreement is hereby amended to read in its entirety:

“The unaudited consolidated balance sheet of the Borrower and its Consolidated Subsidiaries as of June 30, 2011 and the related unaudited consolidated statements of income and cash flows for the six months then ended fairly present, in conformity with GAAP applied on a basis consistent with the financial statements referred to in subsection (a) of this Section, the consolidated financial position of the Borrower and its Consolidated Subsidiaries as of such date and their consolidated results of operations and cash flows for such six-month period (subject to normal year-end audit adjustments).”

(b) References in Section 5.08 of the Credit Agreement to the PUC Order shall be deemed to include any orders of the Pennsylvania Public Utility Commission (“ PUC ”) delivered pursuant to Section 11(f) of this Amendment.

SECTION 8 . *Full Force and Effect; Ratification* . Except as expressly modified herein, all of the terms and conditions of the Credit Agreement are unchanged, and, as modified hereby, the Borrower confirms and ratifies all of the terms, covenants and conditions of the Credit Agreement. This Amendment constitutes the entire and final agreement among the parties hereto with respect to the subject matter hereof and there are no other agreements, understandings, undertakings, representations or warranties among the parties hereto with respect to the subject matter hereof except as set forth herein.

SECTION 9 . *Governing Law* . This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 10 . *Counterparts* . This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

SECTION 11 . *Effectiveness* . This Amendment shall become effective as of the first date when each of the following conditions are met (the “ **Amendment Effective Date** ”):

(a) the Agent shall have received from the Borrower and each Continuing Lender and Lenders constituting Required Lenders a counterpart hereof signed by such party or facsimile or other written confirmation (in form satisfactory to the Agent) that such party has signed a counterpart hereof;

(b) the Agent shall have received a duly executed revised Note for the account of each Lender requesting delivery of such Note pursuant to Section 2.05 of the Credit Agreement;

(c) the Agent shall have received satisfactory opinions of counsel for the Borrower, dated the Amendment Effective Date;

(d) the Agent shall have received a certificate dated the Amendment Effective Date signed on behalf of the Borrower by the Chairman of the Board, the President, any Vice President, the Treasurer or the Assistant Treasurer of the Borrower stating that (A) on the Amendment Effective Date and after giving effect to this Amendment, no Default shall have occurred and be continuing and (B) the representations and warranties of the Borrower contained in the Credit Agreement after giving effect to this Amendment are true and correct on and as of the Amendment Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they were true and correct as of such earlier date;

(e) the Agent shall have received (i) a certificate of the Secretary of State of the Commonwealth of Pennsylvania, dated as of a recent date, as to the good standing of the Borrower and (ii) a certificate of the Secretary or an Assistant Secretary of the Borrower dated the Amendment Effective Date and certifying (A) that attached thereto is a true, correct and complete copy of (x) the Borrower's articles of incorporation certified by the Secretary of State of the Commonwealth of Pennsylvania and (y) the bylaws of the Borrower, (B) as to the absence of dissolution or liquidation proceedings by or against the Borrower, (C) that attached thereto is a true, correct and complete copy of resolutions adopted by the board of directors of the Borrower authorizing the execution, delivery and performance of this Amendment and each other document delivered in connection herewith and that such resolutions have not been amended and are in full force and effect on the date of such certificate and (D) as to the incumbency and specimen signatures of each officer of the Borrower executing this Amendment or any other document delivered in connection herewith;

(f) all necessary governmental (domestic or foreign), regulatory and third party approvals, including, without limitation, the order of the PUC and any required approvals of the Federal Energy Regulatory Commission, authorizing borrowings hereunder in connection with the transactions contemplated by this Amendment and the other Loan Documents shall have been obtained and remain in full force and effect, in each case without any action being taken by any competent authority which could restrain or prevent such transaction or impose, in the reasonable judgment of the Agent, materially adverse conditions upon the

consummation of such transactions; provided that any such approvals with respect to elections by the Borrower to increase the Commitment as contemplated by Section 2.19 of the Credit Agreement need not be obtained or provided until the Borrower makes any such election;

(g) there shall be no outstanding Loans; and

(h) the Agent shall have received all costs, fees and expenses due to the Agent, the Joint Lead Arrangers (as such term is defined in the Commitment Letter) and the Lenders.

SECTION 12 . *Miscellaneous* . This Amendment shall constitute a Loan Document for all purposes of the Credit Agreement and the other Loan Documents. The provisions of this Amendment are deemed incorporated into the Credit Agreement as if fully set forth therein. The Borrower shall pay all reasonable out-of-pocket costs and expenses of the Agent incurred in connection with the negotiation, preparation and execution of this Amendment and the transactions contemplated hereby.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

PPL ELECTRIC UTILITIES CORPORATION

By: /s/ James E. Abel

Name: James E. Abel

Title: Treasurer

[Signature Page to Electric Utilities – Amendment]

---

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Agent

By: /s/ Keith Luettel

Name: Keith Luettel

Title: Vice President

[Signature Page to Electric Utilities – Amendment]

---

BANK OF AMERICA, N.A.

By: /s/ Michael Mason

Name: Michael Mason

Title: Director

[Signature Page to Electric Utilities – Amendment]

---



THE ROYAL BANK OF SCOTLAND PLC

By: /s/ Andrew N. Taylor

Name: Andrew N. Taylor

Title: Vice President

[Signature Page to Electric Utilities – Amendment]

---

CREDIT SUISSE AG, Cayman Islands Branch

By: /s/ Mikhail Faybusovich

Name: Mikhail Faybusovich

Title: Director

By: /s/ Vipul Dhadha

Name: Vipul Dhadha

Title: Associate

[Signature Page to Electric Utilities – Amendment]

---

THE BANK OF NOVA SCOTIA

By: /s/ Thane Rattew

Name: Thane Rattew

Title: Managing Director

[Signature Page to Electric Utilities – Amendment]

---

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.

By: /s/ Bradford Joyce

Name: Bradford Joyce

Title: Director

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UNION BANK, N.A.

By: /s/ Michael Agrimis

Name: Michael Agrimis

Title: Vice President

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BARCLAYS BANK PLC

By: /s/ Michael Mozer

Name: Michael Mozer

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Name: Francis DeLaney

Title: Managing Director

By: /s/ Pasquale Perraglia

Name: Pasquale Perraglia

Title: Vice President

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By: /s/ Anita J. Brickell

Name: Anita J. Brickell

Title: Vice President

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JPMORGAN CHASE BANK, N.A.

By: /s/ Juan Javellana

Name: Juan Javellana

Title: Executive Director

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MORGAN STANLEY BANK, N.A.

