

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)
COMPANY FOR AN ORDER AUTHORIZING) CASE NO. 2022-00008
THE ISSUANCE OF INDEBTEDNESS)

VERIFIED APPLICATION

Kentucky Utilities Company (“KU” or “the Company”), hereby requests, pursuant to KRS 278.300 and 807 KAR 5:001, Section 18, that the Commission authorize KU to incur additional debt not to exceed the aggregate amount of \$550,000,000 in the form of First Mortgage Bonds, intermediate term financings, or a combination thereof, during 2022 or 2023. KU also requests a renewal of its authority to maintain a revolving line of credit of up to \$650,000,000 and requests that the Commission renew the authority to allow KU to exercise extensions of its existing or any new multi-year revolving credit line(s) in 2022 and 2023 maturing up to five years from the effective date of the amendment.

In support of this Application, KU states as follows:

1. The Company's full name is Kentucky Utilities Company. The post office address of the Company is One Quality Street, Lexington, Kentucky 40507. KU was incorporated in Kentucky on August 17, 1912, and in Virginia on November 26, 1991 (and effective as of December 1, 1991), and KU attests that it is in good corporate standing in both states. KU can be reached at the email addresses of the counsel listed below.

2. Copies of all orders, pleadings, and other communications related to this proceeding should be directed to:

Daniel K. Arbough
Treasurer
Kentucky Utilities Company

220 West Main Street
Louisville, Kentucky 40202
dan.arbough@lge-ku.com

Robert M. Conroy
Vice President, State Regulation and Rates
Kentucky Utilities Company
220 West Main Street
Louisville, Kentucky 40202
robert.conroy@lge-ku.com

Allyson K. Sturgeon, Vice President and Deputy General Counsel
PPL Services Corporation
Sara Judd, Senior Counsel
LG&E and KU Services Company
220 West Main Street
Louisville, Kentucky 40202
asturgeon@pplweb.com
sara.judd@lge-ku.com

Kendrick R. Riggs
Stoll Keenon Ogden PLLC
500 West Jefferson Street, Suite 2000
Louisville, Kentucky 40202-2828
kendrick.riggs@skofirm.com

3. KU is a utility as defined by KRS 278.010(3)(a) and (b) and provides retail electric service to approximately 538,000 customers in 77 counties in Kentucky. A description of KU's properties is set out in Exhibit 1 to this Application.

FINANCING REQUEST

4. KU requests, pursuant to KRS 278.300, that the Commission authorize it to incur additional First Mortgage Bonds, intermediate term financings, or a combination thereof, in a principal amount not to exceed \$550,000,000 during 2022 or 2023. The intermediate term financings may be made up of one or more series of privately placed or publicly issued, unsecured, intermediate term bonds or notes, including direct bank term loans (collectively, "Intermediate

Term Financings”). As discussed below, the \$550,000,000 is comprised of up to \$250,000,000 of potential refinancing and \$300,000,000 to replace short-term debt.¹

5. KU is also requesting to renew its authority to maintain a revolving line of credit in an amount up to \$650,000,000, and to extend its existing or new revolving line(s) of credit during 2022 and 2023 for up to five years from the date of each amendment date.

6. KU obtains financing through numerous sources of capital, including the forms of debt that are the subject of this Application. KU does not assign specific financing to any particular project or use and does not project-finance capital projects. All components of KU’s capital structure are used to fund capital expenditures. Thus, the uses cited in this Application are general reasons for KU’s need for debt financing, rather than projects to which specific financing will be assigned.

7. The increases to KU’s long-term debt and short-term debt requested in this Application and existing authority for indebtedness as it relates to this Application are summarized in the following table:

¹ *Electronic Application of Kentucky Utilities Company for Issuance of Indebtedness*, Case No. 2020-00109, Order (Ky. PSC June 16, 2020). The Commission authorized an issuance of \$250 million, but the Company did not utilize such authority.

	Amount Authorized/Outstanding	Requested Increase to Amount Authorized	Type of Debt to be Issued	Total Amount
Long-Term Debt	\$250,000,000 ²	\$300,000,000 ³	First Mortgage Bonds or Intermediate Term Financings	\$550,000,000
Short-Term Debt	\$650,000,000 ⁴	None	Revolving Credit Line	\$650,000,000

First Mortgage Bonds/Intermediate Term Financings

8. KU requests, pursuant to KRS 278.300, that the Commission authorize it to incur First Mortgage Bonds, Intermediate Term Financings, or a combination thereof, in a principal amount not to exceed \$550,000,000 during 2022 or 2023. The proceeds of the indebtedness will be used to repay existing short-term debt, to potentially complete an advanced refinancing of an existing First Mortgage Bond Series, in whole or in part, up to \$250,000,000 plus any applicable make-whole costs, and for general corporate purposes. As of January 31, 2022, KU had short-term debt outstanding totaling \$295 million.

9. KU has a \$250,000,000 First Mortgage Bond series that matures on October 1, 2025. Investor demand for bonds issued by utilities whose generation portfolio is primarily coal has significantly declined in recent years. This aversion toward coal exposure has resulted in wider credit spreads and higher interest rates. For example, the difference between KU credit spreads and those for PPL Electric Utilities (a transmission and distribution utility with very similar credit ratings under the same corporate parent) have widened since 2019 by an approximate range of 0.20% - 0.30%. To mitigate the risk of this trend of wider credit spreads and investor demand

² \$250,000,000 of existing First Mortgage Bonds due in 2025.
³ Renewal of authority granted in Case No. 2020-00109 plus an additional \$50,000,000. *Electronic Application of Kentucky Utilities Company for Issuance of Indebtedness*, Case No. 2020-00109, Order (Ky. PSC June 16, 2020).
⁴ *Electronic Application of Kentucky Utilities Company for Issuance of Indebtedness*, Case No. 2020-00109, Order (Ky. PSC June 16, 2020).

impacting the refinancing of the 2025 maturity, the Company may redeem or call the bonds early, in whole or in part. If there is sufficient demand for new First Mortgage Bonds or for Intermediate Term Financings, the Company will issue the call notice(s) to the 2025 bondholders only after sufficient financing is secured. If the demand is not sufficient, the refinancing transaction may not be completed. Based on current market conditions, a 10-year First Mortgage Bond would be priced at approximately 3.30% while a 30-year First Mortgage Bond would be priced at approximately 3.90%.

10. The \$250 million 3.30% First Mortgage Bond series maturing on October 1, 2025 were issued at a price of 99.957%, with associated expense of \$2.0 million. The bonds were used to repay short-term debt, to pay \$250 million 1.65% First Mortgage Bonds (that matured on November 15, 2015), and for other general business purposes. Further information about the First Mortgage Bond series that KU will potentially refinance is included in the financial exhibit, attached as Exhibit 2.

11. In addition to mitigating the risk of the widening credit spreads, redeeming the 2025 bonds early also eliminates the risk of rising interest rates on existing First Mortgage Bond refinancing transactions until the earlier of the maturity date of the new debt or 2040. The most recent Bureau of Labor Statistics report showed the Consumer Price Index had increased by 7.5% since last year⁵ which is the highest inflation rate in the last 40 years. In response, the Federal Reserve stated, “it will soon be appropriate to raise the target range for the federal funds rate.”⁶ Raising short-term interest rates could cause an increase in long-term rates. The First Mortgage

⁵ U.S. Bureau of Labor Statistics, Consumer Price Index, CPI Latest Numbers, available at <https://www.bls.gov/cpi/latest-numbers.htm> (last accessed Feb. 25, 2022).

