



PPL companies

Informal Conference Long-term Debt Applications

January 10, 2024

Case # 2023-00397 & 2023-00398

Requested Authorizations

- During the period 2024 thru 2027:
 - Requesting authorization to incur indebtedness as follows:
 - LG&E: Up to \$1,150,000,000
 - KU: Up to \$1,350,000,000
 - Requesting authorization to maintain and renew their syndicated revolving credit facilities for up to five years from the date of each amendment date:
 - LG&E: Up to \$750,000,000
 - KU: Up to \$650,000,000

Use of Proceeds

- Repayment of short-term debt primarily incurred for the financing of ongoing capital expenditures, including expenditures related to the retirement of certain fossil fuel-fired generation as approved in the recent CPCN (Case No. 2022-00402)
- Refinancing of long-term debt
- General corporate purposes

[Redacted]

[Redacted]

[Redacted]

Capital Markets Backdrop

- Persistent concerns over inflation led the Federal Reserve to aggressively increase rates during the first half of 2023
- Unexpected U.S. regional bank crisis in early 2023
- Potential economic slowdown and fears of a recession
- Geopolitical instability around the world
- Expected easing of monetary policy by the Federal Reserve beginning in 2024
- Upcoming U.S. Election

Historical Interest Rates

An “inverted” yield curve persists in the U.S. bond market



Source: Bloomberg