By: /s/ Michael King

Name: Michael King

Title: Authorized Signatory

[Signature Page to Electric Utilities – Amendment]

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ROYAL BANK OF CANADA

By: /s/ Patrick Shields

Name: Patrick Shields

Title: Authorized Signatory

[Signature Page to Electric Utilities – Amendment]

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UBS LOAN FINANCE LLC

By: /s/ Irja R. Otsa

Name: Irja R. Otsa

Title: Associate Director

By: /s/ Mary E. Evans

Name: Mary E. Evans

Title: Associate Director

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GOLDMAN SACHS BANK USA

By: /s/ Mark Walton

Name: Mark Walton

Title: Authorized Signatory

[Signature Page to Electric Utilities – Amendment]

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CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK

By: /s/ Dixon Schultz

Name: Dixon Schultz

Title: *Managing Director*

By: /s/ Sharada Manne

Name: Sharada Manne

Title: Director

[Signature Page to Electric Utilities – Amendment]

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DEUTSCHE BANK AG NEW YORK BRANCH

By: /s/ Ming K. Chu

Name: Ming K. Chu

Title: Vice President

By: /s/ Virginia Cosenza

Name: Virginia Cosenza

Title: Vice President

[Signature Page to Electric Utilities – Amendment]

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KEYBANK NATIONAL ASSOCIATION

By: /s/ Craig A. Hanselman

Name: Craig A. Hanselman

Title: Vice President

[Signature Page to Electric Utilities – Amendment]

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LLOYDS TSB BANK PLC

By: /s/ Windsor R. Davies

Name: Windsor R. Davies

Title: Managing Director

By: /s/ Charles Foster

Name: Charles Foster

Title: Managing Director

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ J. James Kim

Name: J. James Kim

Title: Vice President

[Signature Page to Electric Utilities – Amendment]

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BAYERISCHE LANDESBANK, NEW YORK BRANCH

By: /s/ Rolf Siebert

Name: Rolf Siebert

Title: Senior Vice President

By: /s/ Gina Sandella

Name: Gina Sandella

Title: Vice President

[Signature Page to Electric Utilities – Amendment]

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BANCO BILBAO VIZCAYA ARGENTARIA S.A. – NEW YORK  
BRANCO

By: /s/ Michael Oka  
Name: Michael Oka  
Title: Executive Director

By: /s/ Nietzsche Rodricks  
Name: Nietzsche Rodricks  
Title: Executive Director

[Signature Page to Electric Utilities – Amendment]

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THE BANK OF NEW YORK MELLON

By: /s/ John N. Watt

Name: John N. Watt

Title: Vice President

[Signature Page to Electric Utilities -- Amendment]

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MIZUHO CORPORATE BANK, LTD.

By: /s/ Raymond Ventura

Name: Raymond Ventura

Title: Deputy General Manager

[Signature Page to Electric Utilities – Amendment]

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SOVEREIGN BANK

By: /s/ Robert D. Lanigan

Name: Robert D. Lanigan

Title: SVP

[Signature Page to Electric Utilities – Amendment]

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SUNTRUST BANK

By: /s/ Andrew Johnson  
Name: Andrew Johnson  
Title: Director

---

[Signature Page to Electric Utilities – Amendment]

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CIBC INC.

By: /s/ Josh Hogarth

Name: Josh Hogarth

Title: Director

By: /s/ Eoin Roche

Name: Eoin Roche

Title: Executive Director

[Signature Page to Electric Utilities – Amendment]

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FIFTH THIRD BANK

By: /s/ Randolph J. Stierer

Name: Randolph J. Stierer

Title: Vice President

[Signature Page to Electric Utilities – Amendment]

---

PNC BANK, NATIONAL ASSOCIATION

By: /s/ Edward M. Tessalone

Name: Edward M. Tessalone

Title: Senior Vice President

[Signature Page to Electric Utilities – Amendment]

---

SUMITOMO MITSUI BANKING CORPORATION

By: /s/ Masakazu Hasegawa

Name: Masakazu Hasegawa

Title: Managing Director

[Signature Page to Electric Utilities – Amendment]

---

THE NORTHERN TRUST COMPANY

By: /s/ Peter J. Hallan

Name: Peter J. Hallan

Title: Vice President

[Signature Page to Electric Utilities – Amendment]

---

WING LUNG BANK LTD. LOS ANGELES BRANCH

By: /s/ Irene Kwan

Name: Irene Kwan

Title: VP/ Deputy Branch Manager

[Signature Page to Electric Utilities – Amendment]

---

## Commitment Appendix

Lender	Revolving Commitment
Wells Fargo Bank, National Association	\$10,250,000.00
Bank of America, N.A.	10,250,000.00
The Royal Bank of Scotland plc	10,250,000.00
Credit Suisse AG, Cayman Islands Branch	9,500,000.00
The Bank of Nova Scotia	9,500,000.00
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	4,750,000.00
Union Bank, N.A.	4,750,000.00
Barclays Bank PLC	9,500,000.00
BNP Paribas	9,500,000.00
Citibank, N.A.	9,500,000.00
JPMorgan Chase Bank, N.A.	9,500,000.00
Morgan Stanley Bank, N.A.	9,500,000.00
Royal Bank of Canada	9,500,000.00
UBS Loan Finance LLC	9,500,000.00
Goldman Sachs Bank USA	9,500,000.00
Credit Agricole Corporate & Investment Bank	7,000,000.00
Deutsche Bank AG New York Branch	7,000,000.00
KeyBank National Association	7,000,000.00
Lloyds TSB Bank plc	7,000,000.00
U.S. Bank National Association	7,000,000.00
Bayerische Landesbank, New York Branch	3,400,000.00
Banco Bilbao Vizcaya Argentaria S.A.	3,400,000.00
The Bank of New York Mellon	3,400,000.00
Mizuho Corporate Bank, Ltd.	3,400,000.00
Sovereign Bank	3,400,000.00
SunTrust Bank	3,400,000.00
CIBC Inc.	2,000,000.00
Fifth Third Bank	2,000,000.00
PNC Bank, National Association	2,000,000.00
Sumitomo Mitsui Banking Corporation	2,000,000.00
The Northern Trust Company	1,350,000.00
Wing Lung Bank Ltd. Los Angeles Branch	<u>0.00</u>
<b>Total</b>	<b>\$200,000,000.00</b>

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**AMENDMENT NO. 2 TO CREDIT AGREEMENT**

AMENDMENT dated as of October 19, 2011 (this “**Amendment**”) to the Revolving Credit Agreement dated as of November 1, 2010 (as amended, amended and restated or otherwise modified from time to time, the “**Credit Agreement**”) among LOUISVILLE GAS AND ELECTRIC COMPANY (the “**Borrower**”), the LENDERS party thereto (the “**Lenders**”) and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Issuing Lender and Swingline Lender (the “**Agent**”).

**WITNESSETH:**

WHEREAS, the parties hereto desire to amend the Credit Agreement to (i) extend the scheduled Termination Date from December 31, 2014 to October 19, 2016, (ii) modify the definition of “Applicable Percentage” and (iii) make certain other amendments as provided herein.

NOW, THEREFORE, the parties hereto agree as follows:

**SECTION 1 . Defined Terms; References .** Unless otherwise specifically defined herein, each term used herein that is defined in the Credit Agreement has the meaning assigned to such term in the Credit Agreement. Each reference to “hereof”, “hereunder”, “herein” and “hereby” and each other similar reference and each reference to “this Agreement” and each other similar reference contained in the Credit Agreement shall, after this Amendment becomes effective, refer to the Credit Agreement as amended hereby.

**SECTION 2 . Extension of Termination Date.** The definition of “Termination Date” in Section 1.01 of the Credit Agreement is amended by changing the date specified therein from “December 31, 2014” to “October 19, 2016.”

**SECTION 3 . Reduction of Interest Rates.** The chart set forth in the definition of “Applicable Percentage” in Section 1.01 of the Credit Agreement (the “**Existing Pricing Schedule**”) is deleted and replaced by the chart set forth below (the “**New Pricing Schedule**”). The New Pricing Schedule shall apply to interest and fees accruing under the Credit Agreement on and after the date hereof. The Existing Pricing Schedule shall continue to apply to interest and fees accruing under the Credit Agreement prior to the date hereof.

