e·on | U.S.

E.ON U.S. LLC
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Lonnie E. Bellar
Vice President
T 502-627-4830
F 502-217-2109
lonnie.bellar@eon-us.com

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

July 6, 2010

RE: ***Joint Application of PPL Corporation, E.ON AG, E.ON US Investments Corp., E.ON U.S. LLC, Louisville Gas and Electric Company and Kentucky Utilities Company For Approval of An Acquisition of Ownership and Control of Utilities*** **– Case No. 2010-00204**

Dear Mr. DeRouen:

Please find enclosed and accept for filing the original and twelve (12) copies of the Joint Responses of PPL Corporation, E.ON AG, E.ON US Investments Corp., E.ON U.S. LLC, Louisville Gas and Electric Company and Kentucky Utilities Company to the First Data Request of Commission Staff dated June 23, 2010, in the above-reference matter.

Also, enclosed are an original and twelve (12) copies of a Petition for Confidential Protection for certain information requested in Attorney General's Question Nos. AG 1-1, AG 1-22, and AG 1-31 and Commission Staff's Question Nos. KPSC 1-2 and KPSC 1-22.

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

Sincerely,

Lonnie E Bellar /REL

Lonnie E. Bellar

cc: Parties of Record

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF PPL CORPORATION,	)	
E.ON AG, E.ON US INVESTMENTS CORP.,	)	
E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC	)	CASE NO.
COMPANY AND KENTUCKY UTILITIES	)	2010-00204
COMPANY FOR APPROVAL OF AN ACQUISITION	)	
OF OWNERSHIP AND CONTROL OF UTILITIES	)	

JOINT RESPONSE OF
PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP.,
E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND
KENTUCKY UTILITIES COMPANY
TO THE
FIRST DATA REQUEST OF COMMISSION STAFF
DATED JUNE 23, 2010

FILED: July 6, 2010

VERIFICATION

COMMONWEALTH OF PENNSYLVANIA)
) **SS:**
COUNTY OF LEHIGH)

PAUL A. FARR, being duly sworn, deposes and says that he has read the foregoing responses and exhibits and knows the matters contained therein; that said matters are true and correct to the best of his knowledge and belief.

____
PAUL A. FARR

Subscribed and sworn to before me, a Notary Public in and for the above County and State, on this 1 day of July, 2010.

Diane M. Koch
Notary Public

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
DIANE M. KOCH, NOTARY PUBLIC
CITY OF ALLENTOWN, LEHIGH COUNTY
MY COMMISSION EXPIRES SEPT. 29, 2011

My Commission Expires:
9/29/2011

VERIFICATION

COMMONWEALTH OF PENNSYLVANIA)
) **SS:**
COUNTY OF LEHIGH)

WILLIAM H. SPENCE, being duly sworn, deposes and says that he has read the foregoing responses and exhibits and knows the matters contained therein; that said matters are true and correct to the best of his knowledge and belief.

____
WILLIAM H. SPENCE

Subscribed and sworn to before me, a Notary Public in and for the above County and State, on this 1 day of July, 2010.

____
Notary Public

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
DIANE M. KOCH, NOTARY PUBLIC
CITY OF ALLENTOWN, LEHIGH COUNTY
MY COMMISSION EXPIRES SEPT. 29, 2011

My Commission Expires:
9/29/2011

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) **SS:**
COUNTY OF JEFFERSON)

The undersigned, **S. Bradford Rives**, being duly sworn, deposes and says he is Chief Financial Officer of E.ON U.S. LLC, Louisville Gas and Electric Company and Kentucky Utilities Company, and an employee of E.ON U.S. Services Inc., that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

SBRives
S. BRADFORD RIVES

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 1st day of July, 2010.

Tammy J. Elzy (SEAL)
Notary Public

My Commission Expires:
November 9, 2010

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) **SS:**
COUNTY OF JEFFERSON)

The undersigned, **Lonnie E. Bellar**, being duly sworn, deposes and says he is Vice President of State Regulation and Rates of Louisville Gas and Electric Company and Kentucky Utilities Company, and an employee of E.ON U.S. Services Inc., that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and answers contained therein are true and correct to the best of his information, knowledge and belief.

Lonnie E. Bellar
LONNIE E. BELLAR

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 2 day of July, 2010.

Tammy J. Elzy (SEAL)
Notary Public

My Commission Expires:
November 9, 2010

VERIFICATION

STATE OF NEW YORK)
) **SS:**
COUNTY OF New York)

The undersigned, **Karl-Heinz Feldmann,** being duly sworn, deposes and says he is the General Counsel of E.ON AG, he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

KH Feldmann
KARL-HEINZ FELDMANN

Subscribed and sworn to before me, a Notary Public in and for said State and County, this 30th day of June, 2010.

Nancy Rodriguez (SEAL)
Notary Public

My Commission Expires:

NANCY RODRIGUEZ
Notary Public, State of New York
No. 01RO4705524
Qualified in Richmond County
Certificate Filed in New York County
Commission Expires March 30, 2011

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Victor A. Staffieri**, being duly sworn, deposes and says he is President and Chief Executive Officer of E.ON U.S. LLC, Louisville Gas and Electric Company and Kentucky Utilities Company, and an employee of E.ON U.S. Services Inc., that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

VICTOR A. STAFFIERI

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 2 day of July, 2010.

_______________ (SEAL)
Notary Public

My Commission Expires:
March 29, 2014

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 1

Responding Witness: Paul A. Farr / William H. Spence

Q-1. Provide a narrative discussing the history of PPL, PPL Electric Utilities Corporation ("PPL Electric") and their predecessor companies. This should include, but not be limited to, the following subjects:

a. A brief description of each acquisition made by PPL since 2001, including the date of acquisition, acquisition price, from whom acquired, method of financing, and, where not previously discussed, the nature of the acquisition's business.

b. A brief description of each business liquidated or disposed of by PPL since 2001, including the date of liquidation or disposal, selling price, acquiring entity, the nature of the business, and the reason(s) for the liquidation or disposal.

c. A brief description of all joint ventures in which PPL is participating, or has participated in, since 2001. Include the name(s) of the business partners and the nature of the business.

A-1. A corporate history of PPL and PPL Electric is attached.

a. PPL Corporation has not made any acquisitions since 2001. There have been acquisitions made at the subsidiary level.

b. On October 1, 2008, PPL completed the sale of its natural gas distribution and propane subsidiaries to UGI Utilities, Inc. UGI Utilities, Inc., a wholly owned subsidiary of UGI Corporation based in Valley Forge, Pennsylvania, acquired PPL Gas Utilities Corporation and its wholly-owned subsidiary Penn Fuel Propane, LLC, for about $268 million in cash plus working capital. The two companies represented about 1 percent of PPL's overall earnings from ongoing operations in 2007.

At the time of sale, PPL Gas Utilities Corporation served about 76,000 natural gas distribution customers in 35 counties throughout Pennsylvania and a small area of Maryland. The gas utility operated about 3,800 miles of pipeline and owned underground gas storage capacity in three separate reservoirs in north-central Pennsylvania.

Penn Fuel Propane, LLC, bought propane on a wholesale basis and stored, delivered and sold it to about 33,000 industrial, commercial and residential customers in Pennsylvania, Delaware, Maryland and West Virginia.

At the time of entering into the agreement to sell these businesses, PPL stated that these businesses had been operationally and financially successful, but their relative size and earnings contributions limited their strategic value to PPL's future growth. The sale helped to position PPL to focus on growth opportunities in its core businesses of power generation, energy marketing and electricity delivery.

c. PPL has not participated in any joint ventures since 2001.

HIGHLIGHTS OF PPL CORPORATION AND PPL ELECTRIC UTILITIES CORPORATION CORPORATE HISTORY

1920 Pennsylvania Power & Light Company ("PP&L") founded through consolidation of eight electric companies,[1] as a direct subsidiary of Lehigh Power Securities Corporation and an indirect subsidiary of Electric Bond and Share Company.

1923 Wilkes-Barre Electric Company merges with PP&L.

1925 PP&L acquires ownership of United Electric Company.

1929 PP&L acquires ownership of Harrisburg Light & Power Company.

1930 PP&L acquires 28 electric and gas companies which serve substantially all of Lancaster County.

1938 Conestoga Transmission Company and Lehighton Electric Light & Power Company merge with PP&L.

1939 Lehigh Power Securities Corporation is dissolved. PP&L becomes a subsidiary of National Power & Light Company, and remains an indirect subsidiary of Electric Bond and Share Company.

1945-1947 PP&L becomes independent as a result of a multi-step process (carried out under the Public Utility Holding Company Act of 1935) during which National Power & Light Company and Electric Bond and Share Company divest themselves of PP&L ownership, and PP&L stock is sold to the public.

1948 PP&L acquires Palmerton Lighting Company.

1951 PP&L divests itself of all gas properties, in accordance with decision to confine operations to the electric business.[2]

1955 Pennsylvania Water & Power Company merges with PP&L.
PP&L purchases one-third ownership of Safe Harbor Water Power Corporation.

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1 These companies were: Columbia and Montour Electric Company, The Harwood Electric Company, The Lehigh Valley Light & Power Company, Northern Central Gas Company, Northumberland County Gas & Electric Company, Pennsylvania Lighting Company, Pennsylvania Power & Light Company and the Schuylkill Gas & Electric Company.

2 Except some listed steam service provided to the City of Harrisburg.

1956 Scranton Electric Company merges with PP&L.

1980 Hershey Electric Company merges with PP&L.

1985 PP&L divests itself of all steam service provided to the City of Harrisburg.

1994 PP&L Resources, Inc. is incorporated as an energy and utility holding company.

1995 PP&L Resources, Inc. becomes the parent company of PP&L.

1997 Name of the operating electric utility changed from Pennsylvania Power & Light Company to PP&L, Inc.

1998 PP&L Resources, Inc. acquired Penn Fuel Gas, Inc., which owned two gas utilities, PFG Gas, Inc. and North Penn Gas Company.

2000 Name of the operating electric utility changed from PP&L, Inc. to PPL Electric Utilities Corporation ("PPL Electric"), name of utility holding company changed from PP&L Resources, Inc. to PPL Corporation, and name of the utility holding company for the two gas utilities changed from Penn Fuel Gas, Inc. to PPL Gas Utilities Corporation.

2000 On July 1, PPL Corporation and PPL Electric completed a corporate realignment in order to effectively separate PPL Electric's regulated transmission and distribution operations from its deregulated generation operations.

2001 PPL Corporation completed a strategic initiative to confirm the structural separation of PPL Electric from PPL Corporation's and PPL Electric's other affiliated companies. On August 16, PPL Electric filed its Articles of Division, including its Plan of Division, as filed with the Department of State of the Commonwealth of Pennsylvania and divided itself into two corporations, with PPL Electric surviving as one of the resulting corporations and Ninth Street and Hamilton Corporation being formed as a new Pennsylvania corporation.

2004 Effective December 31, the two gas utilities, PFG Gas, Inc. and North Penn Gas Company, merged up and into PPL Gas Utilities Corporation.

2008 On October 1, PPL Corporation completed the sale of its natural gas distribution and propane subsidiaries, PPL Gas Utilities Corporation and Penn Fuel Propane, LLC, to UGI Utilities, Inc., a wholly owned subsidiary of UGI Corporation based in Valley Forge, Pennsylvania, for about $268 million in cash plus working capital. After the sale, PPL Gas Utilities Corporation changed its name to UGI Central Penn Gas, Inc.

At the time of sale, the two companies represented about 1 percent of PPL's overall earnings from ongoing operations in 2007. The gas utility served about 76,000 natural gas distribution customers in 35 counties throughout Pennsylvania and a small area of Maryland. It operated about 3,800 miles of pipeline and owned underground gas storage capacity in three separate reservoirs in north-central Pennsylvania.

