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Stephanie L. Stumbo  
Executive Director  
Public Service Commission of Kentucky  
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Frankfort, KY 40602

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PUBLIC SERVICE  
COMMISSION

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November 18, 2008

**RE: *The Application of Louisville Gas and Electric Company for an Order Authorizing the Issuance of Securities and the Assumption of Obligations - Case No. 2008-00131***

***The Application of Kentucky Utilities Company for an Order Authorizing the Issuance of Securities and the Assumption of Obligation - Case No. 2008-00132***

Dear Ms. Stumbo:

In response to Commission staff data requests dated April 30, 2008 in the above- referenced cases, Louisville Gas and Electric Company (“LG&E”) and Kentucky Utilities Company (“KU”) (LG&E and KU, collectively, the “Companies”) stated that the Companies expected to complete all conversions and/or refinancing transactions as discussed in their respective Applications, by the end of 2008.

This is to advise the Commission that because of continuing general market volatility the Companies anticipate that they may not be able to complete all of the transactions contemplated in their respective Applications until after the first of the year. The Companies now expect that such transactions will be completed by the end of the first quarter of 2009.

To date, KU has refinanced four bonds totaling approximately \$60 million, and LG&E is currently in the market with a remarketing of four bonds totaling approximately \$131.2 million. The LG&E remarketing is currently scheduled to close on November 25. In addition, KU has submitted documents to the rating agencies that should allow another three bonds totaling approximately \$117 million to be converted to a new interest rate mode before the end of 2008.

Stephanie L. Stumbo  
November 18, 2008

Please do not hesitate to contact the undersigned if the Commission has any questions or requires additional information.

Sincerely,

Handwritten signature of Lonnie E. Bellar, including the initials "by RUC" written at the end of the signature.

Lonnie E. Bellar