	Borrower's Ratings (S&P /Moody's)	Applicable Percentage for Commitment Fees	Applicable Percentage for Base Rate Loans	Applicable Percentage for Euro-Dollar Loans and Letter of Credit Fees
Category A	≥ A from S&P / A2 from Moody's	0.100%	0.000%	1.000%
Category B	≥ A- from S&P / A3 from Moody's	0.125%	0.125%	1.125%
Category C	BBB+ from S&P / Baa1 from Moody's	0.175%	0.250%	1.250%
Category D	BBB from S&P / Baa2 from Moody's	0.200%	0.500%	1.500%
Category E	BBB- from S&P / Baa3 from Moody's	0.250%	0.625%	1.625%
Category F	≤BB+ from S&P / Ba1 from Moody's	0.350%	0.875%	1.875%

SECTION 4 . *Administrative Agent's Fees.* Section 8.10 of the Credit Agreement is hereby amended to read in its entirety:

“The Borrower shall pay to the Administrative Agent for its own account fees in the amount and at the times agreed to and accepted by the Borrower, pursuant to that certain fee letter dated as of September 20, 2011 among the Borrower, the Administrative Agent, Bank of America, N.A., The Royal Bank of Scotland plc, Wells Fargo Securities, Merrill Lynch, Pierce, Fenner & Smith Incorporated and RBS Securities Inc.”

SECTION 5 . *Changes in Commitments.* With effect from and including the Amendment Effective Date, (i) each Person listed on Schedule 1 hereto that is not a party to the Credit Agreement (each, a “**New Lender**” and, together with each Lender that is not an Exiting Lender, the “**Continuing Lenders**”) shall become a Lender party to the Credit Agreement, (ii) the Commitment of each Lender shall be the amount set forth opposite the name of such Lender on Schedule 1 and (iii) the Commitment Appendix set forth on Schedule 1 hereto shall replace the Commitment Appendix attached to the Credit Agreement. On the Amendment Effective Date, any Lender whose Commitment is changed to zero (each, an “**Exiting Lender**”) shall cease to be a Lender party to the Credit Agreement, and all accrued fees and other amounts payable under the Credit Agreement for the account of each Exiting Lender shall be due and payable on such date; provided that the provisions of Sections 2.12, 2.16, 2.17 and 9.03 of the Credit Agreement shall continue to inure to the benefit of each Exiting Lender after the Amendment Effective Date. On the Amendment Effective Date, the Commitment Ratio of the Continuing Lenders shall be redetermined giving effect to the adjustments to the

Commitments referred to in this Section 5, and the participations of the Continuing lenders in and the obligations of the Continuing Lenders in respect of any Letters of Credit outstanding on the Amendment Effective Date shall be reallocated to reflect such redetermined Commitment Ratio.

SECTION 6 . *Letter of Credit Fees.* Section 2.07(b) of the Credit Agreement is amended by changing the rate specified therein from “0.25%” to “0.20%.”

SECTION 7 . *Representations and Warranties.* The following sections of Article V of the Credit Agreement are amended as follows:

(a) The references to “December 31, 2009” in Section 5.04(a) and Section 5.04(c) of the Credit Agreement are changed to “December 31, 2010” and Section 5.04(b) of the Credit Agreement is hereby amended to read in its entirety:

“The unaudited consolidated balance sheet of the Borrower and its Consolidated Subsidiaries as of June 30, 2011 and the related unaudited consolidated statements of income and cash flows for the six months then ended fairly present, in conformity with GAAP applied on a basis consistent with the financial statements referred to in subsection (a) of this Section, the consolidated financial position of the Borrower and its Consolidated Subsidiaries as of such date and their consolidated results of operations and cash flows for such six-month period (subject to normal year-end audit adjustments).”

(b) Section 5.05 of the Credit Agreement is hereby amended to add the following clause immediately prior to the clause “or otherwise furnished in writing to the Administrative Agent and each Lender,”:

“or in any subsequent report of the Borrower filed with the SEC on Form 10-K, 10-Q or 8-K,”

(c) References in Section 5.08 of the Credit Agreement to the KPSC Order shall be deemed to include any orders of the Kentucky Public Service Commission (“**KPSC**”) delivered pursuant to Section 11(f) of this Amendment.

(d) Section 5.13(a)(i) and Section 5.13(b) of the Credit Agreement are each hereby amended to add the following clause immediately prior to the clause “or otherwise furnished in writing to the Administrative Agent and each Lender,”:

“or in any subsequent report of the Borrower filed with the SEC on Form 10-K, 10-Q or 8-K,”

(e) Section 5.15 of the Credit Agreement is hereby deleted.

SECTION 8 . *Full Force and Effect; Ratification* . Except as expressly modified herein, all of the terms and conditions of the Credit Agreement are unchanged, and, as modified hereby, the Borrower confirms and ratifies all of the terms, covenants and conditions of the Credit Agreement. This Amendment constitutes the entire and final agreement among the parties hereto with respect to the subject matter hereof and there are no other agreements, understandings, undertakings, representations or warranties among the parties hereto with respect to the subject matter hereof except as set forth herein.

SECTION 9 . *Governing Law* . This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 10 . *Counterparts* . This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

SECTION 11 . *Effectiveness* . This Amendment shall become effective as of the first date when each of the following conditions are met (the “ **Amendment Effective Date** ”):

(a) the Agent shall have received from the Borrower and each Continuing Lender and Lenders constituting Required Lenders a counterpart hereof signed by such party or facsimile or other written confirmation (in form satisfactory to the Agent) that such party has signed a counterpart hereof;

(b) the Agent shall have received a duly executed revised Note for the account of each Lender requesting delivery of such Note pursuant to Section 2.05 of the Credit Agreement;

(c) the Agent shall have received satisfactory opinions of counsel for the Borrower, dated the Amendment Effective Date;

(d) the Agent shall have received a certificate dated the Amendment Effective Date signed on behalf of the Borrower by the Chairman of the Board, the President, any Vice President, the Treasurer or the Assistant Treasurer of the Borrower stating that (A) on the Amendment Effective Date and after giving effect to this Amendment, no Default shall have occurred and be continuing and (B) the representations and warranties of the Borrower contained in the Credit Agreement after giving effect to this Amendment are true and correct on and as of the Amendment Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they were true and correct as of such earlier date;

(e) the Agent shall have received (i) a certificate of the Secretary of State of the Commonwealth of Kentucky, dated as of a recent date, as to

the good standing of the Borrower and (ii) a certificate of the Secretary or an Assistant Secretary of the Borrower dated the Amendment Effective Date and certifying (A) that attached thereto is a true, correct and complete copy of (x) the Borrower's articles of incorporation certified by the Secretary of State of the Commonwealth of Kentucky and (y) the bylaws of the Borrower, (B) as to the absence of dissolution or liquidation proceedings by or against the Borrower, (C) that attached thereto is a true, correct and complete copy of resolutions adopted by the board of directors of the Borrower authorizing the execution, delivery and performance of this Amendment and each other document delivered in connection herewith and that such resolutions have not been amended and are in full force and effect on the date of such certificate and (D) as to the incumbency and specimen signatures of each officer of the Borrower executing this Amendment or any other document delivered in connection herewith;

(f) all necessary governmental (domestic or foreign), regulatory and third party approvals, including, without limitation, the order of the KPSC and any required approvals of the Federal Energy Regulatory Commission, authorizing borrowings hereunder in connection with the transactions contemplated by this Amendment and the other Loan Documents shall have been obtained and remain in full force and effect, in each case without any action being taken by any competent authority which could restrain or prevent such transaction or impose, in the reasonable judgment of the Agent, materially adverse conditions upon the consummation of such transactions; provided that any such approvals with respect to elections by the Borrower to increase the Commitment as contemplated by Section 2.19 of the Credit Agreement need not be obtained or provided until the Borrower makes any such election;

(g) there shall be no outstanding Loans; and

(h) the Agent shall have received all costs, fees and expenses due to the Agent, the Joint Lead Arrangers (as such term is defined in the Commitment Letter) and the Lenders.