The propane subsidiary bought propane on a wholesale basis and stored, delivered and sold it to about 33,000 industrial, commercial and residential customers in Pennsylvania, Delaware, Maryland and West Virginia.

At the time of entering into the agreement to sell these businesses, PPL stated that these businesses had been operationally and financially successful, but their relative size and earnings contributions limited their strategic value to PPL's future growth. The sale helped to position PPL to focus on growth opportunities in its core businesses of power generation, energy marketing and electricity delivery.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 2

Responding Witness: Paul A. Farr

Q-2. Provide all PPL presentations made to investment bankers, rating agencies and others relating to the proposed acquisition of LG&E and KU, along with any reports, opinions or analyses from such entities regarding the proposed acquisition. Consider this a continuing request to provide all such presentations, reports, opinions and analyses until notified otherwise.

A-2. Copies of presentations relating to the proposed acquisition and made by PPL to rating agencies and lenders are provided on the enclosed CD in folder titled Question No. 2. PPL notes that some of the information contained in its response to this question is non-public and highly confidential, and is being filed with the KPSC under a Petition for Confidential Protection. In addition, some of the presentations that are provided include confidential, market-sensitive, forward-looking financial information regarding PPL and its subsidiaries. PPL and its subsidiaries PPL Energy Supply, LLC and PPL Electric Utilities Corporation are SEC registrants with a large amount of publicly held securities. PPL has a large amount of common stock widely held by the public and actively traded on the New York Stock Exchange. Given the extreme market sensitivity and confidentially of this financial information, which is not available to the general public and the investment community, PPL believes that it should not provide this information.

In addition, PPL received rating assessment reports from Moody's and from Standard & Poor's. These reports contain confidential, market-sensitive, forward-looking financial information. In addition, both reports are subject to confidentiality clauses. Moody's states that the report is "only for the benefit of the company and should not be disclosed to any other person except any professional advisors acting in their capacity as such in relation to the company." Standard & Poor's states that the final report may be provided to third parties in accordance with applicable law, but "only if a copy . . . is provided in its entirety to all recipients without any changes." Because the reports contain confidential, market-sensitive, forward-looking information, PPL believes that it should not provide the reports.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff Dated June 23, 2010

Question No. 3

Responding Witness: Paul A. Farr

Q-3. Provide copies of PPL's annual reports to shareholders and audited financial statements, including notes, for the years 2005 through 2009.

A-3. Copies of PPL's annual reports to shareholders and audited financial statements, including notes, for the years 2005 through 2009, are provided on the enclosed CD in folder titled Question No. 3.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 4

Responding Witness: Paul A. Farr

Q-4. For PPL, provide a list of reports or forms routinely filed with the Securities and Exchange Commission ("SEC"). Include the name of the report or form, the reference number (i.e., Form 10-K), a brief description of the information provided in the report or form, and a statement of how frequently the report or form is filed with the SEC.

A-4. Please see attached a list of reports routinely filed with the SEC.

Attachment A-4

	Reference Number	Name of Report or Form	Brief Description	Frequency of Filing
1.	Form 10-K	Annual Report	Report that most reporting companies file with the Securities and Exchange Commission ("SEC") providing a comprehensive overview of the registrant's business.	Every 12 calendar months; within 60 days after the registrant's fiscal year due to PPL's status as an accelerated filer.
2.	Form 10-Q	Quarterly Report	Report filed by most reporting companies providing unaudited financial statements and a continuing view of the registrant's financial position during the year.	Filed for each of the first 3 fiscal quarters of the registrant's fiscal year; within 40 days of the close of the quarter due to PPL's status as an accelerated filer.
3.	Form 8-K	Current Report	"Current report" used to report the occurrence of any material events or corporate changes which are of importance to investors or security holders and previously have not been reported by the registrant. It provides more current information on certain specified events than would Forms 10-Q or 10-K.	Filed within 4 business days of the event.
4.	Form 3	Initial Statement of Changes in Beneficial Ownership of Securities	Any director or officer of an issuer, or any beneficial owner of more than 10% of a class of equity securities registered under Section 12 of the Securities Exchange Act of 1934, and certain others, must file with the SEC a statement of ownership regarding such security. The initial filing is made on Form 3.	Filed within 10 days after the event by which the person becomes a reporting person (i.e., officer, director, 10% owner or other person)
5.	Form 4	Statement of Changes in Beneficial Ownership of Securities	Any changes or updates to the information contained in Form 3 are made by completing Form 4.	Filed before the end of the second business day following the day on which a transaction resulting in a change in beneficial ownership has been executed.
6.	Form 5	Annual Statement of Changes in Beneficial Ownership of Securities	Form 5 is entitled Annual Statement of Beneficial Ownership of Securities.	Filed on or before the 45th day after the end of the registrant's fiscal year.
7.	Form 11-K	Annual Report of Employee Stock Purchase, Savings and Similar Plans	Used for annual reports with respect to employee stock purchase, savings and similar plans in which constitute securities registered under the Securities Act of 1933.	Filed within 90 days after the end of the fiscal year of the plan (180 days for ERISA plans).

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 5

Responding Witness: Paul A. Farr

Q-5. Provide the following financial information concerning PPL:

a. Financial performance measures and ratios for the most recent reporting quarter and fiscal year. Include, but do not limit the response to, the following measures and ratios:

(1) P/E Ratio (price divided by earnings per share);

(2) Dividend Yield (dividend yield based on present cash dividend rate);

(3) Payout Ratio (primary or basic earnings per share excluding extraordinary items paid to shareholders in the form of cash dividends);

(4) Quick Ratio (cash plus short-term investments plus accounts receivable, divided by current liabilities);

(5) Current Ratio (total current assets divided by total current liabilities);

(6) Interest Coverage (earnings before interest and taxes, divided by interest expense);

(7) Equity Ratio (total common equity divided by total capitalization); and

(8) Return on Equity (income available to common shareholders, divided by common equity).

b. Current bond and/or debt ratings for PPL debt instruments and any separately issued debt instruments issued by subsidiaries or affiliates. Identify the rating agency or institution.

(1) If any bond and/or debt ratings have changed since January 1, 2005, describe the change and provide the reasons cited by the rating agency or institution for the change.

(2) If any rating agency or institution has any of the bond and/or debt ratings on a credit watch or similar review that may lead to a change in any rating, describe in detail.

c. The dividend history of PPL since 2005, as well as the dividend history of each subsidiary and affiliate since 2005.

d. Charts showing the stock price activity for PPL since 2005 with an explanation for any significant movements in the stock price during the period.

e. Where not already provided, investor ratings of PPL and any subsidiary or affiliate since 2005. If any of these ratings are currently under review, describe in detail.

f. List each individual or entity that holds five percent or more of PPL's outstanding capital stock as of March 31, 2010. Show the percentage of capital stock held by each such individual or entity.

g. Describe the impact the announcement of the proposed acquisition has had on PPL's market capitalization, including, but not limited to, its stock price.

A-5. a. Financial Performance Measures and Ratios:

Financial Performance Measures and Ratios		Fiscal Year		Quarter	
		As Reported	On-Going	As Reported	On-Going
1.	P/E Ratio	29.9	16.6	25.2	12.0
2.	Dividend Yield	4.3%	4.3%	5.0%	5.0%
3.	Payout Ratio	127.8%	70.8%	53.0%	37.2%
4.	Quick Ratio	47.4%		74.1%	
5.	Current Ratio	113.6%		124.7%	
6.	Interest Coverage	2.4	3.2	4.3	5.3
7.	Equity Ratio	40.4%		40.8%	
8.	Return on Equity	7.4%	13.3%	7.1%	14.7%

b. <u>Current bond and/or debt ratings for PPL debt instruments and any separately issued debt instruments issued by subsidiaries or affiliates</u>:

	Rating Agency: Standard & Poor's
PPL Energy Supply, LLC	
Tax-Exempt Bonds	AAA
Senior Notes	BBB
PPL Capital Funding, Inc.	
Senior Unsecured Debt	BBB-
Junior Subordinated Debt	BB+
PPL Electric Utilities Corporation	
First Mortgage Bonds	A-
Tax Exempt Bonds	A/A-
Senior Secured Debt	A-
Commercial Paper	A-2
PPL Montana, LLC	
Pass Through Certificates	BBB-
Western Power Distribution Holdings Limited	
Senior Unsecured	BBB-
Commercial Paper	A-3
Western Power Distribution (South Wales) Plc	
Senior Unsecured Debt	BBB+
Commercial Paper	A-2
Western Power Distribution (South West) Plc	
Senior Unsecured Debt	BBB+
Commercial Paper	A-2

	Rating Agency: Fitch Ratings
PPL Energy Supply, LLC	
Senior unsecured	BBB
PPL Capital Funding, Inc.	
Senior Unsecured Debt	BBB
Junior Unsecured Notes	BB+
PPL Electric Utilities Corporation	
First Mortgage Bonds	A-
Secured Secured Bonds	A-
Commercial Paper	F2
PPL Montana, LLC	
Pass Through Certificates	BBB
Western Power Distribution Holdings Limited	
Senior Unsecured	BBB
Western Power Distribution (South Wales) Plc	
Senior Unsecured Debt	A-
Commercial Paper	F-2
Western Power Distribution (South West) Plc	
Senior Unsecured Debt	A-
Commercial Paper	F-2

	Rating Agency: Moody's
PPL Energy Supply, LLC	
Tax Exempt Bonds	Aaa
Senior unsecured	Baa2
PPL Electric Utilities Corporation	
First Mortgage Bonds	A3
Tax Exempt Bonds	A3/Baa2
Senior Secured Bonds	A3
Commercial Paper	P-2
PPL Montana, LLC	
Pass Through Certificates	Baa3
Western Power Distribution Holdings Limited	
Senior Unsecured	Baa3
Western Power Distribution (South Wales) Plc	
Senior Unsecured Debt	Baa1
Western Power Distribution (South West) Plc	
Senior Unsecured Debt	Baa1
Commercial Paper	P-2

(1) Currently, Standard & Poor's has PPL Energy Supply and PPL Capital Funding on a Credit Watch Positive due to the anticipated acquisition of the Kentucky-regulated companies and the rebalancing of PPL's overall cashflows toward more regulated businesses. In addition, Standard & Poor's has PPL Electric Utilities Corporation ("PPL Electric") on a Negative Outlook due to the strain on its credit metrics from current and anticipated capital spend associated with rebuilding its infrastructure, and the uncertainty around the results from its current distribution rate increase request.

(2) Fitch has PPL's WPD entities on a Watch Positive due to their operational excellence and the resulting incentive rate rewards. Additionally, the WPD entities are limited in their ratings due to the notching differential allowed between them and their ultimate parent (PPL).

c. Dividend History: PPL Common Stock is listed on the New York Stock Exchange under the symbol "PPL." The following table sets forth on a per share basis the dividends for the quarters indicated.

