

PPL companies

Jeff DeRouen Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40601

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PUBLIC SERVICE COMMISSION

LG&E and KU Energy LLC 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

August 3, 2012

RE: Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Public Convenience and Necessity and Site Compatibility Certificate for the Construction of a Combined Cycle Combustion Turbine at the Cane Run Generating Station and the Purchase of Existing Simple Cycle Combustion Turbine Facilities from Bluegrass Generation Company, LLC in LaGrange, Kentucky

Case No. 2011-00375

## Dear Mr. DeRouen:

Pursuant to the Commission's Order of May 3, 2012, in the above-referenced proceeding, Ordering Paragraph No. 4, Louisville Gas and Electric Company and Kentucky Utilities Company (collectively "the Companies") hereby notify the Commission that the Companies have selected a third-party vendor to conduct an Energy Efficiency Potential Study.

The Cadmus Group was selected through a competitive bid and proposal evaluation process to complete the Energy Efficiency Potential Study that will consider the technical, economic, achievable, and naturally occurring energy efficiency potential for the Companies for the period from 2014 to 2033 and will focus on all electric metered customers.

The proposal estimates the study will be complete in 13-18 months. The Companies will file a copy of the final report with the Commission 30 days after it is final, in accordance to Ordering Paragraph No. 5 of the May 3, 2012 Order. As this report will assist in the development of future energy efficiency opportunities, the Company intends to expense the cost of this report through the Demand Side Management Mechanism.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Rick E. Lovekamp

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