



Gwen R. Pinson  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40601

**Kentucky Utilities Company**  
State Regulation and Rates  
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October 5, 2018

**RE: *Electronic Application of Kentucky Utilities Company for (1) an Order Authorizing the Issuance of Securities and the Assumption of Obligations and (2) an Order Amending and Extending Existing Authority with Respect to Revolving Letter of Credit***  
**Case No. 2018-00153**

Dear Ms. Pinson:

Pursuant to Ordering Paragraph No. 5 of the Commission's Order, dated June 27, 2018, Kentucky Utilities Company ("KU") hereby files information related to an issuance under said Order.

On September 5, 2018, KU completed the refinancing of the Carroll County, Environmental Facilities Revenue Refunding Bonds, 2018 Series A in the amount of \$17,875,000 as contemplated in the above-referenced Case. The refinancing of the bonds was negotiated with US Bancorp ("US Bank") as the underwriter. Provided below is a summary of the terms for the bonds.

	<b>2018 Series A Bond</b>
Principal	\$17,875,000
Bond Proceeds	\$17,875,000
Refinancing Date	September 5, 2018
Interest Rate	3.375%
Maturity Date	February 1, 2026

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The long-term rate mode was selected due to the low interest rates available in the current market for this type of financing. The long-term rate mode is detailed within the enclosed Official Statement (Attachment 1). No hedging agreements were used in this transaction.

Total commission of \$92,667.25 was paid to the underwriters. Other fees and expenses involved in the issuance and distribution (legal, printing, accounting, etc.) are estimated to be \$350,000.

In accordance with 807 KAR 5:001, Section 8, I certify that the electronically filed documents are a true and accurate copy of the same document being delivered in paper medium; that the electronic filing has been transmitted to the Commission on October 5, 2018; that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means; and that the original of this filing in paper medium will be filed with the Commission within two business days from the date of the electronic filing.

Should you have any questions regarding the enclosed, please contact me at your convenience.

Sincerely,



Rick E. Lovekamp