Fiscal Year	Dividend Paid per Share
Fiscal Year 2005	
First Quarter	0.205*
Second Quarter	0.23*
Third Quarter	0.23*
August 24, 2005	2 for 1 Stock Split
Fourth Quarter	0.25 (Note: Cash dividend on increased shares)
Total Dividends Paid in 2005:	**0.9150**
Fiscal Year 2006	
First Quarter	0.25
Second Quarter	0.275
Third Quarter	0.275
Fourth Quarter	0.275
Total Dividends Paid in 2006:	**1.0750**
Fiscal Year 2007	
First Quarter	0.275
Second Quarter	0.305
Third Quarter	0.305
Fourth Quarter	0.305
Total Dividends Paid in 2007:	**1.1900**
Fiscal Year 2008	
First Quarter	0.305
Second Quarter	0.335
Third Quarter	0.335
Fourth Quarter	0.335
Total Dividends Paid in 2008	**1.3100**
Fiscal Year 2009	
First Quarter	0.335
Second Quarter	0.345
Third Quarter	0.345
Fourth Quarter	0.345
Total Dividends Paid in 2009:	**1.3700**
Fiscal Year 2010	
First Quarter	0.345
Second Quarter	0.35
Third Quarter	0.35 (Note: payable July 1, 2010)
Total Dividends Paid in 2010:	**1.045**
	* adjusted for 08/25/2005 stock split

d. Stock Price Activity: Attached is a chart of stock price activity of PPL Common Stock since 2005. On Friday, July 2, 2010, the closing price of one share of PPL Common Stock was $25.46. It would not be appropriate for PPL to speculate as to the reasons for any movement in the price of PPL Common Stock.

e. Investor ratings of PPL and any subsidiary:

PPL Corporation
Sell-Side Equity Analyst Coverage

Company	Analyst	June 30, 2010 Recommendation	December 31, 2009 Recommendation
Argus Reseach	Gary Hovis	Buy	Buy
Barclays Capital	Daniel Ford	Equal Weight	Equal Weight
BofA - ML	Steve Fleishman	Buy	Buy
Citi	Brian Chin	Buy	Buy
Deutsche Bank	Jonathan Arnold	Buy	------
Dudack Research Group	Daniele Seitz	Buy	------
Keybanc Capital Mkts	Paul Ridzon	Hold	Hold
Ladenburg Thalmann & Co.	Brian Russo	Neutral	Neutral
Morgan Stanley	Greg Gordon	Over Weight	Equal Weight
Regulatory Research Assoc.	Lillian Federico	Buy	Buy
Soleil Securities Group	Kit Konolige	Buy	Hold
UBS	Ron Barrone	Neutral	Buy
Wells Fargo Securities	Neil Kalton	Market Perform	Market Perform

f. Principal Shareowners: Based on filings made under Sections 13(d) and 13(g) of the Securities Exchange Act of 1934, as of February 16, 2010, the only persons known by the company to be beneficial owners of more than 5% of PPL's common stock are as follows:

	Beneficial Ownership:	
Name and Address of Beneficial Owners:	Amount	Percent of Class
BlackRock, Inc. 40 East 52nd Street New York, NY 10022	22,192,647	5.89 %
Capital World Investors 333 South Hope Street Los Angeles, CA 90071	29,100,000	7.70 %

g. Describing the impact of the announcement on PPL's market capitalization requires inappropriate speculation on the part of PPL. PPL cannot and should not comment.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 6

Responding Witness: William H. Spence

Q-6. Provide the name and a biographical profile of each member of the board of directors of PPL. State when the member began serving on the board and the remaining length of the member's current term.

A-6. A list of the members of PPL's Board of Directors, along with biographical information for each member is attached, which is an excerpt from the most recent proxy statement filed by PPL with the SEC on April 9, 2010 (See pages 7-10). The proxy statement is also available on PPL's Web site at http://www.pplweb.com/PPLCorpProxy.

With respect to the length of each member's term, PPL recently amended its Bylaws on May 19, 2010 to eliminate the class-structure of its Board. As a result of this amendment, the present term for all members of the PPL Board of Directors will expire in 2011.

Nominees for Directors:

STUART E. GRAHAM, 64, retired in April 2008 as President and Chief Executive Officer of Sweden-based Skanska AB, an international project development and construction company. He continues to serve as chairman of Skanska USA Inc., a U.S. subsidiary. Mr. Graham was named President and CEO of Skanska AB and was elected to its board of directors in 2002. Prior to that, Mr. Graham served as executive vice president of Skanska AB and oversaw Skanska's business units in the United States, the United Kingdom, Hong Kong and South America. Mr. Graham served in a number of positions at Sordoni Construction Company from 1970 until 1990, when its New Jersey operations were acquired by Skanska. He is past chairman of the Engineering and Construction Governors Council of the World Economic Forum and founder of the Engineering and Construction Risk Institute. He also serves as a member of the board of directors of Harsco Corporation, Securitas AB and Skanska AB. Mr. Graham graduated from Holy Cross College with a B.S. in economics. He is a member of the Compensation, Governance and Nominating Committee, as well as the Nuclear Oversight Committee. He has been a director since July 2008.

STUART HEYDT, 70, retired in 2000 as Chief Executive Officer of the Geisinger Health System, a position he held since 1991. He is past president and a Distinguished Fellow of the American College of Physician Executives. Dr. Heydt attended Dartmouth College and received an M.D. from the University of Nebraska. He is chair of the Audit Committee and a member of the Compensation, Governance and Nominating Committee, as well as the Executive and Nuclear Oversight Committees. Dr. Heydt has been a director since 1991.

CRAIG A. ROGERSON, 53, is Chairman, President and Chief Executive Officer of Chemtura Corporation, a position he has held since December 2008. Chemtura, located in Philadelphia, Pennsylvania, is a global manufacturer and marketer of specialty chemicals, crop protection and pool, spa and home care products. Chemtura filed for protection under Chapter 11 of the United States Bankruptcy Code in March 2009. Mr. Rogerson served as President, Chief Executive Officer and director of Hercules Incorporated until its acquisition by Ashland, Incorporated in November 2008, a position he held since December 2003. Located in Wilmington, Delaware, Hercules was a global manufacturer and marketer of specialty chemicals and related services for a broad range of business, consumer and industrial applications. Mr. Rogerson joined Hercules in 1979 and served in a number of management positions before leaving the company to serve as President and Chief Executive Officer of Wacker Silicones Corporation in 1997. In May 2000, Mr. Rogerson rejoined Hercules and was named President of its BetzDearborn Division in August 2000. Prior to being named CEO of Hercules in December 2003, Mr. Rogerson held a variety of senior management positions with the company, including president of the FiberVisions and Pinova Divisions, Vice President of Global Procurement and Chief Operating Officer. Mr. Rogerson serves on the boards of the American Chemistry Council and the Society of Chemical Industries. He holds a chemical engineering degree from Michigan State University. He is a member of the Nuclear Oversight Committee and has been a director since 2005.

Directors Continuing in Office:

FREDERICK M. BERNTHAL, 67, is President of Universities Research Association ("URA"), a position he has held since 1994. Located in Washington, D.C., URA is a consortium of 87 research universities engaged in the construction and operation of major research facilities on behalf of the U.S. Department of Energy and the National Science Foundation. Dr. Bernthal served from 1990 to 1994 as Deputy Director of the National Science Foundation, from 1988 to 1990 as Assistant Secretary of State for Oceans, Environment and Science, and from 1983 to 1988 as a member of the U.S. Nuclear Regulatory Commission. He received a Bachelor of Science degree in chemistry from Valparaiso University and a Ph.D. in nuclear chemistry from the University of California at Berkeley. Dr. Bernthal is chair of the Nuclear Oversight Committee and a member of the Audit and Executive Committees. He has been a director since 1997; his term expires in 2011.

JOHN W. CONWAY, 64, is Chairman of the Board, President and Chief Executive Officer of Crown Holdings, Inc. of Philadelphia, Pennsylvania, a position he has held since 2001. Prior to that time, he served as President and Chief Operating Officer. Crown is an international manufacturer of packaging products for consumer goods. Mr. Conway joined Crown in 1991 as a result of its acquisition of Continental Can International Corporation. Prior to 1991, he served as President of Continental Can and in various other management positions. Mr. Conway is the past Chairman of the Can Manufacturers Institute. He received his B.A. in Economics from the University of Virginia and his law degree from Columbia Law School. He is a member of the Compensation, Governance and Nominating Committee, as well as the Finance Committee. He has been a director since 2000; his term expires in 2012.

E. ALLEN DEAVER, 74, retired in 1998 as Executive Vice President and a director of Armstrong World Industries, Inc., of Lancaster, Pennsylvania. He is a director of the Geisinger Health System. He graduated from the University of Tennessee with a B.S. in Mechanical Engineering and is a former United States Army officer. He began his Armstrong career in 1960 and served as Executive Vice President for 10 years. Prior to that time, he gained experience in a variety of engineering and manufacturing positions in the United States and abroad. Mr. Deaver is chair of the Compensation, Governance and Nominating Committee and a member of the Executive, Finance and Nuclear Oversight Committees. He also serves as the lead director and presiding director who chairs executive sessions of the independent directors. He has been a director since 1991. While his term is set to expire in 2012, he is expected to retire prior to the 2011 Annual Meeting of Shareowners, which follows his 75th birthday.

LOUISE K. GOESER, 56, is President and Chief Executive Officer of Grupo Siemens S.A. de C.V. and is responsible for Siemens Mesoamérica. Siemens Mesoamérica is the Mexican, Central American and Caribbean unit of multinational Siemens AG, a global engineering company operating in the industry, energy and healthcare sectors. Before accepting this position in March 2009, Ms. Goeser served as President and Chief Executive Officer of Ford of Mexico from January 2005 until November 2008. Ford of Mexico manufactures cars, trucks and related parts and accessories. Prior to this position, she served as Vice President, Global Quality for Ford Motor Company, a position she had held since 1999. In that position, she was responsible for ensuring superior quality in the design, manufacture, sale and service of all Ford cars, trucks and components worldwide. Prior to 1999, she served as Vice President for Quality at Whirlpool Corporation, and served in various leadership positions with Westinghouse Electric Corporation. Ms. Goeser received a bachelor's degree in mathematics from Pennsylvania State University and a master's degree in business administration from the University of Pittsburgh. She also serves as a director of MSC Industrial Direct Co., Inc. She is a member of the Compensation, Governance and Nominating Committee and has been a director since 2003; her term expires in 2011.

JAMES H. MILLER, 61, is Chairman, President and Chief Executive Officer of PPL Corporation. Prior to his current appointment in October 2006, Mr. Miller was named President in August 2005; Chief Operating Officer in September 2004, a position he held until the end of June 2006; Executive Vice President in January 2004; and also served as President of PPL Generation, LLC, a PPL Corporation subsidiary that operates power plants in the United States. He also serves on the boards of PPL Electric Utilities Corporation and PPL Energy Supply, LLC. Mr. Miller earned a bachelor's degree in electrical engineering from the University of Delaware and served in the U.S. Navy nuclear program. Before joining PPL Generation in February 2001, Mr. Miller served as Executive Vice President and Vice President, Production of USEC, Inc. from 1995, and prior to that time as President of ABB Environmental Systems, President of UC Operating Services, President of ABB Resource Recovery Systems and in various engineering and management positions at the former Delmarva Power and Light Co. He is chair of the Executive Committee and chair of the Corporate Leadership Council, an internal committee comprised of the senior officers of PPL Corporation. Mr. Miller has been a director since 2005; his term expires in 2012.

NATICA VON ALTHANN, 59, retired in June 2008 as the Senior Credit Risk Management Executive for Bank of America, and Chief Credit Officer of U.S. Trust, an investment management company. Prior to being appointed to the Bank of America position in 2007 after U.S. Trust was acquired by Bank of America, Ms. von Althann served as Chief Credit Officer of U.S. Trust since 2003. Prior to joining U.S. Trust in 2003, Ms. von Althann served as managing director at IQ Venture Partners, an investment banking boutique. Previously, she spent 26 years at Citigroup, including in a number of senior management roles. During her time at Citigroup, among other positions, she served as managing director and co-head of Citicorp's U.S. Telecommunications-Technology group, managing director and global industry head of the Retail and Apparel group and division executive and market region head for Latin America in the Citigroup private banking group. Ms. von Althann earned a bachelor's degree in political science from Bryn Mawr College and completed master's-level work in Iberian and Latin American history at the University of Cologne, Germany. She serves as a director of TD Bank, N.A., and also serves on the boards of two nonprofit organizations, YWCA of the City of New York and Neighbors Link in Mt. Kisco, New York. She is a member of the Audit and Finance Committees and has been a director since December 2009; her term expires in 2011.

