



**PPL companies**

Kent A. Chandler  
Acting Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40601

**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  
Strategy/Policy  
T 502-627-3780  
rick.lovekamp@lge-ku.com

October 26, 2020

**RE: Electronic Joint Application of PPL Corporation, PPL Subsidiary Holdings, LLC, PPL Energy Holdings, LLC, LG&E AND KU Energy LLC, Louisville Gas and Electric Company and Kentucky Utilities Company for Approval of an Indirect Change of Control of Louisville Gas and Electric Company and Kentucky Utilities Company  
Case No. 2017-00415**

Dear Mr. Chandler:

Following our last update on November 4, 2019, Louisville Gas and Electric Company and Kentucky Utilities Company are writing to providing a status update on the planned PPL Corporation corporate reorganization.

As you may recall, in the fourth quarter of 2017, PPL Corporation submitted requests to the Kentucky, Virginia and Pennsylvania state utility regulators, as well as the Federal Energy Regulatory Commission and the Federal Communications Commission seeking approval for a proposed corporate reorganization. The proposed reorganization included the formation of two Delaware holding companies. The first, PPL Subsidiary Holdings LLC (“Subsidiary Holdings”) was to be, and currently is, owned directly by PPL Corporation. The second, PPL Energy Holdings LLC (“Energy Holdings”), was to be, and currently is, owned by Subsidiary Holdings. Both of these subsidiaries were formed in October 2017.

Under the proposed reorganization, the shares or membership interests in each of PPL Electric Utilities Corporation (“PPL EU”), LG&E and KU Energy LLC

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(“LKE”) and PPL Energy Funding Corporation (“EF”) (the “Operating Groups”) would be contributed first to Subsidiary Holdings and then to Energy Holdings.

By the early part of 2018, with one exception, all requested regulatory approvals had been obtained or confirmed that such approval was not required. On April 25, 2019, the Pennsylvania Public Utility Commission (“PUC”), in a three-to-two vote, denied the requested approval. PPL EU appealed the decision to the Pennsylvania Commonwealth Court. A hearing was held before the Commonwealth Court on May 13, 2020, but the PUC decision remains on appeal.

Due to the delay associated with PPL EU’s appeal, PPL Corporation now plans to proceed with the proposed corporate reorganization without PPL EU at this time. Accordingly, PPL Corporation plans to implement the proposed restructuring on January 1, 2021.

Should you have any questions or issues with the planned execution of the corporate reorganization as described in this letter, please do not hesitate to contact me.

Sincerely,



Rick E. Lovekamp

cc: John G. Horne, II, Michael West, Larry W. Cook, Office of the  
Kentucky Attorney General  
Michael L. Kurtz, Boehm Kurtz & Lowry  
Kendrick R. Riggs, Stoll Keenon Ogden PLLC  
Allyson K. Sturgeon, Managing Senior Counsel Regulatory and  
Transactions, LG&E and KU Services