

EXHIBIT TWO

KENTUCKY UTILITIES COMPANY
(807 KAR 5:001, Section 11, Item 1 (a))

A DESCRIPTION OF APPLICANT'S PROPERTY, INCLUDING A
STATEMENT OF THE NET ORIGINAL COST OF THE PROPERTY
AND THE COST THEREOF TO APPLICANT

December 31, 2013

The applicant's generating, transmission and distribution systems described herein are calculated annually. As of December 31, 2013, the applicant owned 12 and operated 10 coal fired steam electric generating units having a total capacity of 3,273 Mw; a hydroelectric generating station having a total capacity of 24 Mw; and 16 gas/oil peaking units having a total capacity of 1,442 Mw.

The applicant's owned electric transmission system included 137 substations (57 of which are shared with the distribution system) with a total capacity of 14 million kVA and 4,079 pole miles of lines. The electric distribution system included 480 substations (57 of which are shared with the transmission system) with a total capacity of 7 million kVA, 14,116 circuit miles of overhead lines, and 2,288 underground cable miles.

KU's service area includes an additional 11 miles of gas transmission pipeline providing gas supply to natural gas combustion turbine electrical generating units.

Other properties include office buildings, service centers, warehouses, garages and other structures and equipment.

The net original cost of the property and cost thereof to the applicant at December 31, 2013, was:

	<u>Utility Plant</u>
Original Cost	
Production Plant	\$ 4,483,890,139
Distribution Plant	1,535,280,293
Transmission Plant	728,201,202
General Plant	152,500,654
Intangible Plant	70,120,324
Construction Work in Progress	1,138,612,872
Total Plant at Original Cost	<u>\$ 8,108,605,484</u>
Less Reserve for Depreciation	<u>2,259,318,820</u> *
Net Original Cost	<u><u>\$ 5,849,286,664</u></u>

* Excludes \$388,774,663 related to cost of removal reserves that is not included in the reserve in the Financial Statements and Additional Information, but instead is included as a regulatory liability.