KEITH H. WILLIAMSON, 57, is Senior Vice President, Secretary and General Counsel of Centene Corporation, a position he has held since 2006. Centene Corporation is located in St. Louis, Missouri and is a multi-line healthcare enterprise that provides programs and related services to individuals receiving benefits under Medicaid, including Supplemental Security Income and the State Children's Health Insurance Program. He previously served as President of the Capital Services Division of Pitney Bowes Inc., a position he held since 1999. Pitney Bowes is a global provider of integrated mail, messaging and document management solutions headquartered in Stamford, Connecticut. Mr. Williamson joined Pitney Bowes in 1988 and held a series of positions in the company's tax, finance and legal operations, including oversight of the treasury function and rating agency activity. Mr. Williamson earned a B.A. from Brown University, a J.D. and M.B.A. from Harvard University and an LL.M. in taxation from New York University Law School. He is a member of the Finance Committee and has been a director since 2005; his term expires in 2011.

GOVERNANCE OF THE COMPANY

Board of Directors

Attendance. The Board of Directors met seven times during 2009. Each director attended at least 75% of the meetings held by the Board and the committees on which they served during the year. The average attendance of directors at Board and Committee meetings held during 2009 was 95%. Directors are expected to attend all meetings of the Board, the Committees on which they serve and shareowners. All of our then-serving directors attended the 2009 Annual Meeting of Shareowners.

Independence of Directors. The Board has established guidelines to assist it in determining director independence, which conform to the independence requirements of the NYSE listing standards. In addition to applying these guidelines, which are summarized below and are available in the Corporate Governance section of our Web site (*www.pplweb.com/about/corporate+governance*), the Board considers all relevant facts and circumstances in making an independence determination. At its January 2010 meeting, the Board determined that the following 10 directors (constituting all of PPL's non-employee directors) are independent from the company and management pursuant to its independence guidelines: Drs. Bernthal and Heydt, Messrs. Conway, Deaver, Graham, Rogerson, Smith and Williamson, and Mss. Goeser and von Althann.

In reaching this conclusion, the Board considered transactions and relationships between each director or any member of his or her immediate family and the company and its subsidiaries. From time to time, our subsidiaries have transacted business in the ordinary course with companies with which several of our directors are or were affiliated. In particular, with respect to each of the most recent three completed fiscal years, the Board evaluated the following relationships:

- Each of Mr. Conway and Mr. Graham were officers at companies with which PPL has engaged in business transactions in the ordinary course. The Board reviewed all transactions with each of these companies and determined that the annual amount of sales to PPL in each fiscal year was significantly below 1 percent of the consolidated gross revenues of PPL and each of these companies. As part of its determination, the Board also considered that most of the transactions were competitively bid.

The Board determined that all of these relationships were immaterial. Under the categorical standard of independence that the Board adopted for the company, business transactions between the company (and its subsidiaries) and a director's employer or the employer of the director's "immediate family member," as defined by the rules of the NYSE, not involving more than 2 percent of the employer's consolidated gross revenues in any fiscal year, will not impair the director's independence. All of the transactions considered were significantly below 1 percent of the consolidated gross revenues of any of the companies involved.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 7

Responding Witness: Paul A. Farr

Q-7. Provide a detailed description of all measures currently in place at PPL to ensure that any losses incurred by an unregulated subsidiary or affiliate will have no impact on PPL Electric.

A-7. In 2001, PPL Electric completed a strategic initiative to ensure its legal separation from PPL and PPL's other affiliated companies. This initiative was designed to enable PPL Electric to substantially reduce its exposure to volatility in energy prices and fuel supply risks through 2009 and to reduce its business and financial risk profile by limiting its business activities to the transmission and distribution of electricity, and businesses related to or arising out of electric transmission and distribution businesses.

In order to affirm PPL Electric's legal separation from PPL and PPL's other subsidiaries, PPL Electric has taken the following steps to support a bankruptcy-remote structure:

- Adopted amendments to its Articles of Incorporation and Bylaws containing corporate governance and operating provisions designed to confirm and reinforce its legal and corporate separateness from PPL and PPL's other subsidiaries.

- Agreed to limit its businesses to electric transmission and distribution, and related activities.

- Appointed an independent director to PPL Electric's Board of Directors and required the unanimous approval of the Board of Directors, including the consent of the independent director, to amend these corporate governance and operating provisions or to commence insolvency proceedings, including any filing of a voluntary petition in bankruptcy or other similar actions.

- Obtained a non-consolidation opinion that evidences legal isolation of PPL Electric from the bankruptcy estate of PPL and PPL's other subsidiaries.

- Prohibited PPL or any of PPL's subsidiaries or affiliates from guarantying or providing other credit or funding support for the securities to be offered by PPL Electric.

In addition, in connection with the issuance of certain series of bonds, PPL Electric entered into a compliance administration agreement with an independent compliance administrator to review, on a semi-annual basis, its compliance with the corporate governance and operating requirements contained in its Articles of Incorporation and Bylaws. Such series of bonds are no longer outstanding but the compliance administration agreement currently remains in place and PPL Electric continues to comply with all of the corporate separateness provisions in its Articles of Incorporation and Bylaws.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 8

Responding Witness: S. Bradford Rives / Paul A. Farr

Q-8. Provide a detailed description of all measures that will be in place post-purchase to ensure that any losses incurred by an unregulated subsidiary or affiliate will have no impact on LG&E or KU.

A-8. PPL's allocation controls and procedures currently in place will ensure the appropriate segregation of regulated and non-regulated financial accounting and reporting for PPL's subsidiaries. System allocation tables are managed and monitored in a controlled manner. Manual allocations are reviewed in accordance with PPL's accounting procedures. The effectiveness of these controls is periodically assessed in accordance with PPL's Sarbanes-Oxley program. Allocations relating to LG&E and KU that are performed by PPL after the LG&E and KU transaction is complete will be subject to these same controls.

The controls currently in place to ensure segregation of non-regulated activities from those of LG&E and KU will continue after the transaction closes. Each company will continue to maintain separate general ledgers and separate reports to the Kentucky Commission and FERC. E.ON U.S. Services Inc. policies and procedures, including the Cost Allocation Manual ("CAM") which governs the accounting for shared costs, will continue in effect and any changes to the CAM will be filed with the Kentucky Commission, as has been done in the past.

Post-purchase, LG&E and KU will continue to comply with the same laws prohibiting cross-subsidization of unregulated affiliates and governing affiliated transactions. These statutes and related implementing regulations establish an extensive framework of protections designed to ensure that the financial health of regulated utilities is not affected by any financial hardship of unregulated affiliates, and that Kentucky's ratepayers are shielded from any financial problems on the part of those unregulated affiliates. Specifically, KRS 278.2201 – 2219 prohibit cross-subsidization and provide a framework for ensuring that no cross subsidization occurs. Other statutes also help maintain the separateness of utilities and unregulated affiliates. See KRS 278.020 (governing transfer of ownership or control of utility's stock); KRS 278.218 (governing transfer of ownership or control of utility's assets exceeding $1 million); KRS 278.220 (establishing that a uniform system of accounts for utilities shall conform as nearly as practicable to the system prescribed by the National Association of Regulatory Utility Commissioners, and that the system for gas and electric companies shall conform as nearly as practicable to the system adopted or approved by the Federal Energy Regulatory Commission ("FERC")); KRS 278.272 (pertaining to natural gas purchasing transactions of a utility from an affiliate); KRS 278.274 (similar); and KRS 278.300 (governing issuance and assumption of securities by a utility generally).

Further, PPL, E.ON U.S., LG&E and KU will comply after the purchase with certain regulatory commitments that are listed in Exhibit B (the "Regulatory Commitments") to the Purchase and Sale Agreement dated as of April 28, 2010 by and between PPL and E.ON US Investments Corp. (the "PSA") that specifically address the regulatory concerns that were stated by the Commission in previous cases involving reorganizations and changes of control of LG&E and KU. The Regulatory Commitments include an overarching commitment that PPL, E.ON U.S., LG&E and KU will adhere to the conditions described in the Commission's orders in Case Nos. 10296, 89-374, 97-300, 2000-095 and 2001-104, except to the extent expressly superseded by KRS 278.2201 through 278.2219, the jurisdiction of FERC or the findings and conditions of the Commission in response to the Joint Application. [Regulatory Commitment No. 1] This general commitment is supported by additional specific commitments that address the Commission's concerns with regard to the protection of utility resources [Regulatory Commitments No. 3(a), 3(e), 6, 8, 41, 44, 46, 50 and 53], the monitoring of the holding company and its subsidiaries [Regulatory Commitments No. 2, 3(b) and 4], and the adequacy of reporting [Regulatory Commitments No. 3(c), 3(d), 6, 7, 18, 19, 20, 21, 22, 23, 24 and 30].

Finally, after the closing of the transaction, PPL will no longer have a waiver from certain provisions of the Public Utility Holding Company Act of 2005 ("PUHCA 2005"), and has a wholly owned subsidiary service company, PPL Services Corporation ("PPL Services"), which supplies non-power goods and services to affiliates. After the closing of the transaction, PPL Services will be a centralized service company under PUHCA 2005. LG&E and KU are currently part of a holding company system that is operated by E.ON U.S. in compliance with PUHCA 2005, including the similar use of a centralized service company, E.ON U.S. Services Inc. PUHCA 2005 requires holding companies like E.ON and PPL and their affiliate companies, unless they meet narrow exemptions or waivers, to maintain and make available books and records necessary and appropriate for the protection of utility customers. 18 C.F.R. § 366.2 (2010). In addition, PUHCA 2005 requires holding company service companies, such as PPL Services and E.ON U.S. Services, to maintain their records in accordance with FERC's Uniform System of Accounts. 18 C.F.R. § 366.22(b) (2010). Further, PUHCA 2005 mandates that holding companies and holding company centralized service companies comply with FERC's record retention rules. 18 C.F.R. § 366.22(a) (2010); the record retention rules are contained in 18 C.F.R. pts. 125 and 225. Separately, PUHCA 2005 also grants authority to state regulatory commissions to obtain access to books and records of a holding company and its affiliate companies, if the state commission determines such books and records are relevant to the costs incurred by the electric or gas distribution utility it regulates and access is necessary for the effective discharge by the state commission of its responsibilities. Energy Policy Act, § 1265, codified at 42 U.S.C. 16453. More importantly, nothing in PUHCA 2005 precludes FERC or a state commission from exercising its jurisdiction under otherwise applicable law to protect utility customers. Energy Policy Act, § 1269, codified at 42 U.S.C. 16457.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 9

Responding Witness: S. Bradford Rives

Q-9. Is there currently a measure in place that prohibits LG&E and KU from loaning funds to an affiliate? If yes, describe the measure in detail.

A-9. There are controls in place to ensure that LG&E and KU do not loan funds to unauthorized affiliates. The key control to prevent such activity is a requirement that all new agreements authorizing a company to borrow funds are signed by the Treasurer of the borrower and the lender. The Treasurer of LG&E and KU is aware that LG&E and KU should not loan funds to unauthorized affiliates.

The existing money pool agreement does allow for LG&E and KU to loan funds to each other, but not to any other participant in the money pool. This is monitored closely each day by cash management personnel. A daily report showing the money pool activity is approved by either the Team Leader, Cash Management or the Treasurer. Please also refer to the response to Question No. 8.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff Dated June 23, 2010

Question No. 10

Responding Witness: S. Bradford Rives

Q-10. Will there be a measure in place post-acquisition that prohibits LG&E and KU from loaning funds to an affiliate? If yes, describe the measure in detail.

A-10. The measures described in the response to Question No. 9 will remain in place following the acquisition.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 11

Responding Witness: Karl-Heinz Feldmann / Lonnie E. Bellar / William H. Spence

Q-11. Provide organizational charts that show the name and title of each person currently employed as a vice president or above for each of the following entities: PPL, E.ON AG, E.ON Investments, E.ON U.S. LLC, LG&E and KU.