SECTION 12 . *Miscellaneous* . This Amendment shall constitute a Loan Document for all purposes of the Credit Agreement and the other Loan Documents. The provisions of this Amendment are deemed incorporated into the Credit Agreement as if fully set forth therein. The Borrower shall pay all reasonable out-of-pocket costs and expenses of the Agent incurred in connection with the negotiation, preparation and execution of this Amendment and the transactions contemplated hereby.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

LOUISVILLE GAS AND ELECTRIC COMPANY

By: /s/ Daniel K. Arbough

Name: Daniel K. Arbough

Title: Treasurer

[Signature Page to LGE – Amendment]

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WELLS FARGO BANK, NATIONAL ASSOCIATION, as Agent  
By: /s/ Keith Luettel  
Name: Keith Luettel  
Title: Vice President

[Signature Page to LGE – Amendment]

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BANK OF AMERICA, N.A.

By: /s/ Michael Mason

Name: Michael Mason

Title: Director

[Signature Page to LGE – Amendment]

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THE ROYAL BANK OF SCOTLAND PLC

By: /s/ Andrew N Taylor  
Name: Andrew N Taylor  
Title: Vice President

[Signature Page to LGE – Amendment]

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CREDIT SUISSE AG, Cayman Islands Branch

By: /s/ Mikhail Faybusovich

Name: Mikhail Faybusovich

Title: Director

By: /s/ Vipul Dhadda

Name: Vipul Dhadda

Title: Associate

[Signature Page to LGE – Amendment]

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THE BANK OF NOVA SCOTIA

By: /s/ Thane Rattew

Name: Thane Rattew

Title: Managing Director

[Signature Page to LGE – Amendment]

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THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.

By: /s/ Bradford Joyce

Name: Bradford Joyce

Title: Director

[Signature Page to LGE – Amendment]

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UNION BANK, N.A.

By: /s/ Michael Agrimis

Name: Michael Agrimis

Title: Vice President

[Signature Page to LGE – Amendment]

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BARCLAYS BANK PLC

By: /s/ Michael Mozer

Name: Michael Mozer

Title: Vice President

[Signature Page to LGE – Amendment]

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BNP PARIBAS

By: /s/ Francis DeLaney  
Name: Francis DeLaney  
Title: Managing Director

By: /s/ Pasquale Perraglia  
Name: Pasquale Perraglia  
Title: Vice President

[Signature Page to LGE – Amendment]

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CITIBANK, N.A.

By: /s/ Anita J. Brickell

Name: Anita J. Brickell

Title: Vice President

[Signature Page to LGE – Amendment]

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JPMORGAN CHASE BANK, N.A.

By: /s/ Juan Javellana

Name: Juan Javellana

Title: Executive Director

[Signature Page to LGE – Amendment]

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MORGAN STANLEY BANK, N.A.

By: /s/ Michael King

Name: Michael King

Title: Authorized Signatory

[Signature Page to LGE – Amendment]

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ROYAL BANK OF CANADA

By: /s/ Patrick Shields

Name: Patrick Shields

Title: Authorized Signatory

[Signature Page to LGE – Amendment]

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UBS LOAN FINANCE LLC

By: /s/ Irja R. Otsa

Name: Irja R. Otsa

Title: Associate Director

By: /s/ Mary E. Evans

Name: Mary E. Evans

Title: Associate Director

[Signature Page to LGE – Amendment]

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GOLDMAN SACHS BANK USA

By: /s/ Mark Walton

Name: Mark Walton

Title: Authorized Signatory

[Signature Page to LGE – Amendment]

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CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK

By: /s/ Dixon Schultz

Name: Dixon Schultz

Title: Managing Director

By: /s/ Sharada Manne

Name: Sharada Manne

Title: Director

[Signature Page to LGE – Amendment]

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DEUTSCHE BANK AG NEW YORK BRANCH

By: /s/ Ming K. Chu

Name: Ming K. Chu

Title: Vice President

By: /s/ Virginia Cosenza

Name: Virginia Cosenza

Title: Vice President

[Signature Page to LGE – Amendment]

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KEYBANK NATIONAL ASSOCIATION

By: /s/ Craig A. Hanselman  
Name: Craig A. Hanselman  
Title: Vice President

[Signature Page to LGE – Amendment]

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LLOYDS TSB BANK PLC

By: /s/ Windsor R. Davies

Name: Windsor R. Davies

Title: Managing Director

By: /s/ Charles Foster

Name: Charles Foster

Title: Managing Director

[Signature Page to LGE – Amendment]

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ J. James Kim

Name: J. James Kim

Title: Vice President

[Signature Page to LGE – Amendment]

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BAYERISCHE LANDESBANK, NEW YORK BRANCH

By: /s/ Rolf Siebert

Name: Rolf Siebert

Title: Senior Vice President

By: /s/ Gina Sandella

Name: Gina Sandella

Title: Vice President

[Signature Page to LGE – Amendment]

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BANCO BILBAO VIZCAYA ARGENTARIA S.A. – NEW YORK  
BRANCO

By: /s/ Michael Oka  
Name: Michael Oka  
Title: Executive Director

By: /s/ Nietzsche Rodricks  
Name: Nietzsche Rodricks  
Title: Executive Director

[Signature Page to LGE – Amendment]

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THE BANK OF NEW YORK MELLON

By: /s/ John N. Watt

Name: John N. Watt

Title: Vice President

[Signature Page to LGE – Amendment]

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MIZUHO CORPORATE BANK, LTD.

By: /s/ Raymond Ventura

Name: Raymond Ventura

Title: Deputy General Manager

[Signature Page to LGE – Amendment]

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SOVEREIGN BANK

By: /s/ Robert D. Lanigan  
Name: Robert D. Lanigan  
Title: SVP

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[Signature Page to LGE – Amendment]

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SUNTRUST BANK

By: /s/ Andrew Johnson

Name: Andrew Johnson

Title: Director

[Signature Page to LGE – Amendment]

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CIBC INC.

By: /s/ Josh Hogarth

Name: Josh Hogarth

Title: Director

By: /s/ Eoin Roche

Name: Eoin Roche

Title: Executive Director

[Signature Page to LGE – Amendment]

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FIFTH THIRD BANK

By: /s/ Randolph J. Stierer

Name: Randolph J. Stierer

Title: Vice President

[Signature Page to LGE – Amendment]

---

PNC BANK, NATIONAL ASSOCIATION

By: /s/ Edward M. Tessalone

Name: Edward M. Tessalone

Title: Senior Vice President

[Signature Page to LGE – Amendment]

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SUMITOMO MITSUI BANKING CORPORATION

By: /s/ Masakazu Hasegawa

Name: Masakazu Hasegawa

Title: Managing Director

[Signature Page to LGE – Amendment]

---

THE NORTHERN TRUST COMPANY

By: /s/ Peter J. Hallan

Name: Peter J. Hallan

Title: Vice President

[Signature Page to LGE – Amendment]

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WING LUNG BANK LTD. LOS ANGELES BRANCH

By: /s/ Irene Kwan

Name: Irene Kwan

Title: VP/ Deputy Branch Manager

[Signature Page to LGE – Amendment]