⁶ Federal Reserve issues FOMC statement, Board of Governors of the Federal Reserve System, Jan. 26, 2022, available at <https://www.federalreserve.gov/newsevents/pressreleases/monetary20220126a.htm>.

Bonds that mature in 2025 are the only First Mortgage Bonds the Company currently has outstanding maturing prior to 2040. Therefore, locking in rates that are historically attractive now mitigates potential increases in interest expense and the Company's cost of service to customers over the next two decades.

12. The Company's Mortgage Indenture (the "Indenture") authorizes it to issue, from time to time, first mortgage bonds of one or more series, with each series having such date, maturity date(s), interest rate(s), and other terms as may be established by a supplemental indenture executed by the Company in connection with such series. All bonds issued under the Indenture are required to be equally and ratably secured by a first mortgage lien, subject to permitted encumbrances and exclusions, on substantially all of the Company's permanently fixed properties in Kentucky. A copy of the form of the Indenture has been previously filed with the Commission in Case No. 2015-00137.⁷

13. If the Company decides to issue First Mortgage Bonds in any amount up to an aggregate principal amount of \$550,000,000 in 2022 or 2023, the First Mortgage Bonds of each series would be issued and secured by the Indenture as to be further supplemented and amended by a supplemental indenture creating the bonds of such series. Such supplemental indenture would set forth the terms and provisions of such series, including without limitation, the maturity date(s), interest rate(s), redemption provisions, and other applicable terms. The price, maturity date(s), interest rate(s), and the redemption provisions, and other terms and provisions of each series of First Mortgage Bonds (including, if all or a portion of the First Mortgage Bonds bear a variable rate of interest, the method for determining the interest rates), would be determined on the basis of negotiations among KU and the underwriters, agents, or other purchasers of such First Mortgage

⁷ *Application of Kentucky Utilities Company for an Order Amending and Extending Existing Authority with Respect to Revolving Line of Credit*, Case No. 2015-00137, filed May 11, 2015.

Bonds. The amount of compensation to be paid to underwriters or agents for their services would not exceed one percent (1%) of the principal amount of the First Mortgage Bonds of the series to be sold. In addition to the compensation paid to underwriters, based upon past experience with similar financings, KU estimates that issuance costs would be approximately \$2 million.

14. To the extent KU can issue First Mortgage Bonds that are the lowest cost source of funds available to the Company, KU will continue to evaluate the availability of this funding source. KU is requesting authority for the Intermediate Term Financings in addition to the First Mortgage Bonds to provide flexibility, and to ensure the Company can timely issue debt while obtaining the most favorable pricing under the existing circumstances. The First Mortgage Bonds must be at least \$300,000,000 to be eligible to be included in the Bloomberg U.S. Aggregate Bond Index which broadens the pool of potential buyers, and results in lower interest rates. The First Mortgage Bond market prefers larger, more liquid, transactions. It may be more advantageous for the Company to issue Intermediate Term Financings in an amount less than \$300,000,000 in the near-term, and combine this amount with future financing needs to ultimately issue a larger First Mortgage Bond in the future.

15. If the Company decides to issue Intermediate Term Financings in any amount up to an aggregate principal amount of \$550,000,000 in 2022 or 2023, the provisions of the bonds, notes, or loans, including interest rate(s), maturity date(s), expenses, and other applicable terms, will be governed by the agreements between KU and the lenders. The commercial terms, excluding pricing, fees or interest rates, for bank term loans are expected to be very similar to the commercial terms for the existing revolving line of credit except that once funds are repaid they may not be re-borrowed. The other forms of Intermediate Term Financings would likely be done using one or more new indentures as a method to establish the terms of the indebtedness.

16. KU requests authority to enter into one or more interest rate hedging agreements (including an interest rate cap, swap, collar, or similar agreement, collectively, the “Hedging Facility”) through an affiliate company, or directly with a bank or financial institution (the “Counterparty”). If KU elects to issue variable rate bonds, the Hedging Facility would be an interest rate agreement designed to allow KU to actively manage and limit its exposure to changes in interest rates. If a fixed rate bond is issued, the Hedging Facility would be designed to lower KU’s exposure to changes in long term rates between the date of the Hedging Facility and the bond issuance date or to lower the volatility in the value of the bond if the Hedging Facility is entered into at the time of issuance or after the bond is issued. KU requests authority to establish regulatory assets or liabilities for accounting purposes for the losses and gains arising from a Hedging Facility and amortize the gains and losses over the remaining life of the new debt.

17. Based on current market conditions, the cost to fix the interest rate of a variable rate bond for three years would be approximately 116 basis points (1.16%). The Hedging Facility could also be used to lock in interest rates in advance of a debt issuance. Thus, KU anticipates that it could enter into one or more of the preceding Hedging Facilities prior to issuance of some or all of the types of debt for which approval is being sought. Based on current market conditions, the Company could lock in 30 year rates for six months for approximately 22 basis points (0.22%) below current levels.

18. The terms of each Hedging Facility will be negotiated by KU with the respective Counterparty and would be subject to market conditions.

Revolving Line of Credit

19. KU was first granted authority to enter into multi-year revolving credit facilities in Case No. 2007-00233 by Orders dated August 2 and 9, 2007.⁸ In that case, the Commission found that granting KU authority to enter into multi-year revolving credit facilities under which KU could incur short-term debt from time to time would reduce the time and cost of negotiating and renewing short-term debt arrangements.⁹

20. By Order dated June 16, 2020, in Case No. 2020-00109, the Commission authorized KU to extend its existing revolving line of credit for up to five years from the effective date of the amendment, as well as increase it from \$500,000,000 by \$150,000,000, bringing the total authority to \$650,000,000.¹⁰ KU requests authority to extend its authority to maintain a revolving line of credit of up to \$650,000,000 for up to five years from the effective date of amendment.

21. The revolving credit facility would be available for the same purposes for which existing credit is currently available. Loan proceeds could be used to provide short-term financing for KU's general corporate funding needs and to provide new or expanded liquidity or credit support for KU's other debt.

22. KU also requests the Commission authorize KU, during 2022 and 2023, to extend the termination date of the existing revolving credit facility or any new credit facility to five years from the date of each amendment. By Order dated June 16, 2020, in Case No. 2020-00109, the Commission authorized KU to extend the term of its existing revolving credit line for a five-year

⁸ *Application of Kentucky Utilities Company for an Order Authorizing the Issuance of Securities and Assumption of Obligations*, Case No. 2007-00233, Order (Ky. PSC Aug. 2 and 9, 2007).

⁹ *Id.* KU's authority related to its revolving credit facility was further extended in numerous cases.

¹⁰ *Electronic Application of Kentucky Utilities Company for Issuance of Indebtedness*, Case No. 2020-00109, Order (Ky. PSC June 16, 2020).

term in 2020 and 2021.¹¹ On December 6, 2021, KU extended the Credit Agreement from January 26, 2024 to December 6, 2026.¹² Extending the current revolving credit facilities will allow KU to continue to obtain favorable short-term debt costs while avoiding higher commitment fees and related transaction costs expected in the future. This would provide KU with flexibility to further optimize its short-term debt for its customers. If the Commission grants the authority, KU will provide notice of each extension to the Commission within thirty days of execution.

23. Under the current agreements, KU must notify the revolving credit service providers of its intent to extend the current lines. As such, KU requests authority to amend its existing Credit Agreement to effectuate the extension, and also requests authority to amend and restate the Credit Agreement, if necessary. Although KU expects that all or most credit service providers will agree to extend the credit facility at the current individual or aggregate participation levels, KU also requests alternatively to enter into separate or individual revolving credit lines to replace any non-extended portion of the credit facility, up to the maximum total aggregate sizes, dates, and terms described further herein.