A-11. With respect to PPL, the following list includes the name and title of each person currently serving as a vice president or above of PPL:

PPL Corporation

Name	Title
James H. Miller	Chairman, President and Chief Executive Officer
Paul A. Farr	Executive Vice President and Chief Financial Officer
William H. Spence	Executive Vice President and Chief Operating Officer
Robert J. Grey	Senior Vice President, General Counsel and Secretary
James E. Abel	Vice President-Finance and Treasurer
Vincent Sorgi	Vice President and Controller

With respect to E.ON AG, the attached chart includes the name and title of each person currently serving as a vice president or above of E.ON AG.

With respect to E.ON Investments, the following list includes the name and title of each person currently serving as a vice president or above:

Name	Title
Dr. Johannes Teyssen	Chairman of the Board
Karl-Heinz Feldmann	Executive Vice President
Dr. Frank Possmeier	Executive Vice President
Jochen Kley	President
S. Bradford Rives	Chief Financial Officer
John R. McCall	Vice President and Secretary

With respect to E.ON U.S., LG&E and KU the following list includes the name and title of each person currently serving as a vice president or above of E.ON U.S. LLC, LG&E and KU:

Name	Job Title
Staffieri, Victor A	Chairman of the Board, Chief Executive Officer & President
Rives, Stephen B	Chief Financial Officer
McCall, John R	EVP, General Counsel/Corp Secretary/Chief Compliance Officer
Gallus, Martyn (*)	SVP – Energy Marketing
Hermann, Chris	SVP - Energy Delivery
Thompson, Paul W	SVP - Energy Services
Pottinger, Paula H	SVP - Human Resources
Keeling, Rudolph W	VP - Communications
Blake, Kent W	VP - Corporate Planning and Development
Douglas, Laura Green	VP - Corporate Responsibility and Community Affairs
O'Brien, Dorothy E	VP and Deputy General Counsel, Legal and Environmental Affairs
Thomas, Paul Gregory	VP - Energy Delivery - Distribution Operations
Malloy, John P	VP - Energy Delivery - Retail Business
Sinclair, David S	VP - Energy Marketing
Siemens, George Robert	VP - External Affairs
Beer, Michael S	VP - Federal Regulation and Policy
Bowling, Donald Ralph	VP - Power Production
Bellar, Lonnie E	VP - State Regulation and Rates
Voyles, Jr., John N	VP - Transmission and Generation Services
Arbough, Daniel K (**)	Treasurer
Scott, Valerie L (**)	Controller

* Due to his current service in an overseas assignment, Martyn Gallus is a Vice President or above for E.ON U.S. only.

** Daniel K. Arbough and Valerie L. Scott do not have a vice president title, however, they are officers for E.ON U.S. LLC, LG&E and KU.

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ORGANIZATION CHART CORPORATE CENTER AS OF JUNE 15, 2010

E Dr. Johannes Teyssen CEO

- E/CA Dr. Holtmann 1) – Corporate Audit
  - E/CA1 Miras – Compliance Audits
  - E/CA1 Lottes – Compliance Audits
  - E/CA2 Kolpatzik – Commercial Standard Audits
  - E/CA2 Bechthold – Commercial Standard Audits
  - E/CA2 Dr. Lelke – Commercial Standard Audits
  - E/CA3 Höfer – IT Standard Audits
  - E/CA4 Reimers – Planning and Monitoring
  - E/CA5 Kohtes – Internal Controls Compliance
  - E/CA6 Brändes – Internal Services
- E/CE Heberger – Corporate Executive Human Resources
  - E/CE1 Dr. Dörrwächter – Executive HR (CE) / Group Corporate Officer
  - E/CE2 von Falkenhausen – Executive HR (CC, PEG)
  - E/CE3 Tretau – Executive HR (New MU's) / Compen. & Benefits
  - E/CE4 Ontyd – Executive Development
- E/COP Blau Dr. – Communication Projects
- E/IR Bibert – Investor Relations
- E/CO Viohl – Corporate Office
- E/SP Dr. Bickmeyer – Special Projects
- E/PC Dr. Knott – Politics and Communications
  - E/PC1 Brenzel – Electricity
  - E/PC2 Riemer H. – Gas
  - E/PC3 Riemer G. – Climate / Environment
  - E/PC4 Giese – Regulatory Management
  - E/PC5 Kästner – Political Coordination
  - E/PC6 Dr. Lang – Representative Berlin
  - E/PC7 Schneider – Representative Brussels
  - E/PC8 ~~Thomsen-Bendixen~~ – External Communic.& Content Mgmt., EC&R, EET
  - E/PC9 Fanta – News & Issues Mgmt, Processes & Controlling
  - E/PC10 Mebner – Corporate Media
  - E/PC11 Grootenhuis/Kovács – Corporate Brand Management
  - E/PC12 Nelles – External Communications Central Europe
  - E/PC13 Hachmann – External Communications Pan European Gas
- E/SD Rümmler – Strategy & Corporate Development
  - E/SD1 Krüger – Europe & Global Gas
  - E/SD2 Dr. Menzel – Europe, US & Renewables
  - E/SD3 Dr. Ewert – New Technologies
  - E/SD4 Taschenberger – Strategy & Portfoliomanagement

F Dr. Marcus Schenck CFO

- F/AC Wilhelm – Accounting
  - F/AC1 Hinzen – Group Consolidation
  - F/AC2 Dr. Brambosch – Finacial Statements
  - F/AC3 Roeper – Accounting Policies
  - F/AC4 Mokros – Financial Settlements
- F/CP Kley – Corporate Planning and Controlling
  - F/CP1 Matthies – Planning and Financial Reporting Systems
  - F/CP2 Dr. Klostermann – Continental Europe & Generation
  - F/CP3 Korthals – Nordic, UK, US & Trading
  - F/CP4 Hartel – Gas & Infrastructure & IT-Mgmt.
- F/FI Dr. Volpert – Finance
  - F/FI1 Hloch – Treasury / Asset Management
  - F/FI1 Brückmann – Operations Asset Management
  - F/FI1 Schaffer – Portfolio Management Real Estate
  - F/FI2 Wuppermann – Corporate Finance
  - F/FI3 Walter – Structured Finance
  - F/FI4 Balster – Financial Controlling
  - F/FI5 Dr. Volpert – Asset Strategy Group
  - F/FI6 Dr. Bangert – External Mandates
- F/GL Jungwirth – E.ON GLOBE
  - F/GL1 Raschke – Group Reporting BPM
  - F/GL2 Jungwirth – Globe Business Process Management
  - F/GL3 Wachter – Globe Programm Management
- F/MA Dr. Possmeier – Mergers & Acquisitions
  - F/MA1 Groth – PEG, Italy, Spain
  - F/MA2 Bevan – UK, US,EC&R
  - F/MA3 Hahn – CE, Nordic, RUS, EET
- F/TX Montag – Tax
  - F/TX1 Kolan – Corporate Tax
  - F/TX2 Koch – Tax Audit
  - F/TX3 Kunkel – Tax Consulting
  - F/TX4 Mencke – International Tax
  - F/TX5 Stöbel – Tax Accounting / Reporting
  - F/TX6 Oehl – Tax Compliance / Systems

H Regine Stachelhaus *

- H/ACD Gollan – E.ON Academy
  - H/ACD1 Wertheim – Employer Reputation & Corporate Culture
  - H/ACD2 Delmel – Leader & Talent
  - H/ACD3 Dr. Lenz – Learning Systems & Controlling
- H/CPM Orth (temp) – Corporate Procurement
  - H/CPM1 Hensel – Spend Category Management
  - H/CPM2 Leese – Spend Management Group "Transmission/Distribution"
  - H/CPM3 Dislich – Operative Purchasing Corporate Center
  - H/CPM4 Engelhardt – Procurement Business Process Optimization
- H/DM Prof. Dr. Spie – Diversity Management
- H/FM Vauk – Facility Management
  - H/FM1 Cooper – Technique
- H/GHR Heberger – Group Human Resources
  - H/GHR1 Laudien – HR Corporate Center & Organization
  - H/GHR2 Ikemann – HR Politics
  - H/GHR3 Ontyd – Global Placement & Succession Planning
  - H/GHR4 Ikemann (temp) – HR Systems & Controlling
  - H/GHR5 Fink – HR IT
- H/IT Aschenbrenner – Information Systems 2)
  - H/IT1 Schmadtke – Application Strategy
  - H/IT2 Köhler – Infrastructure Strategy
  - H/IT3 N N – IT Controlling, Goverance & Integration
  - H/IT4 Rumpel – Group Applications
- H/LC Karl-Heinz Feldmann – Legal & Compliance
  - H/LC1 Dr. Wolff – Corporate, Finance, Capital Market
  - H/LC2 Dr. Fischer – M & A, Integration
  - H/LC3 Dr. Pohlmann – Cartel Law, Energy Law
  - H/LC4 von der Fecht – Compliance
- H/REM Dr. Ochsenfeld – Real Estate / Mining
  - H/REM1 Simon – Real Estate Management
  - H/REM2 Mühlenbeck – Mining
- H/ICM Mac Fhionnbhairr – Corporate Incident & Crisis Management

O Jørgen Kildahl

- O/TO Pett – Trading & Optimization
  - O/TO1 Dr. Machate – Energy Economics
  - O/TO2 Dr. Spieker – Commodity Portfolio Optimization
  - O/TO3 Thompson – Commodity Risk Controlling
  - O/TO4 Lichtschäger – Market-/Fundamental Analysis Gas & Fuels
  - O/TO5 Ardone – Market-/Fundamental Analysis Power & CO2
- O/UG N N – Upstream/Generation
  - O/UG1 Dr. Lees – New Build & Technology
  - O/UG2 Franke – Performance Management Power
  - O/UG3 Korn – Performance Management Gas

R Dr. Johannes Teyssen

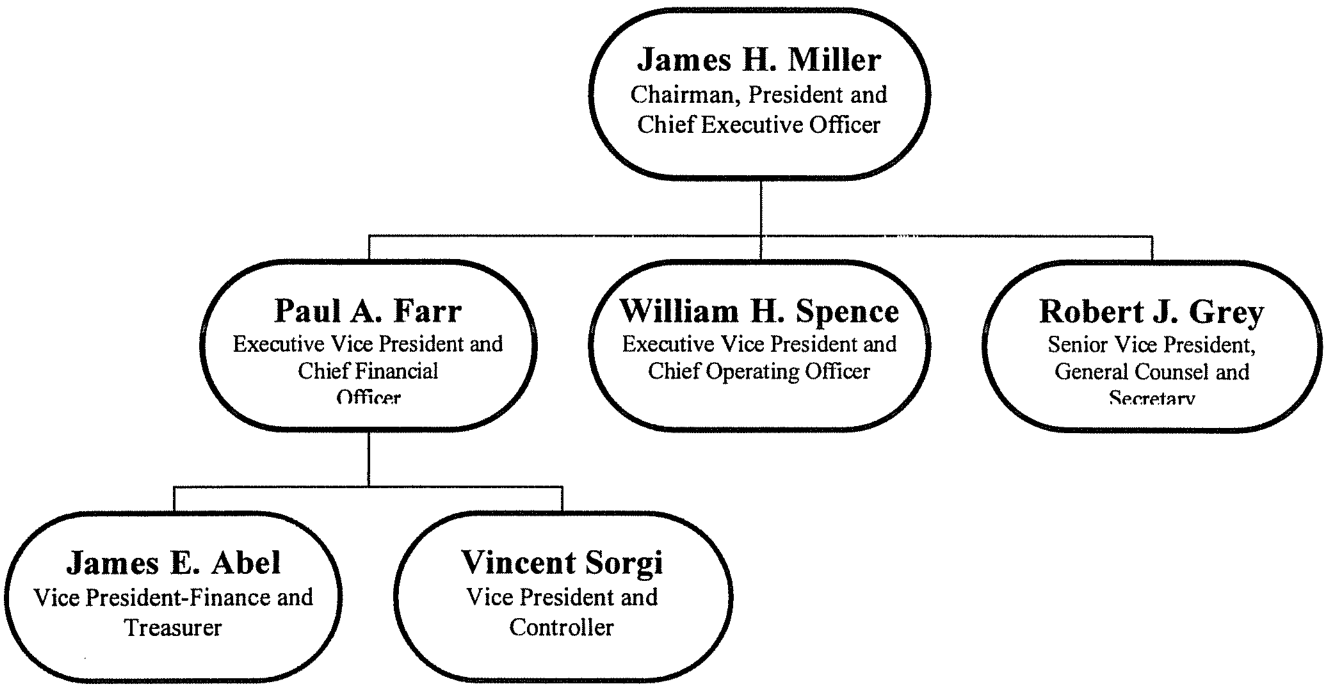
T Prof. Dr. Klaus-Dieter Maubach

- T/HC Gollan – Group HSE & CR
  - T/HC1 Brandsma – Corporate Responsibility
  - T/HC2 Dr. Hansch – Health, Safety & Environment

1) Operatively responsible to Dr. Schenck
2) Transfer to EOI 01.08.2010

* from 06/24/2010 on; represented by Dr. Schenck until 06/23/2010

Officers of PPL Corporation
(Vice President and above)



PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 12

Responding Witness: William H. Spence

Q-12. Provide any anticipated post-acquisition changes to the organizational charts provided in response to the previous request. Indicate where one person is expected to occupy two or more positions within the same entity or across multiple entities.

