

LOUISVILLE GAS & ELECTRIC CO /KY/

FORM 8-K

(Current report filing)

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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): November 19, 2012

<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))
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Section 8 - Other Events

Item 8.01 Other Events

On November 19, 2012, Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU" and, together with LG&E, the "Companies") issued a press release announcing that they have entered into a unanimous settlement agreement with the intervenors in their proceedings commenced in July 2012 before the Kentucky Public Service Commission ("KPSC") for increases in annual base electric rates at LG&E and KU, respectively, and an increase in annual base gas rates at LG&E. Subject to KPSC review and approval, the rate changes could become effective on January 1, 2013.

A hearing on the settlement is scheduled to begin on November 27, 2012. An order with respect to the rate proceedings is anticipated from the KPSC in December 2012.

A copy of the Companies' press release is filed herewith as Exhibit 99.1 and incorporated herein by reference.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(a) Exhibits

- 99.1 - Press Release dated November 19, 2012 of Louisville Gas and Electric Company and Kentucky Utilities Company.

Statements in this report and the accompanying press release, including statements with respect to future events and their timing, including the Companies' potential regulatory outcomes, such as the requested rate increases and rate mechanisms and the future rates or returns on equity ultimately authorized or achieved, as well as other 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 relief and regulatory cost recovery; market demand and prices for electricity; political, regulatory or economic conditions in states, regions or countries where the Companies conduct business; and the progress of actual construction, purchase or repair of assets subject to tracker mechanisms. Any such forward-looking statements should be considered in light of such 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, the Registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

PPL CORPORATION

By: /s/ Mark F. Wilten
Mark F. Wilten
Vice President - Finance and Treasurer

LG&E AND KU ENERGY LLC

By: /s/ Gerald A. Reynolds
Gerald A. Reynolds
General Counsel, Chief Compliance Officer and
Corporate Secretary

LOUISVILLE GAS AND ELECTRIC COMPANY

By: /s/ Gerald A. Reynolds
Gerald A. Reynolds
General Counsel, Chief Compliance Officer and
Corporate Secretary

KENTUCKY UTILITIES COMPANY

By: /s/ Gerald A. Reynolds
Gerald A. Reynolds
General Counsel, Chief Compliance Officer and
Corporate Secretary

Dated: November 19, 2012

Media Contact: Chris Whelan
24-hour media hotline: 1-888-627-4999

Nov. 19, 2012

LG&E, KU and interested parties reach unanimous settlement in rate proceedings

(LOUISVILLE, Ky.) — Louisville Gas and Electric Company and Kentucky Utilities Company have reached a unanimous settlement agreement with all of the parties in the base rate cases before the Kentucky Public Service Commission. The recommended agreement, which is subject to KPSC approval, lowers the late-payment charge, extends the time period for paying customer bills, gives the company responsibility for natural gas service lines, and provides for additional charitable giving.

Under the agreement, LG&E's base electric rates will increase \$33.7 million, down from the original request of \$62.1 million. LG&E's base natural gas rates will increase \$15 million, down from the original ask of \$17.2 million. KU base electric rates will increase \$51 million, down from the original ask of \$82.4 million. LG&E and KU also agreed to lower their annual electric depreciation rates. The agreed upon return on equity is 10.25 percent for the base rates as well as the environmental cost recovery mechanism and the new "gas line tracker".

For KU customers using 1,000 kWh per month, the increase is expected to be \$4.82 per month, or about 5.8 percent.

For LG&E customers using 1,000 kWh per month, the increase is expected to be \$4.31 per month, or about 4.8 percent. For LG&E natural gas customers using 60 Ccf per month the increase is expected to be \$3.53 per month, or about 7.3 percent. Under the agreement, LG&E natural gas customers will now have a "gas line tracker" item on their bill that reflects the costs associated with the company's gas main replacement program and gas service lines. Previously, customers were responsible for repairs to the service line from the street to the house. Those repairs will now be the responsibility of the utility. LG&E plans to reimburse customers who demonstrate that they replaced their service lines due to failure from Jan. 1, 2011, through the end of this year.

"We're pleased with the settlement. There is a diverse group of interests represented in this case and they worked hard to develop an agreement that balanced the needs of everyone," said Lonnie Bellar, vice president, State Regulations and Rates. "There is always give and take in a settlement process, but in the end we came together to create a viable solution."

Other changes include reducing the late payment charge from 5 percent to 3 percent and extending the due date to 16 business days — at least 22 calendar days before a late payment charge is applied to the bill.

LG&E and KU each agreed to contribute an additional \$187,500 of shareholder funds annually to low-income programs, bringing the total shareholder commitment to \$1 million per year. The current Home Energy Assistance program also will increase from 16 to 25 cents per meter.

LG&E and KU also will propose a new two-year demand-side management program to help Kentucky school districts use energy wisely.

If approved the new rates and all elements of the settlement agreement with the utilities and interested parties would take effect Jan. 1, 2013. The parties to the case are: the Attorney General for the Commonwealth of Kentucky, Kentucky Industrial Utility Customers, Community Action Council, Association of Community Ministries, The Kroger Co., Kentucky School Boards Association, Lexington-Fayette Urban County Government, Hess Corporation, and Stand Energy Corporation.

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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 a total of 1.2 million customers and have consistently ranked among the best companies for customer service in the United States. LG&E serves 321,000 natural gas and 397,000 electric customers in Louisville and 16 surrounding counties. Kentucky Utilities serves 546,000 customers in 77 Kentucky counties and five counties in Virginia. More information is available at www.lge-ku.com and www.pplweb.com.