24. Pursuant to 807 KAR 5:001, Section 18(1)(d) and (e), the extended credit facilities are expected to be on similar terms as KU's existing revolving credit and would be available for the same purposes for which revolving credit is currently available and the purposes described in this Application.

Required Financing Information

25. Exhibit 2 to this Application contains the financial exhibit required by 807 KAR 5:001, Section 18(2)(a), as described by 807 KAR 5:001, Section 12. It also contains information required by 807 KAR 5:001, Section 18(2)(b).

¹¹ *Id.*

¹² See December 13, 2021 filing in Case No. 2020-00109.

26. Copies of KU's mortgages were filed with the Commission in Case No. 2015-00137,¹³ and the most recently executed supplemental indenture is attached as Exhibit 3.

27. No contracts have been made for the disposition of any of the securities which KU proposes to issue, or for the proceeds of such sale.

28. A certified copy of KU's Board of Directors resolution authorizing the financing as discussed in this Application will be filed as soon as it is available.

29. Other requirements of the Commission's regulations regarding this Application, 807 KAR 5:001, Section 18, including (1)(c) regarding the amount and kind of notes, etc., (1)(d) regarding the use to be made of the proceeds, (1)(e) regarding the intended use of the proceeds, and (1)(f) regarding the obligations being refunded have been supplied in the preceding paragraphs of this Application.

WHEREFORE, Kentucky Utilities Company respectfully asks the Commission to enter an order within 60 days as provided in KRS 278.300(2) authorizing KU to do the following:

(1) Incur debt in 2022 or 2023 not to exceed the aggregate amount of \$550,000,000 in the form of First Mortgage Bonds, Intermediate Term Financings, or a combination thereof;

(2) Renew the authority for the Company to maintain a revolving line of credit of up to \$650,000,000;

(3) Exercise extensions of its existing or any new multi-year revolving credit line in 2022 and 2023 to extend the credit facility maturity date to up to five years from the effective date of the amendment; and

(4) Provide notice to the Commission of each extension of the revolving credit facility within 30 days of execution.

¹³ The copy was filed with the Commission on May 11, 2015.

(3) Exercise extensions of its existing or any new multi-year revolving credit line in 2022 and 2023 to extend the credit facility maturity date to up to five years from the effective date of the amendment; and

(4) Provide notice to the Commission of each extension of the revolving credit facility within 30 days of execution.

Dated: March 2, 2022

Respectfully submitted,



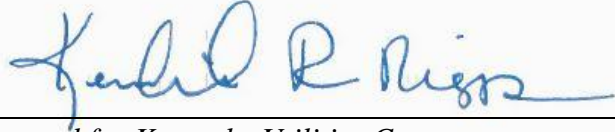
Kendrick R. Riggs
Stoll Keenon Ogden PLLC
500 West Jefferson Street, Suite 2000
Louisville, Kentucky 40202
Telephone: (502) 333-6000
Fax: (502) 627-8722
kendrick.riggs@skofirm.com

Allyson K. Sturgeon
Vice President and Deputy General Counsel
PPL Services Corporation
Sara V. Judd
Senior Counsel
LG&E and KU Services Company
220 West Main Street
Louisville, Kentucky 40202
Telephone: (502) 627-2088
Fax: (502) 217-4995
asturgeon@pplweb.com
sara.judd@lge-ku.com

Counsel for Kentucky Utilities Company

CERTIFICATE OF COMPLIANCE

In accordance with the Commission's Order of July 22, 2021 in Case No. 2020-00085 (Electronic Emergency Docket Related to the Novel Coronavirus COVID-19), this is to certify that the electronic filing has been transmitted to the Commission on March 2, 2022; and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means.

A handwritten signature in blue ink, reading "Gerald R. Nicks", is written over a light gray rectangular background.

Counsel for Kentucky Utilities Company

VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Daniel K. Arbough**, being duly sworn, deposes and says that he is the Treasurer for Louisville Gas and Electric Company and Kentucky Utilities Company and an employee of LG&E and KU Services Company, that he has personal knowledge of the matters set forth in the foregoing Verified Application and that the material contained therein is true and correct to the best of his information, knowledge, and belief.



Daniel K. Arbough

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 2nd day of March, 2022.



Notary Public (SEAL)

Notary Public, ID No. 614103

CAROLINE J. DAVISON
Notary Public, State at Large, KY
My commission expires Jan. 22, 2023
Notary ID# 614103

My Commission Expires: January 22, 2023

**KENTUCKY UTILITIES
COMPANY (807 KAR
5:001, SEC. 18(1)(b))**

**A DESCRIPTION OF APPLICANT'S PROPERTY,
INCLUDING A STATEMENT OF THE NET ORIGINAL
COST OF THE PROPERTY AND THE COST THEREOF
TO APPLICANT**

March 2, 2022

The applicant's generating, transmission and distribution systems described herein are calculated annually. As of December 31, 2021, the applicant had ownership in 6 and operated 5 coal fired steam electric generating units having a total capacity of 2,776 Mw; owned and operated a hydroelectric generating station having a total capacity of 32 Mw; had ownership in and operated a solar powered generating station having a total capacity of 5 Mw; and had ownership in 17 and operated 7 gas/oil fired units having a total capacity of 1,962 Mw.

The applicant's owned electric transmission system included 211 substations (130 of which are shared with the distribution system) with a total capacity of 15 million kVA and 4,056 pole miles of lines. The electric distribution system included 460 substations (130 of which are shared with the transmission system) with a total capacity of 8 million kVA, 14,046 circuit miles of overhead lines, and 2,699 underground cable miles.

KU's service area includes an additional 12 miles of gas transmission pipeline providing gas supply to natural gas combustion turbine electricity generating units.

Other properties include office buildings, service centers, warehouses, garages and other structures and equipment.

The net original cost of the property and cost thereof to the applicant at December 31, 2021:

	Utility Plant
Original Cost	
Production Plant	\$ 6,702,057,826
Distribution Plant	2,273,677,445
Transmission Plant	1,409,564,806
General Plant	257,108,426
Intangible Plant	104,952,573
Construction Work in Progress (107001)	378,405,390
Construction Work in Progress (107006)	941,762
Total Plant at Original Cost	\$ 11,126,708,227
 Less Reserve for Depreciation	 3,456,718,938
 Net Original Cost	 \$ 7,669,989,290

* Excludes \$390,450,127 related to cost of removal reserves that is not included in the reserve in the Financial Statements and Additional Information, but instead is included as a regulatory liability

KENTUCKY UTILITIES COMPANY
FINANCIAL EXHIBIT
(807 KAR 5:001 SEC. 18(2)(a) and SEC. 12)

March 2, 2022

(1) Amount and kinds of stock authorized.

80,000,000 shares of Common Stock, without par value
5,300,000 shares of Cumulative Preferred Stock, without par value -- authorized, but unissued
2,000,000 shares of Preferred Stock, without par value -- authorized, but unissued

(2) Amount and kinds of stock issued and outstanding.

Common Stock:

37,817,878 shares issued and outstanding, without par value, recorded at \$307,818,689.

(3) Terms of preference of preferred stock whether cumulative or participating, or on dividends or assets otherwise.

None

(4) Brief description of each mortgage on property of applicant, giving date of execution name of mortgagor, name of mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of the indebtedness actually secured, together with any sinking fund provisions.