A-12. As of this time, PPL does not anticipate post-acquisition changes to the applicable organization charts provided in response to Question No. 11 or to those persons presently serving in such offices as a result of the proposed acquisition.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 13

Responding Witness: Paul A. Farr

Q-13. Refer to pages 7-9 of the application.

a. Regarding the mix of cash, debt, and equity with which PPL anticipates funding the proposed acquisition, describe in detail the composition of cash, debt, and equity intended to be used.

b. Identify any asset disposals that are under consideration by PPL for raising cash to fund the proposed acquisition.

A-13. a. The Purchase and Sale Agreement (the "PSA") entered into by PPL and E.ON Investments as of April 28, 2010 provides for the sale of E.ON U.S. to PPL. Pursuant to the PSA, at closing PPL will acquire all of the outstanding limited liability company interests of E.ON U.S. for cash consideration of $2,062 million. In addition, pursuant to the PSA the Company agreed to assume approximately $925 million of pollution control bonds and to repay indebtedness owed by E.ON U.S. and its subsidiaries to E.ON Investments and affiliates. Such affiliate indebtedness is currently estimated to be approximately $4,638 million.

PPL has a combination of cash on hand and credit facilities in place to finance the proposed acquisition. PPL entered into that certain $6.5 billion Senior Bridge Term Loan Credit Agreement, dated as of June 9, 2010, among PPL Capital Funding, Inc. as Borrower, PPL as Guarantor, the lenders from time to time party thereto and Bank of America, N.A. as Administrative Agent, Credit Suisse, A.G. as Syndication Agent, Wells Fargo Bank, National Association as Documentation Agent, and Banc of America Securities LLC, Credit Suisse Securities (USA) LLC and Wells Fargo Securities, LLC, as Joint Lead Arrangers, by which PPL has secured financing in an amount sufficient to ensure a cash tender making up nearly 85% of the total purchase price.

The permanent financing contemplated by PPL for the proposed acquisition also includes the offering by PPL of $750 million to $1 billion in high-equity-content securities, and the public offering by PPL of $2.2 billion to $2.6 billion in common stock.

On June 21, 2010, PPL made a highly successful concurrent offering of its Common Stock and Equity Units. PPL offered 103,500,000,000 shares of its Common Stock at a Public Offering Price of $24.00 per share. The estimated net proceeds to PPL from the Common Stock offering will be approximately $2.4 billion.

With respect to the Equity Units, PPL offered 20,000,000 Equity Units at a Public Offering Price equal to $50.00 per Equity Unit. The estimated net proceeds to PPL from the Equity Units Offering will be approximately $1.1 billion.

b. PPL has not publicly disclosed any present intent to sell any specific assets for raising cash to fund the proposed acquisition.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 14

Responding Witness: S. Bradford Rives / William H. Spence

Q-14. Refer to Exhibit D of the application. Commitments 12, 13, 27, and 33 refer to the implementation of "best practices." Explain how "best practices" will be determined, when such determinations will be made, and when changes would be implemented to achieve best practices.

A-14. Best practices as used in the Regulatory Commitments referenced in the request for information are considered to be process improvements or efficiencies and not reductions in headcount. PPL expects that LG&E and KU will assess their current operational practices to determine if either company should adopt specific best practices after consummation of the proposed acquisition. PPL Kentucky would then cause LG&E and KU to implement any changes indicated by a best-practices review as part of the ongoing operation of the respective businesses. The Joint Applicants have not preformed any analysis of such process improvements or efficiencies at this time, but pursuant to Regulatory Commitment No. 12 will advise the Commission at least annually with respect to implementation of any best practices.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 15

Responding Witness: William H. Spence

Q-15. Refer to Exhibit D of the application, page 7. Commitment No. 48 states that the corporate headquarters of E.ON U.S. (PPL Kentucky post-acquisition) will include the corporate management personnel of E.ON U.S. Provide the position titles included in the definition of corporate management personnel.

A-15. The Regulatory Commitments include commitments that the corporate officers of PPL Kentucky, LG&E and KU will maintain their current titles and responsibilities as officers unless and until otherwise determined by their respective Boards of Directors or Managers; that PPL, PPL Kentucky, LG&E and KU will maintain the highest level of experience within PPL Kentucky, LG&E and KU; and that PPL will develop a retention and incentive program for managers of PPL Kentucky. [Regulatory Commitments No. 9 and 15]

Although not expressly defined, at a minimum, corporate management personnel of E.ON U.S. includes the Chairman, President and Chief Executive Officer; the Executive Vice President, General Counsel and Corporate Secretary; the Chief Financial Officer; the Senior Vice President for Energy Delivery; the Senior Vice President for Energy Services; the Senior Vice President for Human Resources; the Vice President of Corporate Planning and Development; the Vice President for Corporate Responsibility and Community Affairs; the Vice President and Depute General Counsel, Legal and Environmental Affairs; the Vice President for Energy Delivery – Distribution Operations; the Vice President for Energy Delivery – Retail Business; the Vice President for Energy Marketing; the Vice President for External Affairs; the Vice President for Federal Regulation and Policy; the Vice President for Power Production; the Vice President for State Regulation and Rates; the Vice President for Transmission and Generation Services; the Treasurer; and the Controller.

PPL's commitments regarding the retention of the current corporate officers are subject to PPL's obligation to continue to operate its business prudently and in the public interest over the long term, as well as PPL's obligation under the Sarbanes-Oxley Act to maintain adequate controls over all aspects of its business.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff Dated June 23, 2010

Question No. 16

Responding Witness: William H. Spence

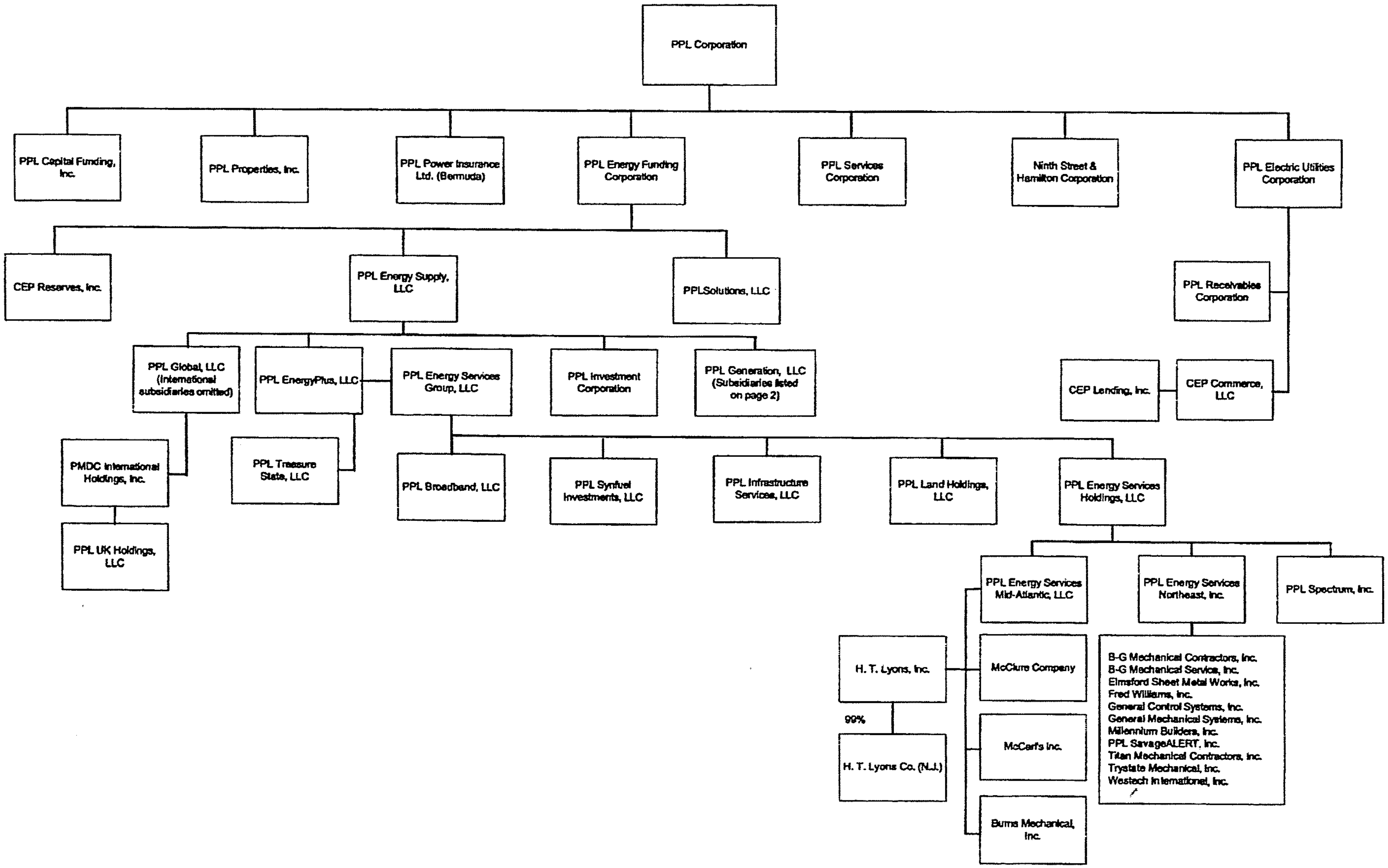
Q-16. Refer to Exhibit F of the application. Provide the complete organizational chart of PPL as of May 31, 2010. Include a brief description of each subsidiary or affiliate and indicate whether it is an active or inactive entity.

A-16. Please see the attached for a complete organizational chart of PPL's subsidiaries, other than subsidiaries of PPL Global, LLC, as well as for a complete organizational chart of the subsidiaries of PPL Global, LLC. Provided below is a brief description of each subsidiary that is required to be listed as a material subsidiary on Exhibit 21(a) to PPL's Annual Report on Form 10-K, all of which are active

Company Name	Description of Business
PPL Electric Utilities Corporation	A direct regulated utility subsidiary of PPL that transmits and distributes electricity in its service territory and provides electric supply to approximately 1.4 million retail customers in this territory as a PLR. It is a separate SEC-reporting company.
PPL Energy Funding Corporation	A direct subsidiary of PPL and the parent company of PPL Energy Supply, LLC.
PPL Energy Supply, LLC	A direct subsidiary of PPL Energy Funding Corporation and the parent company of PPL Generation, PPL EnergyPlus, LLC, PPL Global, LLC and other subsidiaries. It is a separate SEC-reporting company.
PPL Investment Corporation	A direct subsidiary of PPL Energy Supply, LLC and a lending entity for PPL and its affiliates.

