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PUBLIC SERVICE COMMISSION

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PPL companies

April 4, 2016

Executive Director Public Service Commission of Kentucky 211 Sower Boulevard Frankfort, Kentucky 40602

RE: In the Matter of: Application of Louisville Gas and Electric Company for a Certificate of Public Convenience and Necessity Authorizing LG&E to Bid on a Gas Franchise Established by the Legislative Council of Louisville/Jefferson County Metro Government, Case No. 2016-00038

Dear Executive Director:

I am writing on behalf of Louisville Gas and Electric Company ("LG&E") in connection with the Commission's Order of January 13, 2016 in the above-captioned proceeding. Ordering Paragraph No. 2 requires notification to the Commission if LG&E is not the successful bidder of the franchise offered by Louisville Metro Government for natural gas transmission and distribution service.

On March 24, 2016, Louisville Metro Council rejected LG&E's bid for a natural gas franchise pursuant to Ordinance No. O-071-16. Because the franchise was not awarded to any bidder, Louisville Metro Council and LG&E are continuing to negotiate in good faith and hope to reach a fair and reasonable agreement in the near future.

Should you have any questions, please feel free to contact me.

Sincerely,

Allyson K. Sturgeon

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