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## Commitment Appendix

Lender	Revolving Commitment
Wells Fargo Bank, National Association	\$20,500,000.00
Bank of America, N.A.	20,500,000.00
The Royal Bank of Scotland plc	20,500,000.00
Credit Suisse AG, Cayman Islands Branch	19,000,000.00
The Bank of Nova Scotia	19,000,000.00
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	9,500,000.00
Union Bank, N.A.	9,500,000.00
Barclays Bank PLC	19,000,000.00
BNP Paribas	19,000,000.00
Citibank, N.A..	19,000,000.00
JPMorgan Chase Bank, N.A.	19,000,000.00
Morgan Stanley Bank, N.A.	19,000,000.00
Royal Bank of Canada	19,000,000.00
UBS Loan Finance LLC	19,000,000.00
Goldman Sachs Bank USA	19,000,000.00
Credit Agricole Corporate & Investment Bank	14,000,000.00
Deutsche Bank AG New York Branch	14,000,000.00
KeyBank National Association	14,000,000.00
Lloyds TSB Bank plc	14,000,000.00
U.S. Bank National Association	14,000,000.00
Bayerische Landesbank, New York Branch	6,800,000.00
Banco Bilbao Vizcaya Argentaria S.A.	6,800,000.00
The Bank of New York Mellon	6,800,000.00
Mizuho Corporate Bank, Ltd.	6,800,000.00
Sovereign Bank	6,800,000.00
SunTrust Bank	6,800,000.00
CIBC Inc.	4,000,000.00
Fifth Third Bank	4,000,000.00
PNC Bank, National Association	4,000,000.00
Sumitomo Mitsui Banking Corporation	4,000,000.00
The Northern Trust Company	2,700,000.00
<u>Wing Lung Bank Ltd. Los Angeles Branch</u>	<u>0.00</u>
<b>Total</b>	<b>\$400,000,000.00</b>



AMENDMENT NO. 2 TO CREDIT AGREEMENT

AMENDMENT dated as of October 19, 2011 (this “ **Amendment** ”) to the Revolving Credit Agreement dated as of November 1, 2010 (as amended, amended and restated or otherwise modified from time to time, the “ **Credit Agreement** ”) among KENTUCKY UTILITIES COMPANY (the “ **Borrower** ”), the LENDERS party thereto (the “ **Lenders** ”) and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Issuing Lender and Swingline Lender (the “ **Agent** ”).

WITNESSETH:

WHEREAS, the parties hereto desire to amend the Credit Agreement to (i) extend the scheduled Termination Date from December 31, 2014 to October 19, 2016, (ii) modify the definition of “Applicable Percentage” and (iii) make certain other amendments as provided herein.

NOW, THEREFORE, the parties hereto agree as follows:

SECTION 1 . *Defined Terms; References* . Unless otherwise specifically defined herein, each term used herein that is defined in the Credit Agreement has the meaning assigned to such term in the Credit Agreement. Each reference to “hereof”, “hereunder”, “herein” and “hereby” and each other similar reference and each reference to “this Agreement” and each other similar reference contained in the Credit Agreement shall, after this Amendment becomes effective, refer to the Credit Agreement as amended hereby.

SECTION 2 . *Extension of Termination Date*. The definition of “Termination Date” in Section 1.01 of the Credit Agreement is amended by changing the date specified therein from “December 31, 2014” to “October 19, 2016.”

SECTION 3 . *Reduction of Interest Rates*. The chart set forth in the definition of “Applicable Percentage” in Section 1.01 of the Credit Agreement (the “ **Existing Pricing Schedule** ”) is deleted and replaced by the chart set forth below (the “ **New Pricing Schedule** ”). The New Pricing Schedule shall apply to interest and fees accruing under the Credit Agreement on and after the date hereof. The Existing Pricing Schedule shall continue to apply to interest and fees accruing under the Credit Agreement prior to the date hereof.

	Borrower's Ratings (S&P / Moody's)	Applicable Percentage for Commitment Fees	Applicable Percentage for Base Rate Loans	Applicable Percentage for Euro-Dollar Loans and Letter of Credit Fees
Category A	≥ A from S&P / A2 from Moody's	0.100%	0.000%	1.000%
Category B	≥ A- from S&P / A3 from Moody's	0.125%	0.125%	1.125%
Category C	BBB+ from S&P / Baa1 from Moody's	0.175%	0.250%	1.250%
Category D	BBB from S&P / Baa2 from Moody's	0.200%	0.500%	1.500%
Category E	BBB- from S&P / Baa3 from Moody's	0.250%	0.625%	1.625%
Category F	≤ BB+ from S&P / Ba1 from Moody's	0.350%	0.875%	1.875%

SECTION 4 . *Administrative Agent's Fees.* Section 8.10 of the Credit Agreement is hereby amended to read in its entirety:

“The Borrower shall pay to the Administrative Agent for its own account fees in the amount and at the times agreed to and accepted by the Borrower, pursuant to that certain fee letter dated as of September 20, 2011 among the Borrower, the Administrative Agent, Bank of America, N.A., The Royal Bank of Scotland plc, Wells Fargo Securities, Merrill Lynch, Pierce, Fenner & Smith Incorporated and RBS Securities Inc.”

SECTION 5 . *Changes in Commitments.* With effect from and including the Amendment Effective Date, (i) each Person listed on Schedule 1 hereto that is not a party to the Credit Agreement (each, a “**New Lender**” and, together with each Lender that is not an Exiting Lender, the “**Continuing Lenders**”) shall become a Lender party to the Credit Agreement, (ii) the Commitment of each Lender shall be the amount set forth opposite the name of such Lender on Schedule 1 and (iii) the Commitment Appendix set forth on Schedule 1 hereto shall replace the Commitment Appendix attached to the Credit Agreement. On the Amendment Effective Date, any Lender whose Commitment is changed to zero (each, an “**Exiting Lender**”) shall cease to be a Lender party to the Credit Agreement, and all accrued fees and other amounts payable under the Credit Agreement for the account of each Exiting Lender shall be due and payable on such date; provided that the provisions of Sections 2.12, 2.16, 2.17 and 9.03 of the Credit Agreement shall continue to inure to the benefit of each Exiting Lender after the Amendment Effective Date. On the Amendment Effective Date, the Commitment Ratio of the Continuing Lenders shall be redetermined giving effect to the adjustments to the Commitments referred to in this Section 5, and the participations of the

Continuing lenders in and the obligations of the Continuing Lenders in respect of any Letters of Credit outstanding on the Amendment Effective Date shall be reallocated to reflect such redetermined Commitment Ratio.

SECTION 6 . *Letter of Credit Fees.* Section 2.07(b) of the Credit Agreement is amended by changing the rate specified therein from “0.25%” to “0.20%.”

SECTION 7 . *Representations and Warranties.* The following sections of Article V of the Credit Agreement are amended as follows:

(a) The references to “December 31, 2009” in Section 5.04(a) and Section 5.04(c) of the Credit Agreement are changed to “December 31, 2010” and Section 5.04(b) of the Credit Agreement is hereby amended to read in its entirety:

“The unaudited consolidated balance sheet of the Borrower and its Consolidated Subsidiaries as of June 30, 2011 and the related unaudited consolidated statements of income and cash flows for the six months then ended fairly present, in conformity with GAAP applied on a basis consistent with the financial statements referred to in subsection (a) of this Section, the consolidated financial position of the Borrower and its Consolidated Subsidiaries as of such date and their consolidated results of operations and cash flows for such six-month period (subject to normal year-end audit adjustments).”

(b) Section 5.05 of the Credit Agreement is hereby amended to add the following clause immediately prior to the clause “or otherwise furnished in writing to the Administrative Agent and each Lender,”:

“or in any subsequent report of the Borrower filed with the SEC on Form 10-K, 10-Q or 8-K,”

(c) References in Section 5.08 of the Credit Agreement to the KPSC Order, TRA Order and VSCC Order shall be deemed to include any orders of the Kentucky Public Service Commission (“**KPSC**”), Tennessee Regulatory Authority (“**TRA**”) and Virginia State Corporation Commission (“**VSCC**”) delivered pursuant to Section 11(f) of this Amendment.

(d) Section 5.13(a)(i) and Section 5.13(b) of the Credit Agreement are each hereby amended to add the following clause immediately prior to the clause “or otherwise furnished in writing to the Administrative Agent and each Lender,”:

“or in any subsequent report of the Borrower filed with the SEC on Form 10-K, 10-Q or 8-K,”

(e) Section 5.15 of the Credit Agreement is hereby deleted.