Company Name	Description of Business
PPL Global, LLC	A direct subsidiary of PPL Energy Supply, LLC that primarily owns and operates a business in the U.K., WPD, that is focused on the regulated distribution of electricity to approximately 2.6 million customers.
PMDC International Holdings, Inc.	A direct subsidiary of PPL Global, LLC that is a holding company for subsidiaries that hold investments in England and Wales.
PPL EnergyPlus, LLC	A direct subsidiary of PPL Energy Supply, LLC that markets and trades wholesale and retail electricity and gas, and supplies energy and energy services in deregulated markets.
PPL Generation, LLC	A direct subsidiary of PPL Energy Supply, LLC that owns and operates U.S. generating facilities through various subsidiaries.
PPL Susquehanna, LLC	A direct subsidiary of PPL Generation, LLC that holds nuclear generation assets.
PPL UK Holdings, LLC	A direct subsidiary of PMDC International Holdings, Inc. that is a holding company for investments in England and Wales.
PPL UK Resources Limited	A direct subsidiary of PPL UK Holdings, LLC that holds shares in Western Power Distribution Holdings Limited, which owns Western Power Distribution LLP, and WPD Investment Holdings Limited, which owns Hyder Limited and other Hyder affiliates.
Western Power Distribution Holdings Limited	An indirect, wholly owned subsidiary of PPL Global, LLC that owns Western Power Distribution LLP, which owns PPL's two UK electric utility companies: Western Power Distribution (South West) plc and Western Power Distribution (South Wales) plc.
PPL Montana Holdings, LLC	A direct subsidiary of PPL Generation, LLC that owns PPL Montana, LLC

Company Name	Description of Business
PPL Montana, LLC	An indirect subsidiary of PPL Generation, LLC that generates electricity for wholesale sales in Montana and the Pacific Northwest.



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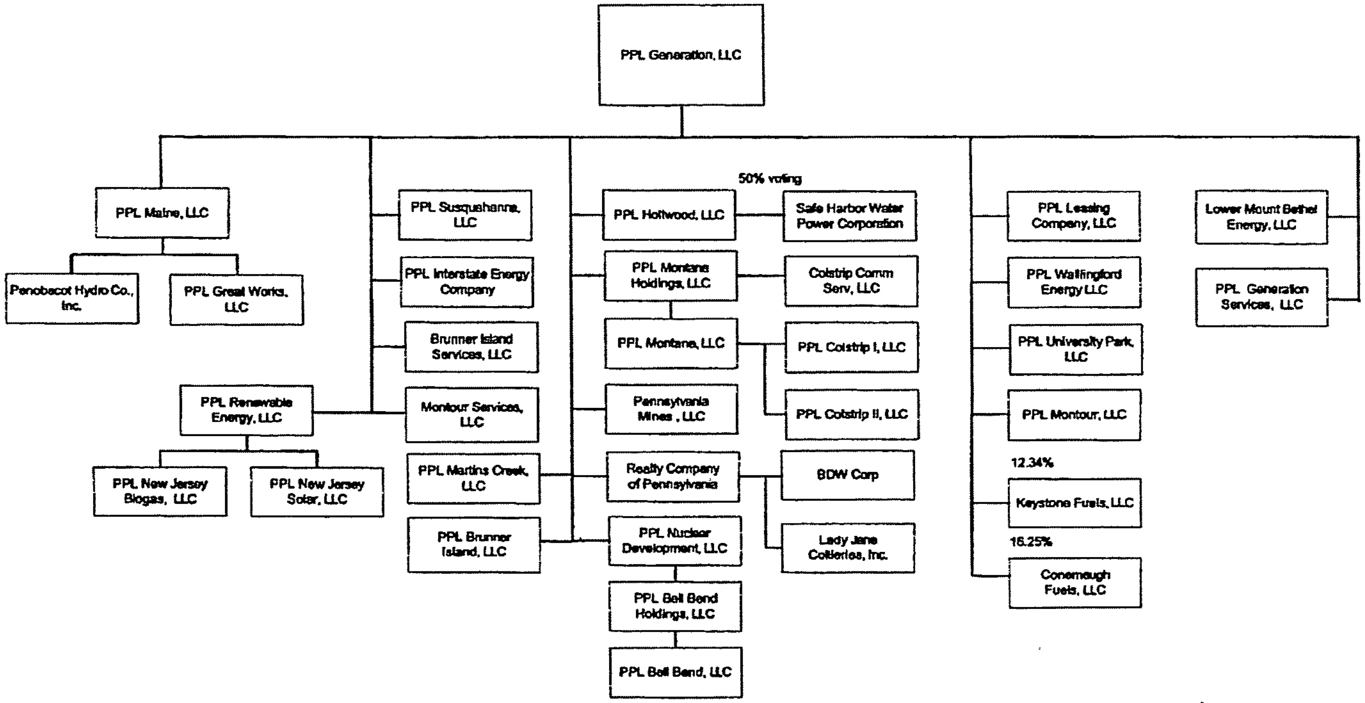
Attachment to Response to KPSC Question No. 16
Page 1 of 5
Spence



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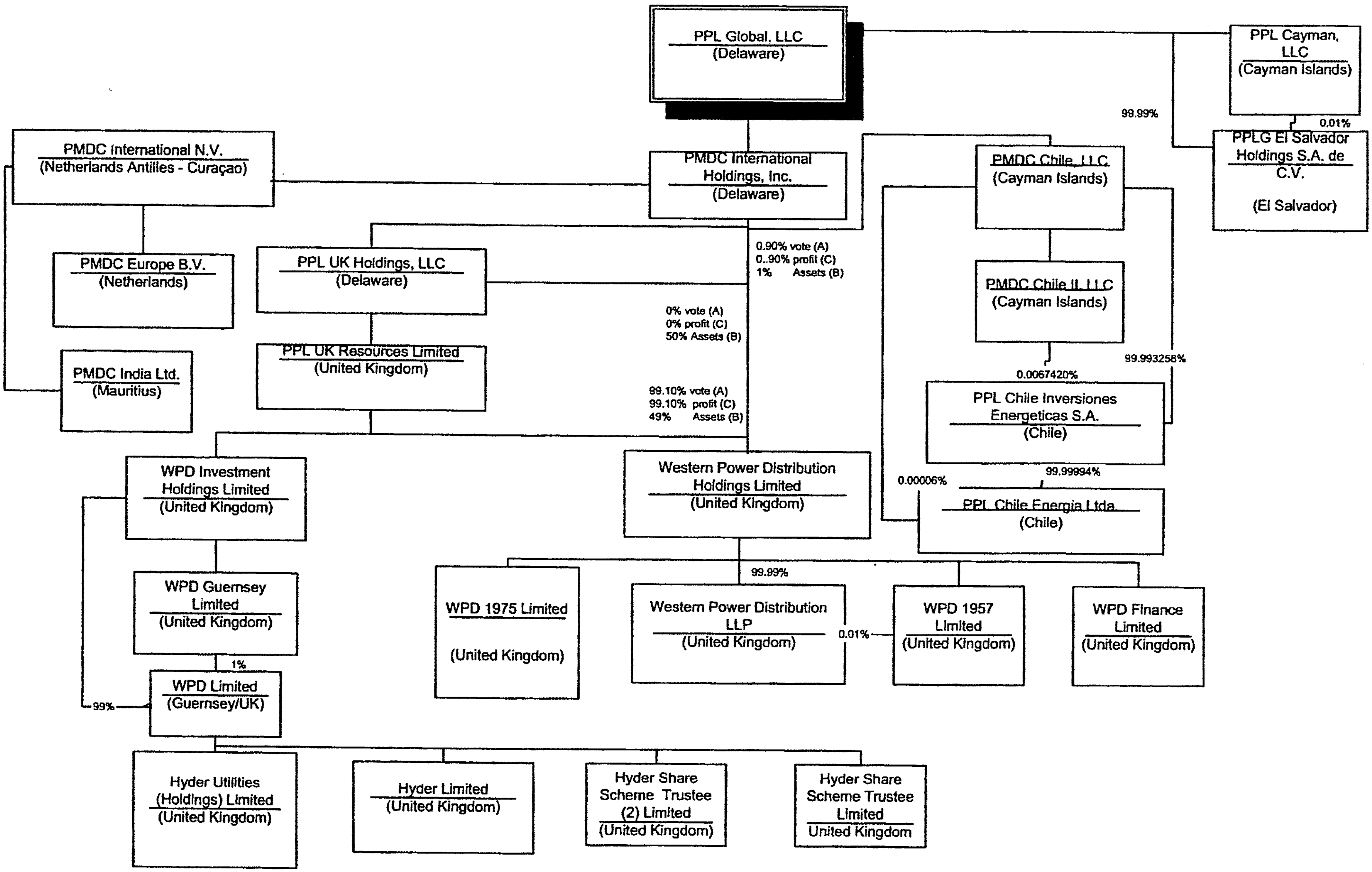
Attachment to Response to KPSC Question No. 16
Page 2 of 5
Spence

PPL GLOBAL US & INTERNATIONAL SUBSIDIARIES

CAYMAN ISLANDS, CHILE, DUTCH, MAURITIUS & WESTERN POWER DISTRIBUTION PARENTAL STRUCTURE



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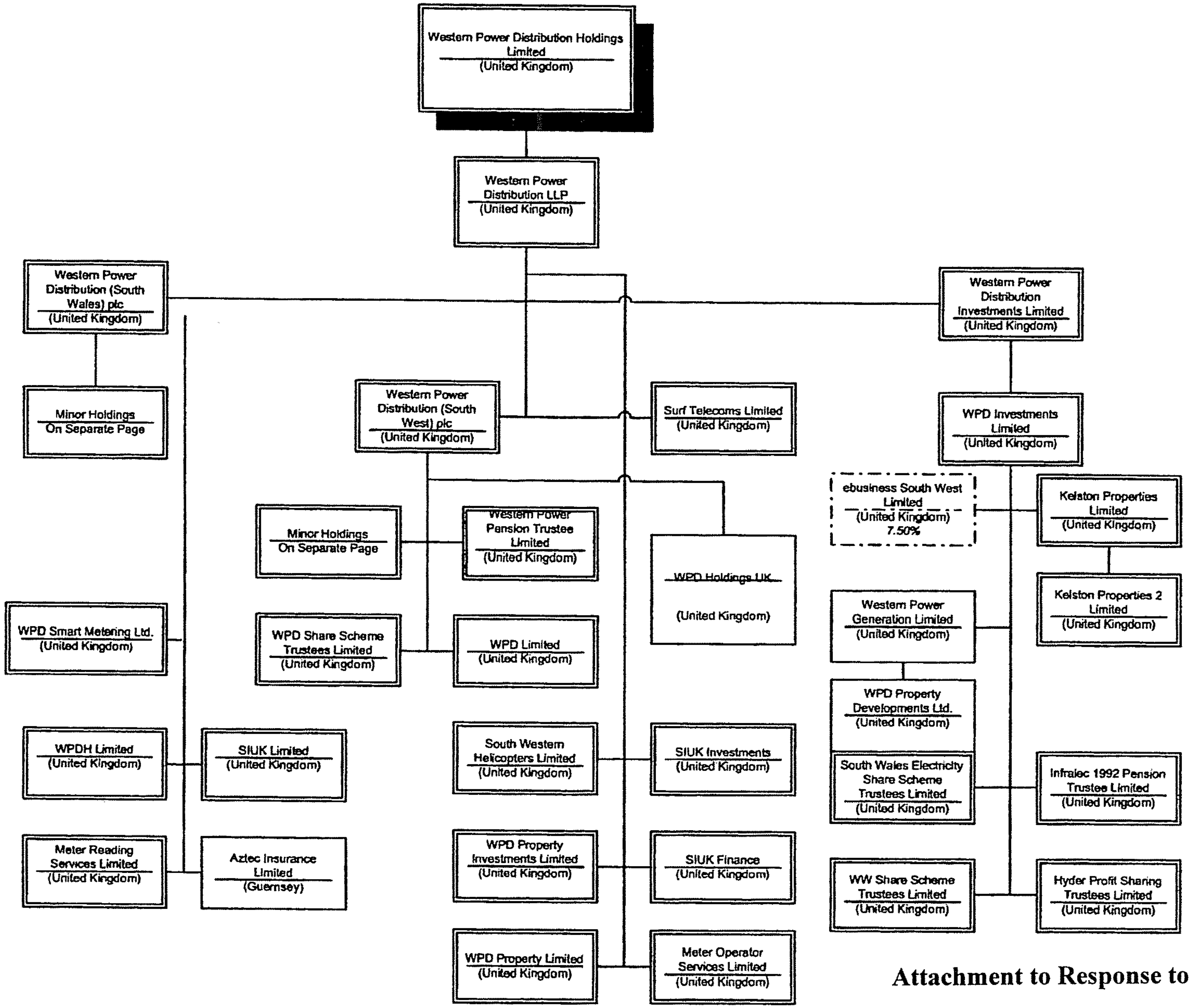
Attachment to Response to KPSC Question No. 16
Page 3 of 5
Spence