Date of Execution: As of October 1, 2010 (Supplemental Indentures were executed on October 15, 2010, November 1, 2010, November 1, 2013, September 1, 2015, August 1, 2016, March 1, 2019 and May 15, 2020.) Mortgagor: Kentucky Utilities Company

Trustee: The Bank of New York Mellon

Amount of Authorized Debt: One quintillion dollars

Amount of Debt Secured: \$2,641,852,405

Sinking Fund Provisions: None

Pledged Assets: Substantially all real and tangible personal property of Kentucky Utilities located in Kentucky

(5) Amount of bonds authorized, and amount issued giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together with the amount of interest paid thereon during the last fiscal year.

Secured by first mortgage lien on substantially all real and tangible personal property in Kentucky.

Kentucky Utilities Company

Date of Issue	Date of Maturity	Rate of Interest	Principal Amount		Interest Expense Year Ended December 31, 2021
			Authorized	Outstanding at December 31, 2021	
Pollution Control Bonds					
05/19/00	05/01/23	1.300%	\$ 12,900,000	\$ 12,900,000	\$ 167,700
05/23/02	02/01/32	Variable	20,930,000	20,930,000	29,221
05/23/02	02/01/32	Variable	2,400,000	2,400,000	3,358
05/23/02	02/01/32	Variable	7,400,000	7,400,000	10,382
05/23/02	02/01/32	Variable	7,200,000	2,400,000	3,358
08/25/16	09/01/42	1.550%	96,000,000	96,000,000	1,488,000
10/20/04	10/01/34	1.750%	50,000,000	50,000,000	875,000
02/23/07	10/01/34	2.125%	54,000,000	54,000,000	939,375
09/05/18	02/01/26	3.375%	17,875,000	17,875,000	603,281
10/17/08	02/01/32	2.000%	77,947,405	77,947,405	1,299,123
			<u>\$ 346,652,405</u>	<u>\$ 341,852,405</u>	<u>\$ 5,418,799</u>
First Mortgage Bonds					
09/28/15	10/01/25	3.300%	\$ 250,000,000	\$ 250,000,000	9,655,380
11/16/10	11/01/40	5.125%	750,000,000	750,000,000	38,437,500
11/14/13	11/15/43	4.650%	250,000,000	250,000,000	10,191,296
09/28/15	10/01/45	4.375%	550,000,000	550,000,000	25,048,556
06/03/20	06/01/50	3.300%	500,000,000	500,000,000	16,500,000
			<u>\$ 2,300,000,000</u>	<u>\$ 2,300,000,000</u>	<u>\$ 99,832,732</u>

- (6) As of December 31, 2021, there was no commercial paper outstanding.
- (7) Other indebtedness, giving same by classes and describing security, if any with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.

As of December 31, 2021, KU had \$294 million of money pool borrowing outstanding at a rate of 0.33%¹.

- (8) Rate and amount of dividends paid during the five previous fiscal years, and amount of capital stock on which dividends were paid.

Dividends on Common Stock, without par value (not based on rate per share)

2017	\$226,000,000
2018	\$246,000,000
2019	\$229,000,000
2020	\$200,000,000
2021	\$250,000,000

The amount of total proprietary capital on which dividends were paid as of Dec. 31st

2017	\$2,749,496,925
2018	\$2,835,126,676
2019	\$2,967,162,173
2020	\$3,174,746,478
2021	\$3,320,951,103

- (9) Detailed Income Statement, Balance Sheet and Statement of Retained Earnings

Monthly Financial and Operating Reports are filed each month with the Kentucky Public Service Commission. Attached are detailed Statements of Income, Balance Sheets and Retained Earnings for the Company for the period ending December 31, 2021.

¹ KU maintains a syndicated revolving credit facility of \$400 million. Although at December 31st there was no outstanding balance on the revolver, KU has executed notes under the multiyear revolving credit program.

Kentucky Utilities Company
Comparative Statement of Income
December 31, 2021

	Year Ended December 31, 2021
Electric Operating Revenues.....	\$ 1,826,528,118.66
Total Operating Revenues.....	1,826,528,118.66
Fuel for Electric Generation.....	447,285,550.83
Power Purchased.....	40,034,915.32
Other Operation Expenses.....	294,124,824.30
Maintenance.....	151,248,614.64
Depreciation.....	332,914,579.03
Amortization Expense.....	19,154,756.89
Regulatory Debits.....	14,413,459.56
Regulatory Credits.....	(12,866.58)
Taxes	
Federal Income.....	58,971,076.89
State Income.....	8,254,264.54
Deferred Federal Income - Net.....	(4,624,722.66)
Deferred State Income - Net.....	7,198,679.88
Property and Other.....	51,867,515.92
Investment Tax Credit.....	187,250.00
Loss (Gain) from Disposition of Utility Plant.....	(173,263.68)
Loss (Gain) from Disposition of Allowances.....	(25.43)
Total Operating Expenses.....	1,420,844,609.45
Net Operating Income.....	405,683,509.21
Other Income Less Deductions	
Amortization of Investment Tax Credit.....	1,901,281.30
Other Income Less Deductions.....	(2,640,247.25)
AFUDC - Equity.....	109,546.03
Total Other Income Less Deductions.....	(629,419.92)
Income Before Interest Charges.....	405,054,089.29
Interest on Long-Term Debt.....	105,251,530.47
Amortization of Debt Expense - Net.....	2,723,147.44
Other Interest Expenses.....	915,343.30
AFUDC - Borrowed Funds.....	(40,556.22)
Total Interest Charges.....	108,849,464.99
Net Income.....	\$ 296,204,624.30

Kentucky Utilities Company
Balance Sheets as of December 31, 2021

Assets		Liabilities and Proprietary Capital	
Utility Plant		Proprietary Capital	
Utility Plant at Original Cost.....	\$ 11,150,769,935.61	Common Stock.....	\$ 308,139,977.56
Less: Reserves for Depreciation and Amortization.....	<u>3,846,906,913.80</u>	Less: Common Stock Expense.....	321,288.87
Total.....	<u>7,303,863,021.81</u>	Paid-In Capital.....	924,358,083.00
		Other Comprehensive Income.....	0.01
		Retained Earnings.....	<u>2,088,774,331.04</u>
		Total Proprietary Capital.....	<u>3,320,951,102.74</u>
Investments		Other Long-Term Debt	
Ohio Valley Electric Company.....	250,000.00	Other Long-Term Debt.....	<u>2,637,854,794.23</u>
Nonutility Property-Less Reserve.....	177,752.39	Total Long-Term Debt.....	<u>2,637,854,794.23</u>
Special Fund.....	<u>74,517,080.00</u>	Total Capitalization.....	<u>5,958,805,896.97</u>
Total.....	<u>74,944,832.39</u>	Current and Accrued Liabilities	
Current and Accrued Assets		ST Notes Payable to Associated Companies.....	
Cash.....	13,441,832.77	Notes Payable.....	-
Temporary Cash Investments.....	-	Accounts Payable.....	116,597,155.00
Accounts Receivable-Less Reserve.....	245,116,347.62	Accounts Payable to Associated Companies.....	63,606,794.14
Accounts Receivable from Associated Companies.....	1,494,190.70	Customer Deposits.....	32,435,101.55
Notes Receivable.....	1,188,579.00	Taxes Accrued.....	18,917,973.84
Materials and Supplies-At Average Cost		Interest Accrued.....	18,362,945.79
Fuel.....	58,422,189.09	Miscellaneous Current and Accrued Liabilities.....	<u>36,255,402.00</u>
Plant Materials and Operating Supplies.....	61,936,067.13	Total.....	<u>580,193,776.63</u>
Stores Expense.....	1,197,493.58	Deferred Credits and Other	
Emission Allowances.....	121,410.26	Accumulated Deferred Income Taxes.....	1,122,992,385.02
Prepayments.....	<u>21,559,067.30</u>	Investment Tax Credit.....	86,720,648.07
Total.....	<u>404,477,177.45</u>	Regulatory Liabilities.....	683,532,396.30
Deferred Debits and Other		Customer Advances for Construction.....	2,878,042.93
Unamortized Debt Expense.....	21,328,732.68	Asset Retirement Obligations.....	104,775,932.05
Unamortized Loss on Bonds.....	8,007,864.04	Other Deferred Credits.....	3,863,169.31
Accumulated Deferred Income Taxes.....	257,667,175.85	Miscellaneous Long-Term Liabilities.....	20,437,374.81
Deferred Regulatory Assets.....	456,884,036.23	Accum Provision for Pension & Postretirement Benefits.....	<u>9,171,970.90</u>
Other Deferred Debits.....	<u>46,198,752.54</u>	Total.....	<u>2,034,371,919.39</u>
Total.....	<u>790,086,561.34</u>	Total Liabilities and Stockholders Equity.....	
Total Assets	<u>\$ 8,573,371,592.99</u>	<u>\$ 8,573,371,592.99</u>	