SECTION 8 . *Full Force and Effect; Ratification* . Except as expressly modified herein, all of the terms and conditions of the Credit Agreement are unchanged, and, as modified hereby, the Borrower confirms and ratifies all of the terms, covenants and conditions of the Credit Agreement. This Amendment constitutes the entire and final agreement among the parties hereto with respect to the subject matter hereof and there are no other agreements, understandings, undertakings, representations or warranties among the parties hereto with respect to the subject matter hereof except as set forth herein.

SECTION 9 . *Governing Law* . This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 10 . *Counterparts* . This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

SECTION 11 . *Effectiveness* . This Amendment shall become effective as of the first date when each of the following conditions are met (the “**Amendment Effective Date**”):

(a) the Agent shall have received from the Borrower and each Continuing Lender and Lenders constituting Required Lenders a counterpart hereof signed by such party or facsimile or other written confirmation (in form satisfactory to the Agent) that such party has signed a counterpart hereof;

(b) the Agent shall have received a duly executed revised Note for the account of each Lender requesting delivery of such Note pursuant to Section 2.05 of the Credit Agreement;

(c) the Agent shall have received satisfactory opinions of counsel for the Borrower, dated the Amendment Effective Date;

(d) the Agent shall have received a certificate dated the Amendment Effective Date signed on behalf of the Borrower by the Chairman of the Board, the President, any Vice President, the Treasurer or the Assistant Treasurer of the Borrower stating that (A) on the Amendment Effective Date and after giving effect to this Amendment, no Default shall have occurred and be continuing and (B) the representations and warranties

of the Borrower contained in the Credit Agreement after giving effect to this Amendment are true and correct on and as of the Amendment Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they were true and correct as of such earlier date;

(e) the Agent shall have received (i) a certificate of the Secretary of State of the Commonwealth of Kentucky and a certificate of the Secretary of State of the Commonwealth of Virginia, each dated as of a recent date, as to the good standing of the Borrower and (ii) a certificate of the Secretary or an Assistant Secretary of the Borrower dated the Amendment Effective Date and certifying (A) that attached thereto is a true, correct and complete copy of (x) the Borrower's articles of incorporation certified by the Secretary of State of the Commonwealth of Kentucky and the Secretary of State of the Commonwealth of Virginia and (y) the bylaws of the Borrower, (B) as to the absence of dissolution or liquidation proceedings by or against the Borrower, (C) that attached thereto is a true, correct and complete copy of resolutions adopted by the board of directors of the Borrower authorizing the execution, delivery and performance of this Amendment and each other document delivered in connection herewith and that such resolutions have not been amended and are in full force and effect on the date of such certificate and (D) as to the incumbency and specimen signatures of each officer of the Borrower executing this Amendment or any other document delivered in connection herewith;

(f) all necessary governmental (domestic or foreign), regulatory and third party approvals, including, without limitation, the orders of the KPSC, TRA, VSCC and any required approvals of the Federal Energy Regulatory Commission, authorizing borrowings hereunder in connection with the transactions contemplated by this Amendment and the other Loan Documents shall have been obtained and remain in full force and effect, in each case without any action being taken by any competent authority which could restrain or prevent such transaction or impose, in the reasonable judgment of the Agent, materially adverse conditions upon the consummation of such transactions; provided that any such approvals with respect to elections by the Borrower to increase the Commitment as contemplated by Section 2.19 of the Credit Agreement need not be obtained or provided until the Borrower makes any such election;

(g) there shall be no outstanding Loans; and

(h) the Agent shall have received all costs, fees and expenses due to the Agent, the Joint Lead Arrangers (as such term is defined in the Commitment Letter) and the Lenders.

SECTION 12 . *Miscellaneous* . This Amendment shall constitute a Loan Document for all purposes of the Credit Agreement and the other Loan Documents. The provisions of this Amendment are deemed incorporated into the Credit Agreement as if fully set forth therein. The Borrower shall pay all reasonable out-of-pocket costs and expenses of the Agent incurred in connection with the negotiation, preparation and execution of this Amendment and the transactions contemplated hereby.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

KENTUCKY UTILITIES COMPANY

By: /s/ Daniel K. Arbough

Name: Daniel K. Arbough

Title: Treasurer

**[Signature Page to KU – Amendment]**

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WELLS FARGO BANK, NATIONAL ASSOCIATION, as Agent

By: /s/ Keith Luettel

Name: Keith Luettel

Title: Vice President

**[Signature Page to KU – Amendment]**

---



BANK OF AMERICA, N.A.

By: /s/ Michael Mason

Name: Michael Mason

Title: Director

**[Signature Page to KU – Amendment]**

---

THE ROYAL BANK OF SCOTLAND PLC

By: /s/ Andrew N Taylor

Name: Andrew N Taylor

Title: Vice President

[Signature Page to KU – Amendment]

---

CREDIT SUISSE AG, Cayman Islands Branch

By: /s/ Mikhail Faybusovich

Name: Mikhail Faybusovich

Title: Director

By: /s/ Vipul Dhadda

Name: Vipul Dhadda

Title: Associate

**[Signature Page to KU – Amendment]**

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THE BANK OF NOVA SCOTIA

By: /s/ Thane Rattew

Name: Thane Rattew

Title: Managing Director

[Signature Page to KU – Amendment]

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THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.

By: /s/ Bradford Joyce

Name: Bradford Joyce

Title: Director

[Signature Page to KU – Amendment]

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UNION BANK, N.A.

By: /s/ Michael Agrimis

Name: Michael Agrimis

Title: Vice President

**[Signature Page to KU – Amendment]**

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BARCLAYS BANK PLC

By: /s/ Michael Mozer

Name: Michael Mozer

Title: Vice President

**[Signature Page to KU – Amendment]**

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BNP PARIBAS

By: /s/ Francis DeLaney

Name: Francis DeLaney

Title: Managing Director

By: /s/ Pasquale Perraglia

Name: Pasquale Perraglia

Title: Vice President

[Signature Page to KU – Amendment]

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CITIBANK, N.A.

By: /s/ Anita J. Brickell

Name: Anita J. Brickell

Title: Vice President

**[Signature Page to KU – Amendment]**

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JPMORGAN CHASE BANK, N.A.

By: /s/ Juan Javellana

Name: Juan Javellana

Title: Executive Director

[Signature Page to KU – Amendment]

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MORGAN STANLEY BANK, N.A.

By: /s/ Michael King

Name: Michael King

Title: Authorized Signatory

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ROYAL BANK OF CANADA

By: /s/ Patrick Shields

Name: Patrick Shields

Title: Authorized Signatory

[Signature Page to KU – Amendment]

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UBS LOAN FINANCE LLC

By: /s/ Irja R. Otsa

Name: Irja R. Otsa

Title: Associate Director

By: /s/ Mary E. Evans

Name: Mary E. Evans

Title: Associate Director

**[Signature Page to KU – Amendment]**

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GOLDMAN SACHS BANK USA

By: /s/ Mark Walton

Name: Mark Walton

Title: Authorized Signatory

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CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK

By: /s/ Dixon Schultz  
Name: Dixon Schultz  
Title: Managing Director

By: /s/ Sharada Manne  
Name: Sharada Manne  
Title: Director

**[Signature Page to KU – Amendment]**

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DEUTSCHE BANK AG NEW YORK BRANCH

By: /s/ Ming K. Chu

Name: Ming K. Chu

Title: Vice President

By: /s/ Virginia Cosenza

Name: Virginia Cosenza

Title: Vice President

[Signature Page to KU – Amendment]

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KEYBANK NATIONAL ASSOCIATION

By: /s/ Craig A. Hanselman

Name: Craig A. Hanselman

Title: Vice President

[Signature Page to KU – Amendment]

