



Mr. Jeff Derouen, Executive Director
 Kentucky Public Service Commission
 211 Sower Boulevard
 Frankfort, Kentucky 40601

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 JAN 30 2009
 PUBLIC SERVICE
 COMMISSION

Kentucky Utilities Company
 State Regulation and Rates
 220 West Main Street
 PO Box 32010
 Louisville, Kentucky 40232
 www.eon-us.com

January 30, 2009

Rick E. Lovekamp
 Manager Regulatory Affairs
 T 502-627-3780
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 rick.lovekamp@eon-us.com

Re: *Application of Kentucky Utilities Company for an Order Approving the
 Establishment of a Regulatory Asset*
Case No. 2008-00457

Dear Mr. Derouen:

Pursuant to the Commission's Order in the aforementioned case, Kentucky Utilities Company ("KU") hereby notifies the Commission that KU has established and recorded a regulatory asset as described in this proceeding.

The following accounting entries were made in KU's records and are submitted in response to the requirements contained in the aforementioned case.

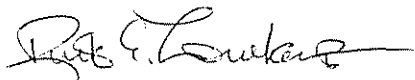
Account Description and Number	Debit	Credit
Other Regulatory Assets – 182.3	\$ 2,188,420	
Overhead Line Expenses – Elec. Distribution – 583		\$ 72,934
Misc. Distribution Expenses – Elec. Distribution – 588		\$ 391,182
Maint. of Overhead Lines – Elec. Distribution – 593		\$ 1,518,310
Maint. of Line Transformers – Elec. Distribution – 595		\$ 192,297
Maint. of Street Lighting and Signal Systems – Elec. Distribution – 596		\$ 1,381
Injuries and Damages – 925		\$ 12,316

All the mutual assistance invoices had not been received by December 31, 2008, so there are some adjustments that will be made to these amounts in January and February of 2009. Once all adjustments are complete, a submission with the final amounts will be filed.

Mr. Jeff Derouen, Executive Director
January 30, 2009

If the Commission has questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick E. Lovekamp", with a long horizontal flourish extending to the right.

Rick E. Lovekamp