



a PPL company

Kent A. Chandler
Executive Director
Kentucky Public Service Commission
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Kentucky Utilities Company
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June 30, 2020

**RE: Application of Kentucky Utilities Company for an Order
Authorizing the Issuance of Securities and the Assumption of
Obligations (Case No. 2019-00242)**

Dear Mr. Chandler:

Pursuant to Ordering Paragraph No. 5 of the Commission’s Order, dated September 11, 2019, Kentucky Utilities Company (“KU”) hereby files information related to an issuance under said Order.

On June 3, 2020, KU issued \$500 million of First Mortgage Bonds in accordance with the aforementioned order. The details of the bond issuances are shown below:

Borrower:	Kentucky Utilities Company
Type of Security:	First Mortgage Bonds
Amount:	\$500,000,000
Issuance Date:	6/3/2020
Maturity Date:	6/1/2050
Interest Rate:	3.300%
Price Paid:	99.509%
Underwriting Fees Paid:	\$4,375,000
Net Proceeds:	\$493,170,000

Including the amortization of the discount, the all-in yield on the 30-year bonds will be 3.326%.

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Other than underwriting fees, \$207,606 of actual issuance expenses have been billed to date. The Company elected to issue bonds with a long tenor due to the very flat yield curve. The 3.326% yield is the lowest 30-year interest rate the Company has achieved since it began issuing public debt again in 2010. The final yield is the lowest rate at which the underwriters were able to sell all of the 30-year bonds. The initial price offered to the market was 0.35% higher, but due to the strong demand the underwriters were able to reduce the rate to the final level.

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 June 30, 2020; that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means; and that the original will be filed with the Commission within 30 days of the lifting of the state of emergency.

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

Sincerely,



Rick E. Lovekamp