Kentucky Utilities Company
Analysis of Retained Earnings
December 31, 2021

Retained Earnings and Undistributed Earnings	Year Ended December 31, 2021
Balance at Beginning of Period.....	\$ 2,042,569,706.74
Add:	
Net Income for Period.....	296,204,624.30
Deduct:	
Common Dividends	
Common Stock Without Par Value.....	250,000,000.00
Adjust for Equity in Subsidiary	
Earnings for Year	
EEI Inc.....	-
Balance at End of Period.....	<u>\$ 2,088,774,331.04</u>

KENTUCKY UTILITIES COMPANY

TO

THE BANK OF NEW YORK MELLON,

Trustee

**Supplemental Indenture No. 8
dated as of May 15, 2020**

**Supplemental to the Indenture
dated as of October 1, 2010**

Establishing

First Mortgage Bonds, 3.300% Series due 2050

SUPPLEMENTAL INDENTURE NO. 8

SUPPLEMENTAL INDENTURE No. 8, dated as of the 15th day of May, 2020, made and entered into by and between KENTUCKY UTILITIES COMPANY, a corporation duly organized and existing under the laws of the Commonwealths of Kentucky and Virginia, having its principal corporate offices at One Quality Street, Lexington, Kentucky 40507 (hereinafter sometimes called the "Company"), and THE BANK OF NEW YORK MELLON, a New York banking corporation, having its principal place of business and corporate trust office at 240 Greenwich Street, 7E, New York, New York 10286 (hereinafter sometimes called the "Trustee"), as Trustee under the Indenture, dated as of October 1, 2010 (hereinafter called the "Original Indenture"), between the Company and said Trustee, as heretofore supplemented, this Supplemental Indenture No. 8 being supplemental thereto. The Original Indenture, as heretofore supplemented, and this Supplemental Indenture No. 8 are hereinafter sometimes, collectively, called the "Indenture."

Recitals of the Company

The Original Indenture was authorized, executed and delivered by the Company to provide for the issuance from time to time of its Securities (such term and all other capitalized terms used herein without definition having the meanings assigned to them in the Original Indenture), to be issued in one or more series as contemplated therein, and to provide security for the payment of the principal of and premium, if any, and interest, if any, on such Securities.

The Company has heretofore executed and delivered supplemental indentures for the purpose of creating series of Securities as set forth in Exhibit A hereto.

The Original Indenture and Supplemental Indentures Nos. 1 through 5, and financing statements in respect thereof, have been duly recorded and filed in the various official records in the Commonwealth of Kentucky as set forth in Supplemental Indenture No. 6. Supplemental Indenture No. 6 has been duly recorded and filed in the various official records in the Commonwealth of Kentucky as set forth in Supplemental Indenture No. 7.

Supplemental Indenture No. 7 has been duly recorded and filed in the various official records in the Commonwealth of Kentucky as set forth in Exhibit B hereto.

Pursuant to Article Three of the Original Indenture, the Company wishes to establish a series of Securities, such series of Securities hereinafter sometimes called the "Securities of Series No. 10".

As contemplated in Section 301 of the Original Indenture, the Company further wishes to establish the designation and certain terms of the Securities of Series No. 10. The Company has duly authorized the execution and delivery of this Supplemental Indenture No. 8 to establish the designation and certain terms of the Securities of such series, and has duly authorized the issuance of such Securities; and all acts necessary to make this Supplemental Indenture No. 8 a valid agreement of the Company, and to make the Securities of Series No. 10 valid obligations of the Company, have been performed.

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE NO. 8 WITNESSETH, that, for and in consideration of the premises and of the purchase of the Securities by the Holders thereof and in order to secure the payment of the principal of and premium, if any, and interest, if any, on all Securities from time to time Outstanding and the performance of the covenants therein and in the Indenture contained, the Company hereby grants, bargains, sells, conveys, assigns, transfers, mortgages, pledges, sets over and

confirms to the Trustee, and grants to the Trustee a security interest in and lien on, the Company's right, title and interest in (a) the real property specifically referred to in Exhibit C attached hereto and incorporated herein by reference and all right, title and interest of the Company in and to all property personal and mixed located thereon (other than Excepted Property) and (b) the generating stations described in Exhibit D hereto, as and to the extent, and subject to the terms and conditions, set forth in the Original Indenture; and it is further mutually covenanted and agreed as follows:

ARTICLE ONE

SECURITIES OF SERIES NO. 10

SECTION 101. Creation of Securities of Series No. 10.

There is hereby created a series of Securities designated "First Mortgage Bonds, 3.300% Series due 2050," and the Securities of such series shall:

(a) be issued initially in the aggregate principal amount of \$500,000,000 and shall be limited in aggregate principal amount to \$500,000,000 (except as contemplated in Section 301(b) of the Original Indenture); provided, however, that, as contemplated in the last paragraph of Section 301 of the Original Indenture, additional Securities of such series may be subsequently issued from time to time, without any consent of Holders of the Securities of such series, if and to the extent that, prior to each such subsequent issuance, the aggregate principal amount of the additional Securities then to be issued shall have been set forth in a Supplemental Indenture, and, thereupon, the Securities of such series shall be limited to such aggregate principal amount as so increased (except as aforesaid and subject to further such increases);

(b) be dated June 3, 2020;

(c) have a Stated Maturity of June 1, 2050, subject to prior redemption or purchase by the Company;

(d) have such additional terms as are established in an Officer's Certificate as contemplated in Section 301 of the Original Indenture; and

(e) be in substantially the form or forms established therefor in an Officer's Certificate as contemplated by Section 201 of the Original Indenture.

ARTICLE TWO

COVENANT

SECTION 201. Satisfaction and Discharge.

