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April 20, 2015

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

RE: <u>Application of Kentucky Utilities Company for an Adjustment of Its Electric Rates</u>
Case No. 2014-00371

Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Rates

Case No. 2014-00372

Dear Mr. DeRouen:

Enclosed please find Kentucky Utilities Company's and Louisville Gas and Electric Company's (collectively, the "Companies") Joint Motion and Settlement Testimony of Kent W. Blake in the above-referenced cases. Mr. Blake's testimony includes as Exhibit KWB-1 the Settlement Agreement, Stipulation and Recommendation ("Settlement Agreement") reached by the parties to these proceedings. The Settlement Agreement is a unanimous agreement of all the parties to these proceedings who participated in the negotiations; however, the Kentucky Industrial Utility Customers, Inc. will separately file its signature page. Also, as the Lexington-Fayette Urban County Government ("LFUCG") has noted on its signature page, its joining in the Settlement Agreement is subject to ratification by the Urban County Council; ratification is expected when the council next meets on April 30, 2015. The Department of Defense and All Other Federal Executive Agencies ("DoD") was granted intervention in Case No. 2014-00372 but has not participated since then. The Companies' counsel has contacted counsel for DoD and requested DoD to file a statement of position with the Commission by 10:00 am tomorrow, April 21, 2015.

I certify that the Companies' April 20, 2015 electronic filing of the Joint Motion, Settlement Agreement and Settlement Testimony is a true and accurate copy of the same documents being filed in paper medium; that the electronic filing has been transmitted to the Commission on April 20, 2015; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original, in paper

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medium, of the Joint Motion, Settlement Agreement and Settlement Testimony are being hand-delivered to the Commission on April 20, 2015.

Yours very truly,

Kendrick R. Riggs

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Enclosures as mentioned