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LLOYDS TSB BANK PLC

By: /s/ Windsor R. Davies  
Name: Windsor R. Davies  
Title: Managing Director

By: /s/ Charles Foster  
Name: Charles Foster  
Title: Managing Director

**[Signature Page to KU – Amendment]**

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ J. James Kim

Name: J. James Kim

Title: Vice President

[Signature Page to KU – Amendment]

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BAYERISCHE LANDESBANK, NEW YORK BRANCH

By: /s/ Rolf Siebert

Name: Rolf Siebert

Title: Senior Vice President

By: /s/ Gina Sandella

Name: Gina Sandella

Title: Vice President

[Signature Page to KU – Amendment]

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BANCO BILBAO VIZCAYA ARGENTARIA S.A. – NEW YORK  
BRANCO

By: /s/ Michael Oka  
Name: Michael Oka  
Title: Executive Director

By: /s/ Nietzsche Rodricks  
Name: Nietzsche Rodricks  
Title: Executive Director

[Signature Page to KU – Amendment]

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THE BANK OF NEW YORK MELLON

By: /s/ John N. Watt

Name: John N. Watt

Title: Vice President

**[Signature Page to KU – Amendment]**

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MIZUHO CORPORATE BANK, LTD.

By: /s/ Raymond Ventura

Name: Raymond Ventura

Title: Deputy General Manager

**[Signature Page to KU – Amendment]**

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SOVEREIGN BANK

By: /s/ Robert D. Lanigan  
Name: Robert D. Lanigan  
Title: SVP

**[Signature Page to KU – Amendment]**

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SUNTRUST BANK

By: /s/ Andrew Johnson

Name: Andrew Johnson

Title: Director

**[Signature Page to KU -- Amendment]**

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CIBC INC.

By: /s/ Josh Hogarth

Name: Josh Hogarth

Title: Director

By: /s/ Eoin Roche

Name: Eoin Roche

Title: Executive Director

**[Signature Page to KU – Amendment]**

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FIFTH THIRD BANK

By: /s/ Randolph J. Stierer

Name: Randolph J. Stierer

Title: Vice President

**[Signature Page to KU – Amendment]**

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PNC BANK, NATIONAL ASSOCIATION

By: /s/ Edward M. Tessalone

Name: Edward M. Tessalone

Title: Senior Vice President

**[Signature Page to KU – Amendment]**

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SUMITOMO MITSUI BANKING CORPORATION

By: /s/ Masakazu Hasegawa

Name: Masakazu Hasegawa

Title: Managing Director

**[Signature Page to KU – Amendment]**

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THE NORTHERN TRUST COMPANY

By: /s/ Peter J. Hallan

Name: Peter J. Hallan

Title: Vice President

**[Signature Page to KU – Amendment]**

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WING LUNG BANK LTD. LOS ANGELES BRANCH

By: /s/ Irene Kwan

Name: Irene Kwan

Title: VP/ Deputy Branch Manager

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## Commitment Appendix

<b>Lender</b>	<b>Revolving Commitment</b>
Wells Fargo Bank, National Association	\$20,500,000.00
Bank of America, N.A.	20,500,000.00
The Royal Bank of Scotland plc	20,500,000.00
Credit Suisse AG, Cayman Islands Branch	19,000,000.00
The Bank of Nova Scotia	19,000,000.00
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	9,500,000.00
Union Bank, N.A.	9,500,000.00
Barclays Bank PLC	19,000,000.00
BNP Paribas	19,000,000.00
Citibank, N.A..	19,000,000.00
JPMorgan Chase Bank, N.A.	19,000,000.00
Morgan Stanley Bank, N.A.	19,000,000.00
Royal Bank of Canada	19,000,000.00
UBS Loan Finance LLC	19,000,000.00
Goldman Sachs Bank USA	19,000,000.00
Credit Agricole Corporate & Investment Bank	14,000,000.00
Deutsche Bank AG New York Branch	14,000,000.00
KeyBank National Association	14,000,000.00
Lloyds TSB Bank plc	14,000,000.00
U.S. Bank National Association	14,000,000.00
Bayerische Landesbank, New York Branch	6,800,000.00
Banco Bilbao Vizcaya Argentaria S.A.	6,800,000.00
The Bank of New York Mellon	6,800,000.00
Mizuho Corporate Bank, Ltd.	6,800,000.00
Sovereign Bank	6,800,000.00
SunTrust Bank	6,800,000.00
CIBC Inc.	4,000,000.00
Fifth Third Bank	4,000,000.00
PNC Bank, National Association	4,000,000.00
Sumitomo Mitsui Banking Corporation	4,000,000.00
The Northern Trust Company	2,700,000.00
<u>Wing Lung Bank Ltd. Los Angeles Branch</u>	<u>0.00</u>
<b>Total</b>	<b>\$400,000,000.00</b>



# KENTUCKY UTILITIES CO

## FORM 8-K (Current report filing)

Filed 09/19/11 for the Period Ending 09/15/11

Address	ONE QUALITY ST LEXINGTON, KY 40507
Telephone	6062552100
CIK	0000055387
SIC Code	4911 - Electric Services
Fiscal Year	12/29

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 15, 2011

<u>Commission File Number</u>	<u>Registrant; State of Incorporation; Address and Telephone Number</u>	<u>IRS Employer Identification No.</u>
1-11459	<b>PPL Corporation</b> (Exact name of Registrant as specified in its charter) (Pennsylvania) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-2758192
333-173665	<b>LG&amp;E and KU Energy LLC</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	20-0523163
1-2893	<b>Louisville Gas and Electric Company</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	61-0264150
1-3464	<b>Kentucky Utilities Company</b> (Exact name of Registrant as specified in its charter) (Kentucky and Virginia) One Quality Street Lexington, KY 40507-1462 (502) 627-2000	61-0247570

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## Section 8 - Other Events

### Item 8.01 Other Events

On September 15, 2011, Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU", and together with LG&E, the "Companies") issued a press release announcing that they anticipate retiring three older-coal-fired electric generating stations and have commenced certain steps to acquire additional generating units to replace power currently provided by the coal-fired plants.

The Companies filed a certificate of public convenience and necessity with the Kentucky Public Service Commission ("KPSC") on September 15, 2011, requesting approval to build a 640-megawatt, natural gas-fired combined-cycle gas turbine ("NGCC") at the existing Cane Run station site. KU will own a 78% undivided interest, and LG&E will own a 22% undivided interest, in the new NGCC. In addition, the Companies also requested approval to purchase three additional natural gas combustion turbines from Bluegrass Generation Company, L.L.C. that are expected to provide up to 495 megawatts ("MW") of peak generation supply (as defined below, the "Bluegrass Plant"). In conjunction with these matters, at the end of 2015 the Companies plan to retire three coal-fired generating units at LG&E's Cane Run station and also coal-fired generating units at KU's Tyrone and Green River stations. These generating stations represent approximately 797 MW of aggregate summer capacity.

#### Plant Retirement and NGCC Construction

The Environmental Protection Agency has issued rules that would require the Companies to implement new technologies to reduce the amount of sulfur dioxide, nitrogen oxide, mercury and other particulates emitted from coal-fired plants. In view of the cost to retrofit aging plants, the Companies have considered the most cost-effective options to replace energy that is currently delivered by these older coal-fired generating units. In connection with the filing of their 2011 Integrated Resource Plan with the KPSC in April 2011, the Companies determined that building the NGCC at the existing Cane Run station site would be the most cost-effective method to replace retired generation. The Companies anticipate that the NGCC construction and Bluegrass Plant acquisition could require up to \$800 million in capital costs. The Companies' previously disclosed estimates of future capital expenditures included these estimated costs. Formal requests for recovery of the costs associated with NGCC were not included in the Companies' September 15, 2011 filing with the KPSC, but are expected to be included in a future base rate case filing.