The Company hereby agrees that, if the Company shall make any deposit of money and/or Eligible Obligations with respect to any Securities of Series No. 10, or any portion of the principal amount thereof, as contemplated by Section 901 of the Indenture, the Company shall not deliver an Officer's Certificate described in clause (z) in the first paragraph of said Section 901 unless the Company shall also deliver to the Trustee, together with such Officer's Certificate, either:

(a) an instrument wherein the Company, notwithstanding the satisfaction and discharge of its indebtedness in respect of such Securities, or portions of the principal amount

thereof, shall retain the obligation (which shall be absolute and unconditional) to irrevocably deposit with the Trustee or Paying Agent such additional sums of money, if any, or additional Eligible Obligations (meeting the requirements of Section 901), if any, or any combination thereof, at such time or times, as shall be necessary, together with the money and/or Eligible Obligations theretofore so deposited, to pay when due the principal of and premium, if any, and interest due and to become due on such Securities or portions thereof, all in accordance with and subject to the provisions of said Section 901; provided, however, that such instrument may state that the obligation of the Company to make additional deposits as aforesaid shall be subject to the delivery to the Company by the Trustee of a notice asserting the deficiency accompanied by an opinion of an independent public accountant of nationally recognized standing, selected by the Trustee, showing the calculation thereof (which opinion shall be obtained at the expense of the Company); or

(b) an Opinion of Counsel to the effect that the beneficial owners of such Securities, or portions of the principal amount thereof, will not recognize income, gain or loss for United States federal income tax purposes as a result of the satisfaction and discharge of the Company's indebtedness in respect thereof and will be subject to United States federal income tax on the same amounts, at the same times and in the same manner as if such satisfaction and discharge had not been effected.

ARTICLE THREE

MISCELLANEOUS PROVISIONS

SECTION 301. Single Instrument.

This Supplemental Indenture No. 8 is an amendment and supplement to the Original Indenture as heretofore amended and supplemented. As amended and supplemented by this Supplemental Indenture No. 8, the Original Indenture, as heretofore supplemented, is in all respects ratified, approved and confirmed, and the Original Indenture, as heretofore supplemented, and this Supplemental Indenture No. 8 shall together constitute the Indenture.

SECTION 302. Effect of Headings.

The Article and Section headings in this Supplemental Indenture No. 8 are for convenience only and shall not affect the construction hereof.

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

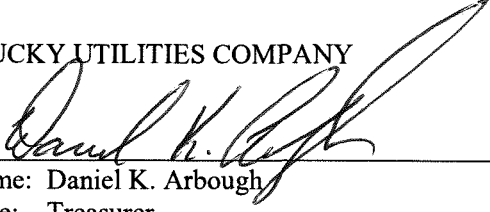
Exhibit 3 - Supplemental Indenture No. 8

Page 5 of 18

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture No. 8 to be duly executed as of the day and year first written above.

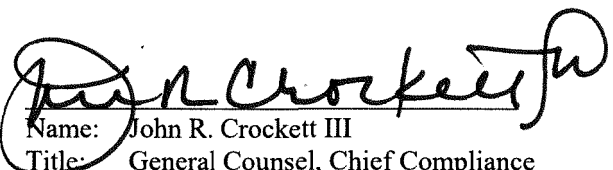
KENTUCKY UTILITIES COMPANY

By: _____


Name: Daniel K. Arbough

Title: Treasurer

ATTEST:

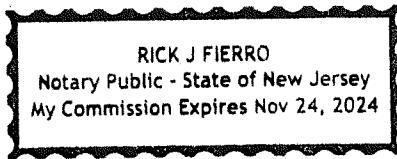

Name: John R. Crockett III
Title: General Counsel, Chief Compliance
Officer and Corporate Secretary

STATE OF NEW JERSEY)
) ss.:
COUNTY OF PASSAIC)

On this 19 day of May, 2020, before me, a notary public, the undersigned, personally appeared David O'Brien, who acknowledged himself to be a Vice President of THE BANK OF NEW YORK MELLON, a corporation and that he, as Vice President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Vice President.

In witness whereof, I hereunto set my hand and official seal.

By: 




Rick Fierro
Notary Public State of New Jersey
Qualified in Passaic NJ
Commission ID# 2322088
My Commission Expires:
11/24/2024

The Bank of New York Mellon hereby certifies that its precise name and address as Trustee hereunder are:

The Bank of New York Mellon
240 Greenwich Street, 7E
New York, New York 10286
Attn: Corporate Trust Administration

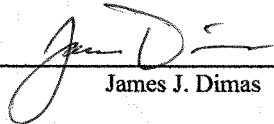
THE BANK OF NEW YORK MELLON, as Trustee

By: 
Name: David O'Brien
Title: Vice President

CERTIFICATE OF PREPARER

The foregoing instrument was prepared by:

James J. Dimas, Senior Corporate Attorney
Kentucky Utilities Company
220 West Main Street
Louisville, Kentucky 40202



James J. Dimas

KENTUCKY UTILITIES COMPANY

Bonds Issued and Outstanding
under the Indenture

<u>Supplemental Indenture No.</u>	<u>Dated as of</u>	<u>Series No.</u>	<u>Series Designation</u>	<u>Date of Securities</u>	<u>Principal Amount Issued</u>	<u>Principal Amount Outstanding¹</u>
1	October 15, 2010	1	Collateral Series 2010	October 28, 2010	\$350,779,405	\$227,977,405
2	November 1, 2010	2	1.625% Series due 2015	November 16, 2010	\$250,000,000	\$0
		3	3.250% Series due 2020	November 16, 2010	\$500,000,000	\$500,000,000
		4	5.125% Series due 2040	November 16, 2010	\$750,000,000	\$750,000,000
3	November 1, 2013	5	4.65% Series due 2043	November 14, 2013	\$250,000,000	\$250,000,000
4	September 1, 2015	6	3.30% Series due 2025	September 28, 2015	\$250,000,000	\$250,000,000
		7	4.375% Series due 2045	September 28, 2015	\$250,000,000	²
5	August 1, 2016	8	Collateral Series 2016CCA	August 25, 2016	\$96,000,000	\$96,000,000
6	August 1, 2018	9	Collateral Series 2018CCA	September 5, 2018	\$17,875,000	\$17,875,000
7	March 1, 2019	7 ²	4.375% Series due 2045	September 28, 2015	\$300,000,000	\$550,000,000 ²

¹ As of May 15, 2020.² Supplemental Indenture No. 7 established additional securities of Series No. 7. Outstanding amount reflects securities of Series No. 7 issued pursuant to Supplemental Indenture No. 4 and Supplemental Indenture No. 7.

KENTUCKY UTILITIES COMPANY

Filing and Recording
of
Supplemental Indenture No. 7, dated as of March 1, 2019,
to
Indenture, dated as of October 1, 2010

COUNTY NAME	BOOK & PAGE NUMBER
Adair	MB 368, Pg 62
Anderson	MB 613, Pg 453
Ballard	MB 99, Pg 190
Barren	MB 631, Pg 308
Bath	MB 243, Pg 596
Bell	MB 355, Pg 689
Bourbon	MB 638, Pg 124
Boyle	MB 739, Pg 672
Bracken	MB 304, Pg 596
Bullitt	MB 1822, Pg 274
Caldwell	MB 343, Pg 548
Carroll	MB 248, Pg 662
Casey	MB 263, Pg 544
Christian	MB 1546, Pg 557
Clark	MB 894, Pg 647
Clay	MB 229, Pg 56
Crittenden	MB 230, Pg 35
Estill	MB Z10, Pg 375
Fayette	MB 9282, Pg 104
Fleming	MB 359, Pg 574
Franklin	MB 1483, Pg 615
Fulton	MB 189, Pg 578
Gallatin	MB 239, Pg 91
Garrard	MB 377, Pg 403
Grayson	MB 24-D, Pg 63
Green	MB 323, Pg 188
Hardin	MB 1470, Pg 370
Harlan	MB 462, Pg 662
Harrison	MB 420, Pg 577
Hart	MB 408, Pg 495
Henry	MB 364, Pg 47
Hickman	DB 139, Pg 735

