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Linda C. Bridwell, PE
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601-8294

March 31, 2022

RE: Electronic Application of Kentucky Utilities Company for an Adjustment of its Electric Rates

Case No. 2018-00294

Electronic Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates

Case No. 2018-00295

Dear Ms. Bridwell:

Please find enclosed and accept for filing Kentucky Utilities Company's and Louisville Gas and Electric Company's (collectively "the Companies") Merger Study Assessment prepared by PricewaterhouseCoopers Advisory Services LLC ("PwC"). The study provides an independent assessment of a potential legal merger of the two utilities. This report is submitted pursuant to paragraph 7 of the Kentucky Public Service Commission orders entered April 30, 2019 in Case Nos. 2018-00294 and 2018-00295.¹

Following the Commission's Orders issued June 30, 2021 in Case Nos. 2020-00349 and 2020-00350² the Companies issued a request for proposals to six independent consultants to perform a study of the potential legal merger of the two utilities. In October 2021, the Companies received bids from three consultants and subsequently selected PricewaterhouseCoopers Advisory Services LLC as the recommended consultant to perform the study.

¹ *In the Matter of Electronic Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Rates*, Case No. 2018-00295, Order p.34 (April 30, 2019)("As part of its annual report, LG&E shall file updates to its RTO membership study and potential legal merger study."); *In the Matter of Electronic Application of Kentucky Utilities Company for an Adjustment of Its Electric Rates*, Case No. 2018-00294, Order p.31 (April 30, 2019)("As part of its annual report, KU shall file updates to its RTO membership study and potential legal merger study.")

² *In the Matter of Electronic Application of Kentucky Utilities Company for an Adjustment of Its Electric Rates*, Case No. 2020-00349, Order, pp. 58-60 (June 30, 2021); *In the Matter of Electronic Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Rates*, Case No. 2020-00350, Order, pp. 63-64 (June 30, 2021).

Linda C. Bridwell, Executive Director
March 31, 2022

In accordance with 807 KAR 5:001, Section 8 and the Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that the electronic filing has been transmitted to the Commission on March 31, 2022 and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means.

Should you have any questions regarding the enclosed, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Rick E. Lovekamp". The signature is written in a cursive style with a large, stylized initial "R".

Rick E. Lovekamp