



a PPL company

Ms. Gwen R. Pinson, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

January 30, 2018

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 Ms. Pinson:

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 January 30, 2018.

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 blue ink that reads "Rick E. Lovekamp". The signature is fluid and cursive.

Rick E. Lovekamp

RECEIVED

JAN 30 2018

PUBLIC SERVICE
COMMISSION

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

Rick E. Lovekamp
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Strategy/Policy
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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): January 29, 2018

<u>Commission File Number</u>	<u>Registrant; State of Incorporation; Address and Telephone Number</u>	<u>IRS Employer Identification No.</u>
1-11459	PPL Corporation (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	LG&E and KU Energy LLC (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	Louisville Gas and Electric Company (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	Kentucky Utilities Company (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))

Indicate by a check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

- PPL Corporation
- LG&E and KU Energy LLC
- Louisville Gas and Electric Company
- Kentucky Utilities Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

- PPL Corporation
- LG&E and KU Energy LLC
- Louisville Gas and Electric Company
- Kentucky Utilities Company

Section 7 - Regulation FD

Item 7.01 Regulation FD Disclosure

On January 29, 2018, Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU", and collectively with LG&E, the "Companies") issued a press release announcing that the Companies have reached a settlement with the parties to the Kentucky Public Service Commission ("KPSC") proceeding relating to rate matters as a result of the Tax Cuts and Jobs Act.

Pursuant to the proposed settlement, the Companies would return approximately \$177 million in tax-reform related savings to Kentucky customers. The savings will be distributed through various rate mechanisms beginning in March 2018 and through new monthly bill energy credits from April 1, 2018 through April 30, 2019. The rate reductions represent approximately \$69 million and \$91 million in LG&E and KU electric rates, respectively, and \$17 million in LG&E gas rates for the period January 2018 through April 2019. The relevant mechanisms include the environmental cost recovery, demand side management and gas line tracker. Because the bill credits are based upon energy usage, ultimate aggregate savings amounts returned by the Companies may vary.

The proposed agreement also provides for similar, but smaller, tax-reform related credits to continue after May 2019, in the event the base rates of the Companies have not been otherwise reset via base rate proceedings. The Companies have indicated their expectation to submit such applications to change base rates during 2018.

The proposed agreement is subject to review and approval by the KPSC. A ruling in the proceeding may occur during the first quarter 2018.

A copy of the press release is furnished as exhibit 99.1 to this report.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

[99.1](#) - Press release, dated January 29, 2018, of Louisville Gas and Electric Company and Kentucky Utilities Company.

Statements in this report regarding future events and their timing, including the Companies' proposed rate changes, future rates, rate mechanisms or returns on equity, as well as 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 proceedings and regulatory cost recovery; market demand and prices for electricity and natural gas; political, regulatory or economic conditions in states and regions where the Companies conduct business; and the progress of actual construction, purchase or installation of assets or operations subject to tracker mechanisms. All forward-looking statements should be considered in light of these 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.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PPL CORPORATION

By: /s/ Stephen K. Breininger
Stephen K. Breininger
Vice President and Controller

LG&E AND KU ENERGY LLC

By: /s/ Kent W. Blake
Kent W. Blake
Chief Financial Officer

LOUISVILLE GAS AND ELECTRIC COMPANY

By: /s/ Kent W. Blake
Kent W. Blake
Chief Financial Officer

KENTUCKY UTILITIES COMPANY

By: /s/ Kent W. Blake
Kent W. Blake
Chief Financial Officer

Dated: January 30, 2018

Press Release

LG&E and KU Energy LLC
220 West Main Street
Louisville, Kentucky 40202
www.lge-ku.com

Contact:

Media Line
T 502-627-4999
F 502-627-3629

January 29, 2018

LG&E and KU reach unanimous settlement to deliver nearly \$180 million in tax savings to customers

(LOUISVILLE, Ky.) – Customers of Louisville Gas and Electric Company and Kentucky Utilities Company will begin to see the financial benefits associated with the Tax Cuts and Jobs Act beginning in March.

The two utilities announced today that they will file a unanimous settlement agreement with the Kentucky Public Service Commission requesting approval to return tax savings to customers this spring.

If approved by the commission, customers would see nearly \$180 million in savings in the form of a reduction on the Environmental Surcharge line item on their bill in March, followed by a new line item credit on the bill based on energy consumption starting in April.

Kentucky, which opened the proceeding on the tax changes in late December, was one of the first regulatory commissions to take action and begin a process that would allow utilities to return the savings to customers as soon as possible.

“We had been supportive of the Tax Act all along because of the savings for our residential and business customers, so we are pleased that the commission acted quickly to enable us to deliver these savings so expeditiously. The other parties to this case — the Kentucky Attorney General and the Kentucky Industrial Utility Customers — truly had the customer in mind and a willingness to work together to reach a mutually acceptable solution,” said Kent Blake, chief financial officer at LG&E and KU. “With the colder-than-average winter, and subsequent high energy use, these savings will come at a key time for our customers.”

“This settlement is important for Kentucky’s industrial customers and the economic advancement of our state,” said Mike Kurtz, attorney for the Kentucky Industrial Utility Customers. “We appreciate the initiative in the plan that LG&E and KU outlined, the willingness of the parties to negotiate, and the commission’s expediency that has enabled us to be in a place where we could be able to put these savings back into the Kentucky economy in a timely manner.”

The settlement is subject to KPSC approval, but if approved, KU customers will receive an estimated \$91 million in savings. For a residential customer using an average of 1,179 Kwh per month, that is about a 5.3 percent bill reduction.

LG&E customers will receive an estimated \$86 million in savings. For a LG&E residential electric customer using an average of 957 Kwh per month, that equates to a roughly 5.6 percent bill reduction. For a LG&E residential gas customer using an average of 55 Ccf per month that equates to approximately a 3 percent bill reduction.

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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 nearly 1.3 million customers and have consistently ranked among the best companies for customer service in the United States. LG&E serves 324,000 natural gas and 407,000 electric customers in Louisville and 16 surrounding counties. KU serves 549,000 customers in 77 Kentucky counties and five counties in Virginia. More information is available at www.lge-ku.com and www.pplweb.com.