Exhibit 3 - Supplemental Indenture No. 8

Hopkins	MB 1237, Pg 497
Jessamine	MB 1358, Pg 266
Knox	MB 460, Pg 299
Larue	MB 379, Pg 336
Laurel	MB 1197, Pg 28
Lee	MB 120, Pg 362
Lincoln	MB 465, Pg 495
Livingston	MB 316, Pg 710
Lyon	MB 252, Pg 637
Madison	MB 1853, Pg 241
Marion	MB 429, Pg 730
Mason	MB 457, Pg 645
McCracken	MB 1592, Pg 35
McLean	MB 207, Pg 82
Mercer	MB 677, Pg 447
Montgomery	MB 566, Pg 514
Muhlenberg	MB 707, Pg 753
Nelson	MB 1201, Pg 110
Nicholas	MB 168, Pg 175
Ohio	MB 557, Pg 498
Oldham	MB 2340, Pg 711
Owen	MB 282, Pg 454
Pendleton	DB 352, Pg 293
Pulaski	MB 1600, Pg 227
Robertson	MB 69, Pg 273
Rockcastle	MB 292, Page 439
Rowan	BK A403, Pg. 585
Russell	MB 413, Pg 227
Scott	MB 1433, Pg 1
Shelby	MB 1108, Pg 657
Taylor	MB 593, Pg 365
Trimble	MB 225, Pg 343
Union	DB 441, Pg 429
Washington	MB 292, Pg 864
Webster	MB 347, Pg 43
Whitley	MB 639, Pg 567
Woodford	MB 834, Pg 382

KENTUCKY UTILITIES COMPANY

Real Property

Schedule of real property owned in fee located in the Commonwealth of Kentucky

Bell County, Kentucky:

Being Tract A as shown on the Plat attached to the Deed of record in Deed Book 385, Page 781, in the Office of the Clerk of Bell County, Kentucky, and being more particularly described as follows:

BEGINNING at a ½" iron pin found, said iron pin being at the intersection of right-of-ways of Chester Ave. (80' right-of-way and being 40' from the centerline of Chester Ave.) and 39th Street (60' right-of-way, no roadway constructed in this area), being the southwest most corner of the property being surveyed, having Kentucky State Plane Coordinate System – South Zone Coordinates of N=1745102.67, E=2229301.21 and being the Point of Beginning for this description;

Thence continuing along the eastern edge of 39th Street right-of-way N06°43'46"W – 176.84 feet a 5/8" iron pin found in concrete, said iron pin being on the eastern edge of 39th Street right-of-way, the northwest most corner of the property being surveyed and the southwest most property corner of Kentucky Utilities (D.B. 181, Pg. 651);

Thence leaving the eastern edge of 39th Street right-of-way and continuing with the property of Kentucky Utilities (D.B. 181, Pg. 651) N83°15'04"E – 99.92 feet a 5/8" iron pin found in concrete, said iron pin being the northeast most corner of the property being surveyed, the southeast most property corner of Kentucky Utilities (D.B. 181, Pg. 651) and the southwest most corner of Scott Branscome ET AL (D.B. 291, Pg. 663);

Thence leaving the property of Kentucky Utilities (D.B. 181, Pg. 651) and Scott Branscome ET AL (D.B. 291, Pg. 663) and severing the parent tract S05°56'58"E – 176.83 feet an iron pin set, said iron pin being 18" x 5/8" rebar with a 2" aluminum cap bearing PLS # 4048 and being on the northern edge of right-of-way of Chester Ave., 40' from the centerline of Chester Ave, and the southeast most corner of the property being surveyed;

Thence continuing along the northern edge of Chester Ave. right-of-way S83°13'56"W – 97.52' to the Point of Beginning and containing 0.401 acres by survey.

This description prepared from a physical survey conducted by John Henry Russell, AGE Engineering Services, Inc., Kentucky P.L.S. #4048, dated the 19th day of November, 2019.

Being the same Property acquired by Kentucky Utilities Company by Deed dated December 20, 2019, and of record in Deed Book 385, Page 781, in the Office of the Clerk of Bell County, Kentucky.

Carroll County, Kentucky:

Exhibit 3 - Supplemental Indenture No. 8

Page 14 of 18

Being all of Tract 2, as shown on Boundary Survey Plat dated March 27, 2020, attached to the Deed of record in Deed Book 215, Page 369 in the Office of the Clerk of Carroll County, Kentucky, consisting of 5.193 acres, and more particularly described as follows:

COMMENCING at a Rebar found with Identification cap stamped PLS# 1548, said pin:

- Being on the Northern Edge of Right-of-way of US Hwy 42 (Right-of-way Deed - D.B. 39, Pg. 481)
- Being 35' North of the centerline of US Hwy 42
- Being the Southwest corner of the property of Kentucky Utilities Company (D.B. 210, Pg. 67)
- Being the Southeast corner of the property of Kentucky Utilities Company (D.B. 71, Pg. 563), located on the northern side of US Hwy 42
- Having KY North Zone (NAD 83) State Plane Coordinates of N=457268.83 E=1420318.85
- Being approximately 3240' southwest of the Intersection of Centerline of US Hwy 42 and Montgomery Road
- Being 0.1' Southeast from a rebar found with identification cap stamped PLS# 2957

Thence leaving said pin and with the course of the eastern boundary of Kentucky Utilities Company (D.B. 71, Pg. 563) N26°43'11"W – 450.94 feet to an iron pin set (5/8" x 18" rebar w/ 2" aluminum survey cap stamped "P.L.S. #3118," as will be typical for all stamped monuments) at the northwest corner of the property of Kentucky Utilities Company (D.B. 210, Pg. 67) and being the POINT OF BEGINNING for this description;

Thence continuing with the boundary line of Kentucky Utilities Company property N26°43'11"W – 274.40 feet to an iron pin set, being a corner of Tract 2 as created this day;

Thence leaving the boundary line of Kentucky Utilities Company with two new courses across the parent tract as follows:

N64°21'56"E – 819.77 feet to an iron pin set, being the Northeast corner of parcel being created and S28°41'47"E – 274.75 feet to an iron pin set, being the Southeast corner of parcel being created;

Thence with the northern boundary line of Kentucky Utilities Company (D.B. 210 Pg. 67) S64°21'56"W – 829.25 feet to the Point of Beginning for this description and containing 5.193 acres by survey.

THIS DESCRIPTION PREPARED FROM A PHYSICAL SURVEY CONDUCTED BY DOUGLAS G. GOOCH, AGE ENGINEERING SERVICES, INC., KY. P.L.S. # 3118, DATED THE 27TH DAY OF MARCH, 2020.

BEING the same Property conveyed to Kentucky Utilities Company by Deed dated May 13, 2020, and of record in Deed Book 215, Page 369 in the Office of the Clerk of Carroll County, Kentucky.

Gallatin County, Kentucky:

Being all of Lot 6 of the Montgomery Road Division as recorded in Plat B-3 of the Gallatin County Clerk's records at Warsaw, Kentucky.

BEING the same Property conveyed to Kentucky Utilities Company by Deed dated June 20, 2019, and of record in Deed Book 129, Page 192 in the Office of the Clerk of Gallatin County, Kentucky.