Construction of the NGCC is subject to various regulatory approvals, including approval by the KPSC and receipt of certain environmental and construction-related permits. The Companies also anticipate filing an application to the Virginia State Corporation Commission ("VSCC") in connection with the new NGCC plant construction. Once all approvals are received, construction on the NGCC at Cane Run will begin in 2012 and is expected to be complete by 2016.

#### Bluegrass Plant Acquisition

On September 15, 2011, the Companies entered into an Asset Purchase Agreement ("APA") with Bluegrass Generation Company, L.L.C. for the purchase of three existing natural gas simple cycle combustion turbine facilities in LaGrange, Kentucky, aggregating approximately 495 MW, plus limited associated contractual arrangements required for operation of the plant (collectively, the "Bluegrass Plant"), for a purchase price of approximately \$110 million. Pursuant to the APA, the Companies will jointly acquire the Bluegrass Plant as tenants in common, with LG&E as owner of a 69% undivided interest, and KU as owner of a 31% undivided interest, in the purchased assets. The purchase is subject to receipt of approvals from the KPSC, the VSCC, the Federal Energy Regulatory Commission, certain permit assignments or local approvals, and other conditions. Either party can terminate the APA should a closing of the purchase transaction fail to have occurred by June 30, 2012.

*Statements in this report and the accompanying press release, including statements with respect to future events and their timing, including the proposed transactions contemplated in the Companies' regulatory filing, such as the new NGCC construction, the retirement of older plants or the Bluegrass Plant acquisition, as well as other statements as to future costs or expenses, asset acquisition or retirement, regulation, corporate strategy and generating capacity and performance, are "forward-looking statements" within the meaning of the federal securities laws. Although the Companies believe that the expectations and assumptions reflected in these forward-looking statements are reasonable, these expectations, assumptions and statements are subject to a number of risks and uncertainties, and actual results may differ materially from the results discussed in the statements. The following are among the important factors that could cause actual results to differ materially from the forward-looking statements: receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; market demand and prices for electricity; market demand for and costs of construction, materials, equipment and labor; environmental conditions and requirements and the related costs of compliance; political, regulatory or economic conditions in states, regions or countries where the Companies conduct business; and new state, federal or foreign legislation, including new tax or environmental legislation or regulation. Any such forward-looking statements should be considered in light of such important factors and in conjunction with PPL Corporation's Form 10-K, each Company's respective Form S-4 and other reports on file with the Securities and Exchange Commission.*

## Section 9 - Financial Statements and Exhibits

### Item 9.01 Financial Statements and Exhibits

(d) Exhibits

99.1 - Press release dated September 15, 2011 of Louisville Gas and Electric Company and Kentucky Utilities Company.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

PPL CORPORATION

By: /s/ Vincent Sorgi  
Vincent Sorgi  
Vice President and Controller

LG&E AND KU ENERGY LLC

By: /s/ S. Bradford Rives  
S. Bradford Rives  
Chief Financial Officer

LOUISVILLE GAS AND ELECTRIC COMPANY

By: /s/ S. Bradford Rives  
S. Bradford Rives  
Chief Financial Officer

KENTUCKY UTILITIES COMPANY

By: /s/ S. Bradford Rives  
S. Bradford Rives  
Chief Financial Officer

Dated: September 19, 2011

Media Contact:

**Chris Whelan**  
T (502) 627-4999  
F (502) 627-3629

Investor Relations Contact:

**Joe Bergstein**  
T (610) 774-5609

September 15, 2011

**EPA Changes Force LG&E, KU to Retire Three Coal-fired Power Plants,  
Company to Build Natural Gas-Fired Generation at Cane Run,  
Purchase Peaking Units**

(LOUISVILLE, Ky.) – Louisville Gas and Electric Company and Kentucky Utilities Company announced today that they will be forced to retire three older coal-fired electric generating stations to meet new, stricter federal Environmental Protection Agency’s regulations.

In a certificate of public convenience and necessity filing with the Kentucky Public Service Commission today, the companies requested approval to build a 640-megawatt, natural gas combined cycle generating unit (NGCC) at the existing Cane Run site in southwestern Louisville. In addition, the companies requested approval to purchase from Bluegrass Generation Company three additional simple-cycle natural gas combustion turbines located in LaGrange that will provide up to 495 megawatts of peak generation supply. Today’s filings, and the planned retirements of Cane Run, Tyrone and Green River, are the results of the ongoing EPA regulation analysis and last December’s Request for Proposal submittals.

As outlined in the companies’ 2011 Integrated Resource Plan, the NGCC is the least-cost method of generation. Consistent with previous disclosures, these two actions for replacement generation are expected to cost up to \$800 million, of which approximately \$110 million is for the Bluegrass plant. Recovery of the additional costs is not part of today’s filing, but will be included in a future base rate case filing. While preliminary evaluations had estimated increases of 5 percent for LG&E and 2 percent for KU, based on the respective ownership allocations, it is now expected that LG&E customers will not experience an increase in rates due to this construction, while KU customers will see about a 4 percent increase.

“While we have had a long history of being an environmental leader in the industry, the ever more stringent environmental regulations have forced us to take a hard look at how we generate electricity, how we will comply with the new federal EPA requirements, and how to best limit the potential cost increase on our customers and the community,” said Paul W. Thompson, senior

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vice president of Energy Services for LG&E and KU. “The bottom-line is that achieving environmental compliance under the EPA’s present fragmented framework will have a significant impact on our company, our customers and our Commonwealth.”

While fewer employees will ultimately be needed to run the NGCC plant, the company is still determining the full extent of the workforce impact. Cane Run and Green River coal units will need to remain operational until the replacement generation and associated transmission projects are completed. As we have done in the past, the companies will look for opportunities to utilize as many existing employees as possible.

Currently, about 97 percent of the electricity in the companies’ generation fleet is produced by coal. After the construction of the NGCC and plant retirements, LG&E and KU will remain 90 percent coal-fired. The EPA’s new regulations will require many of the companies’ existing coal-fired plants to implement additional technologies, controls and processes no later than 2016 in order to maintain compliance.

The financial impact of these rules will be especially significant in Kentucky, since more than 95 percent of Kentucky’s electricity is being generated by coal. The companies estimate that complying with the new federal requirements under the clean air regulations – through upgrades and new construction -- could cost approximately \$4 billion in capital expenditures by 2019, with over \$3 billion of that amount incurred by the end of 2016.

“Given the enormous cost and strict compliance timetable required to retrofit some of our aging generation units with additional technology, we’ve had to explore a lower-cost option that results in retiring older coal-fired generating units and replacing them with natural gas units,” added Thompson.

The companies filed an application with the Louisville Metro Air Pollution Control District for an air permit on June 13 and hope to have approval by spring of 2012. They are requesting that the KPSC rule on the CPCN by April. Once all approvals are received, construction on a NGCC at Cane Run will begin in 2012 and is expected to be complete by 2016, replacing coal generation at that facility with natural gas. The three peaking units are expected to be available for use during next summer’s cooling season. This transaction is also subject to various other regulatory approvals, including the Federal Energy Regulatory Commission and the Virginia State Corporation Commission.

###

*Louisville Gas and Electric Company and Kentucky Utilities Company, part of the PPL Corporation (NYSE: PPL) family of companies, are regulated utilities that serve a total of 1.2 million customers and have consistently ranked among the best companies for customer service in the United States. LG&E serves 321,000 natural gas and 397,000 electric customers in Louisville and 16 surrounding counties. Kentucky Utilities serves 546,000 customers in 77 Kentucky counties and five counties in Virginia. More information is available at [www.lge-ku.com](http://www.lge-ku.com) and [www.pplweb.com](http://www.pplweb.com).*