

J. WADE HENDRICKS

DIRECT DIAL 502-560-4227

DIRECT FAX 502-627-8727

whendricks@ogdenlaw.com

1700 PNC PLAZA
500 WEST JEFFERSON STREET
LOUISVILLE, KENTUCKY 40202-2874
(502) 582-1601
FAX (502) 581-9564
www.ogdenlaw.com

September 2, 2005

HAND DELIVERY

RECEIVED

SEP 02 2005

PUBLIC SERVICE
COMMISSION

Elizabeth O'Donnell
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
Frankfort, Kentucky 40602

Re: Kentucky Utilities Company (In the Matter Of: The Application of Kentucky Utilities Company For An Order Authorizing the Issuance of Securities and the Assumption of Obligations) 2005-00153

Dear Ms. O'Donnell:

Enclosed for filing in the above-referenced matter please find the original and ten copies of the Confirmation of Allocation of State Ceiling from the Kentucky Private Activity Bond Allocation Committee, reflecting allocation of \$13,266,950 of the state ceiling for private activity bonds to Kentucky Utilities Company. An extra copy of the Confirmation is also enclosed to be file stamped and returned to the undersigned.

Although the Confirmation reflects action taken on August 26, 2005, the document was not available at the time that Kentucky Utilities' Application was prepared on Thursday, September 1, 2005.

Please do not hesitate to contact me if you have any questions or require additional information.

Very truly yours,

J. Wade Hendricks

JWH/cja

Enclosures

cc: Elizabeth E. Blackford, Esq.

Elizabeth O'Donnell
September 2, 2005
Page 2

cc: Daniel Arbrough
Kent W. Blake
Elizabeth L. Cocanougher, Esq.
John Fendig, Esq.
Roger Hickman
Elliott Horne
Robert Joseph, Esq.
Mary Kimura, Esq.



**Office of Financial Management
Finance and Administration Cabinet**

702 Capitol Avenue, Suite 76
Frankfort, Kentucky 40601-3453
(502) 564-2924
Fax: (502) 564-7416

Ernie Fletcher
Governor

Robbie Rudolph
Secretary

F. Thomas Howard
Acting Executive Director

August 26, 2005

Mr. Spencer E. Harper, Jr.
Harper, Ferguson, & Davis
500 West Jefferson Street, 1700 PNC Plaza
Louisville, KY 40202

Re: Private Activity Bond Allocation Committee – 2005 Available Volume Cap Lottery

Dear: Mr. Harper:

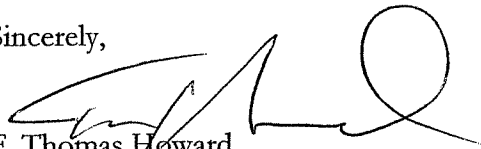
Per the attached confirmation, the Kentucky Private Activity Bond Allocation Committee (“KPABAC”) has allocated a portion of the state ceiling to the identified company/issuer from the 2005 Available Volume Cap Lottery Pool. Pursuant to 200 KAR 15:010, the bond issue must close within 90 days (November 24, 2005) to qualify under the CY2005 cap. A Notice of Issuance must be filed with KPABAC following placement of the bonds.

Kentucky Utilities Company

\$13,266,950

Please contact the Office of Financial Management at (502) 564-2924 if you have any questions.

Sincerely,


F. Thomas Howard
Acting Executive Director

Attachments



CONFIRMATION NO.: 1
DATE: August 26, 2005

CONFIRMATION OF ALLOCATION OF STATE CEILING

KENTUCKY PRIVATE ACTIVITY BOND ALLOCATION COMMITTEE
702 Capitol Avenue, Suite 261
Frankfort, KY 40601
(502) 564-2924

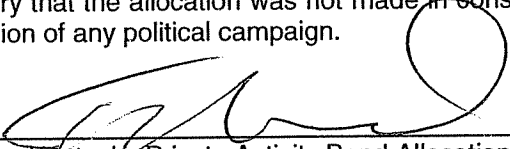
Issuer Name: County of Carroll, Kentucky
Borrower/User: Kentucky Utilities Company
Bond Counsel: Spencer E. Harper, Jr.
Address: 500 West Jefferson Street, 1700 PNC Plaza
City: Louisville, KY 40202
Confirmation Type:

Original
 Renewal
 Supplemental

Confirmation is hereby given that \$13,266,950 of the state ceiling for private activity bonds for the Commonwealth of Kentucky for CY2005 has been allocated to the bond issue described by the above referenced Notice of Intent Number. This Confirmation is numbered and dated and is effective only in accordance with the terms of state and federal law. This allocation has been made from the:

Local Issuer Pool
 Available Volume Cap Lottery Pool
 State Issuer Pool

This allocation of the state ceiling shall expire on: November 24, 2005 pursuant to the provisions of 200 KAR 15:010. The undersigned officer executing and responsible for this confirmation and allocation hereby swears and certifies under penalty of perjury that the allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution of any political campaign.



Kentucky Private Activity Bond Allocation Committee