Hart County, Kentucky:

BEING TRACT 2A on the Boundary Survey Plat dated October 10, 2019, as approved for recording by the Hart County Planning Commission, attached to the Deed of record in Deed Book 353, Page 278 in the Office of the Clerk of Hart County, Kentucky.

TRACT 2A is more particularly described as follows:

BEGINNING at a 5/8" rebar found with ID cap stamped PLS# 3609, said rebar being:

- the Northeast corner of Kentucky Utilities Company (D.B. 224, Pg. 109)
- the Southeast corner of the parent tract of Dart Container Corporation of KY (Tract #2, D.B. 218, Pg. 145)
- 20.8 feet west of the centerline of Cherry Street
- on the western right-of-way of Cherry Street
- being approximately 720 feet north of the intersection of centerline of Cherry Street and S. Dixie Street
- having KY South Zone (NAD83) Coordinates of N=1945313.59, E=1592522.85
- lying within the City of Horse Cave, Hart County, Kentucky and
- the POINT OF BEGINNING for this description

Thence leaving said rebar and with the northern boundary line of Kentucky Utilities Company (D.B. 224, Pg. 109), N79°26'54"W – 253.71 feet to a 5/8" rebar found with ID cap stamped PLS# 1639, said rebar being the northwest corner of Kentucky Utilities Company, being the Northeast corner of Caveland Sanitation Authority Inc. (D.B. 177, Pg. 478) and being a southern corner of the parent tract of Dart Container Corporation of KY (Tract #2, D.B. 218, Page 145);

Thence leaving said corner and with new lines across the parent tract the following five courses:

N10°21'54"E – 91.68 feet to an iron rebar set (5/8" x 18" rebar with aluminum cap bearing PLS-3916, as will be typical for all set corner monuments), said rebar being 5 feet south of the southern edge of pavement of the Dart Container -Access Road,

S73°58'55"E – 43.13 feet to an iron rebar set, said rebar being 6.2 feet south of the southern edge of pavement of the Dart Container -Access Road,

N89°59'22"E – 74.56 feet to an iron rebar set, said rebar being 5.7 feet south of the southern edge of pavement of the Dart Container -Access Road,

N82°22'28"E – 142.65 feet to an iron rebar set, said rebar being 5 feet south of the southern edge of pavement of the Dart Container -Access Road, and

S68°39'17"E – 36.64 feet to an iron rebar set on the western edge of right-of-way of Cherry Street, said rebar being 15.7 feet west from the centerline of Cherry Street;

Thence with the western edge of right-of-way of Cherry Street, S24°12'46"W – 142.93 feet to the Point of Beginning and containing 0.695 acres by survey;

This description prepared from a physical survey conducted by David L. King II, AGE Engineering Services, Inc., Ky. P.L.S. #3916, dated the 9th day of October, 2019.

Being the same property conveyed to Kentucky Utilities Company by deed dated October 22, 2019, of record in Deed Book 353, Page 278 in the Office of the Clerk of Hart County, Kentucky.

Mercer County, Kentucky:

BEING TRACT 1 as shown on the Plat of record in Plat Cabinet D, Page 479 in the Office of the Clerk of Mercer County, Kentucky.

Being the same property conveyed to Kentucky Utilities Company by deed dated May 6, 2020, of record in Deed Book 364, Page 630 in the Office of the Clerk of Mercer County, Kentucky.

Shelby County, Kentucky:

BEING TRACT 1 on the Minor Subdivision Plat of record in Plat Cabinet 9, Slide 306, in the Office of the Clerk of Shelby County, Kentucky.

Being the same property conveyed to Kentucky Utilities Company by deed dated December 20, 2019, of record in Deed Book 658, Page 807, Office of the Clerk of Shelby County, Kentucky.

Woodford County, Kentucky:

Being all of Tract 2, consisting of 2.615 acres, as shown on Boundary Survey Plat dated April 3, 2019, attached to the Deed of record in Deed Book 314, Page 62, in the Office of the Clerk of Woodford County, Kentucky, and more particularly described as follows:

COMMENCING at a mag nail set in the centerline of Paynes Mill Road, said nail being N30°53'15"E – 346.81 feet (measured as a straight line) north of the intersection of centerlines of Paynes Mill Road and US Hwy 60, said nail having Kentucky State Plane – South Zone (NAD83) coordinates of N=2267199.17 E=1942717.74, said nail being the southernmost corner of Kentucky Utilities Company (D.B. 271, Page 201) and being on the north edge of right-of-way purchased by the Commonwealth of Kentucky (D.B. 96, Page 707), lying near the City of Versailles, Woodford County, Kentucky;

Thence leaving the line of Commonwealth of Kentucky (D.B. 96, Page 707) and with the centerline of Paynes Mill Road the following nine (9) courses:

N47°34'04"E – 74.16 feet to a point,

N47°39'12"E – 100.00 feet to a point,

N47°11'44"E - 100.00 feet to a point,

N47°20'33"E – 55.84 feet to a Mag Nail set, said nail being on the centerline of Paynes Mill Road and being the Southeast Corner of Kentucky Utilities Company (D.B. 271, Page 201)

N47°20'33"E – 44.16 feet to a point,

N47°04'26"E – 100.00 feet to a point,

N47°23'35"E – 100.00 feet to a point,

N47°36'58"E – 85.21 feet to a point, and

N46°57'11"E – 44.14 feet to a point, said point being the southernmost corner of the Parcel being described and being the POINT OF BEGINNING for this description;

Thence leaving the centerline of Paynes Mill Road and across the parent tract of Edgewood Farm, LLC (D.B. 214, Page 455), with three (3) new courses:

N42°50'51"W – passing a ½" rebar with Cap PLS# 3265 at 25.85 feet and continuing at the same bearing for an additional 205.69 feet for a total distance of 345.69 feet to an iron pin set (5/8" x 18" rebar with aluminum cap bearing PLS-3118, as will be typical for all set corner monuments),

N47°08'48"E – 330.03 feet to an iron pin set and S42°50'35"E – passing a ½" rebar found online at 318.22 feet and continuing an additional 25.70 feet for a total distance of 343.92 feet to a point on the centerline of Paynes Mill Road;

Thence with the centerline of Paynes Mill Road the following five (5) courses:

S46°25'47"W - 21.32 feet to a point,

S46°32'11"W - 82.90 feet to a point,

S46°53'18"W - 107.19 feet to a point,

S47°08'17"W - 83.68 feet to a point, and

S46°57'11"W -34.93 feet to the Point of Beginning and containing 2.615 acres by survey.

This description prepared from a Physical Survey conducted by Douglas G. Gooch, AGE Engineering Services, Inc., KY. P.L.S. #3118, dated April 3, 2019.

Being the same property conveyed to Kentucky Utilities Company by Deed dated July 10, 2019, of record in Deed Book 314, Page 62, in the Office of the Clerk of Woodford County, Kentucky.

KENTUCKY UTILITIES COMPANY

Generating Facilities

Schedule of additional generating stations located in the Commonwealth of Kentucky

1. An undivided 56% interest in Section 1 of the Community Solar Share solar generating facility located in Shelby County, Kentucky, the remaining 44% interest in such facility being owned by Louisville Gas and Electric Company.

DOCUMENT NO: 505262
RECORDED: May 20, 2020 11:47:00 AM
TOTAL FEES: \$85.00
COUNTY CLERK: JEFF HANCOCK
DEPUTY CLERK: STARLA HAEBERLIN
COUNTY: FRANKLIN
BOOK: M1537 PAGES: 593 - 610