PPL GLOBAL SUBSIDIARIES

WESTERN POWER DISTRIBUTION LLP SUBSIDIARIES



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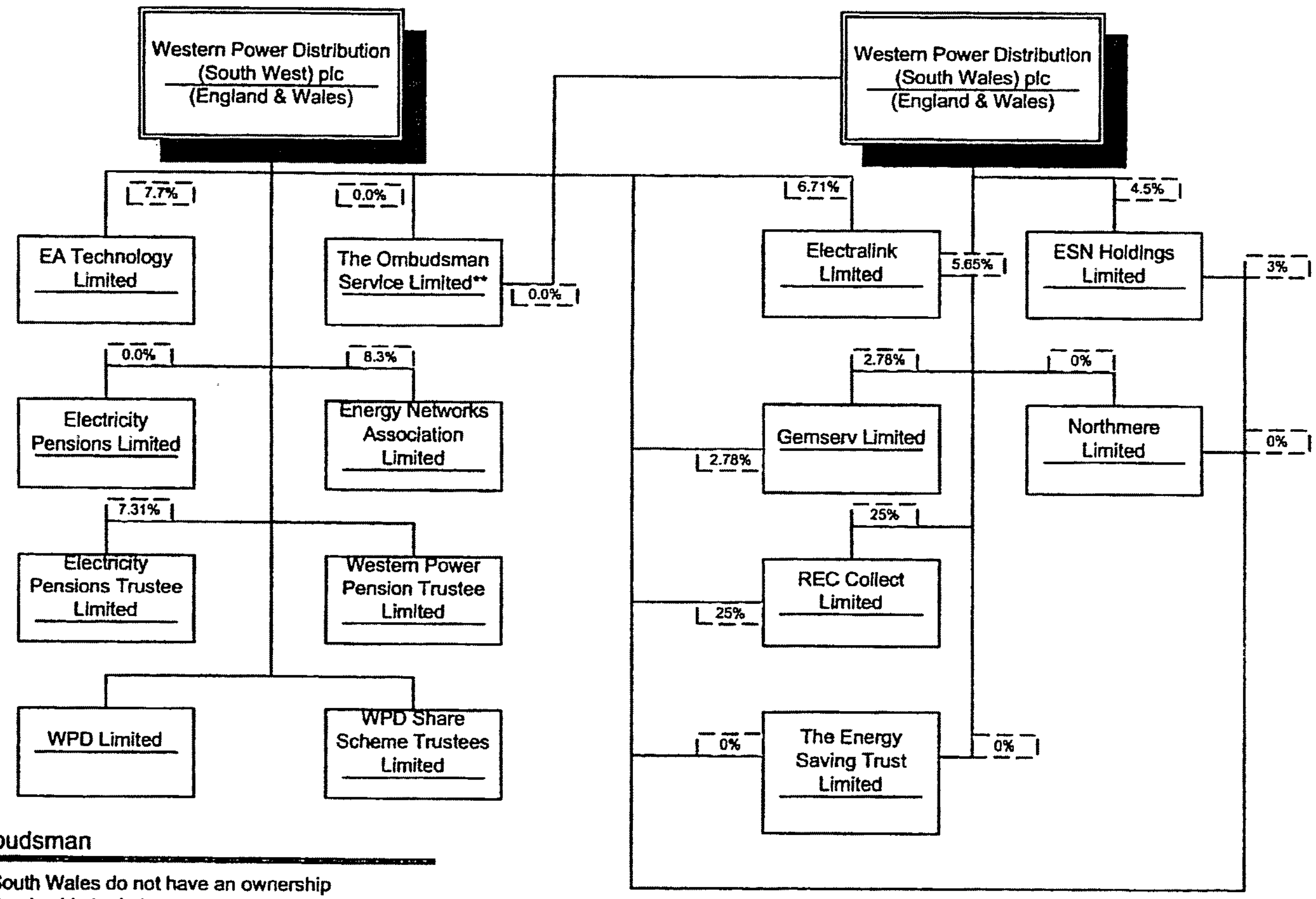
Attachment to Response to KPSC Question No. 16
Page 4 of 5
Spence

PPL Global Subsidiaries

Western Power Distribution (South West & South Wales) Minor Holdings Detailed



Ownership note on Ombudsman

WPD South West and WPD South Wales do not have an ownership interest in The Ombudsman Service Limited, they are contractually bound to contribute along with the other 102 service members to the company to pay expenses and contractual obligations and be bound to determinations made by the Obmudsman pertaining to customer complaints.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 17

Responding Witness: William H. Spence

Q-17. Refer to page 47 of the Purchase and Sale Agreement, Section 5.6, Employee Benefits.

a. In subpart (ii), PPL agrees to provide "pension and welfare benefits that are materially no less favorable in the aggregate than the benefits generally provided to Subject Employees immediately prior to the Closing Date."

(1) Explain whether the same commitment will apply to current retirees of E.ON U.S., LG&E, and KU.

(2) Describe PPL's corporate philosophy related to funding current employees' benefits, current retirees' pensions, and current retirees' other post-employment benefits.

b. Describe the funding status of PPL's current retirees' pensions and other post-employment benefits.

A-17. a.

(1) The commitment to provide "pension and welfare benefits that are materially no less favorable in the aggregate than the benefits generally provided to Subject Employees immediately prior to the Closing Date" does not extend to retirees. PPL, however, has no current plans to change benefits for current retirees of E.ON US., LG&E or KU.

(2) PPL's business model is predicated in part on acquiring and retaining a competitive workforce. PPL has been and remains dedicated to providing an interesting and rewarding work experience for its employees and therefore strives to offer competitive compensation and benefits packages in order to retain a strong work force. PPL currently offers its full-time employees competitive health care benefits including medical, prescription, vision and dental coverage. Employee satisfaction is extremely important to PPL. PPL's philosophy for funding employee

pensions is to fund the greater of the annual FAS87 expense or the minimum funding requirements of the Pension Protection Act of 2006. PPL will also consider funding in excess of these amounts if conditions warrant. PPL's philosophy for funding other post-retirement benefits is to fund at the level of the FAS106 expense.

b. In January of 2010, PPL made a contribution of $120 million to the PPL Retirement Plan. At year end 2009, PPL's domestic pension plans were 74% funded on a Projected Benefit Obligation (PBO) basis, and 81% funded on an Accumulated Benefit Obligation (ABO) basis. PPL's UK subsidiary also has defined benefit pension plans and at year end 2009 were 79% funded on a PBO basis and 83% funded on an ABO basis. The funding strategy in the UK is driven by UK regulation and agreements with the trustees of those plans. At year-end 2009, PPL's other post-retirement benefit obligations were 60% funded.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 18

Responding Witness: S. Bradford Rives / Paul A. Farr / William H. Spence

Q-18. Refer to pages 25-26 of the Testimony of James H. Miller. Explain why PPL, PPL Kentucky, LG&E and KU intend to wait until 60 days after completion of the proposed transfer to submit to the Commission "[a] formal analysis of any potential savings created by the proposed acquisition from the acquisition and a proposed methodology for allotting an appropriate share of the potential synergies, if any, to LG&E's and KU's ratepayers."

a. Explain why such an analysis could not be submitted as part of this transfer proceeding.

b. Has PPL, PPL Kentucky, LG&E, KU, or any person on their behalf performed any analysis, calculation, estimate, or projection, whether partial, preliminary, incomplete, or final, of any potential synergies, benefits, savings, or cost reductions that might result from the PPL acquisition of LG&E and KU? If yes, provide copies of each analysis, calculation, estimate, or Projection.

A-18. a. The proposed acquisition was structured to be an uncomplicated transaction that is being undertaken for straight-forward business reasons. PPL's proposed acquisition of E.ON U.S. will bring well-run, traditionally regulated utilities, operated by a common holding company, into the PPL family of companies for the purpose of having a stabilizing effect on PPL's overall business by securing an asset that will provide the opportunity to produce steady cash flow and consistent earnings over time.

As stated in testimony, PPL does not expect significant synergies and did not consider any synergies or savings in evaluating the economics of the proposed acquisition. PPL's business plan is to operate E.ON U.S.'s businesses on a stand-alone basis for the long run. This will allow KU and LG&E to continue to jointly plan and operate their generation, transmission and distribution systems under the ownership of a parent company that holds a long-term view of their value. The series of commitments PPL has offered are designed to maintain and protect the current and excellent rates, services, jobs, headquarters, operations and assets of the two utility companies owned by E.ON U.S.

As discussed above, PPL does not expect significant synergies and did not consider any synergies or savings in evaluating the economics of the proposed acquisition. PPL offered Regulatory Commitment No. 39 because of prior commitments from the previous owners of LG&E and KU referenced in the question. PPL's efforts and the efforts of the other Joint Applicants have been focused on consummation of the proposed acquisition and receiving all necessary state and federal approvals on a timely basis for a closing targeted by the end of this year.

b. Neither PPL, PPL Kentucky, LG&E nor KU performed any such analysis, calculation, estimate or projection. However, in connection with the process of collecting information for use in the preparation of responses to these data requests, PPL's counsel obtained from Booz & Co. ("Booz") on June 30, 2010 a copy of a preliminary and incomplete draft of a report that was prepared by Booz during the early months of 2010. Booz was engaged by PPL early in 2010 for the purpose of identifying categories of potential synergies or savings that may be associated with the acquisition of regulated utilities. After Booz had begun its work on this engagement, it became clear to PPL's senior management that PPL would be expected to include in the application to the Commission for approval of the proposed acquisition various regulatory commitments, many of which would preclude or substantially limit the creation of traditional acquisition synergies. By that time, Booz had prepared the preliminary and incomplete draft described above. The Booz draft was based on limited information regarding E.ON and its business that was then available to Booz and did not take into account the impact on post-closing operations of the Regulatory Commitments that have been made by the Joint Applicants in this proceeding. PPL senior management received an oral briefing from Booz that consisted of a summary of the key assumptions and categories of potential synergy savings that had been identified by Booz in its preliminary analysis. But PPL did not request that such summary be provided in writing, did not assess the feasibility of the assumptions and categories of potential synergy savings identified by Booz in the oral briefing and did not request any further analysis by Booz. PPL did not assume the existence of any synergy savings when it made the economic decision to purchase E.ON U.S. PPL will, as required by Regulatory Commitment No. 39, file with the Commission within 60 days after the closing of the proposed acquisition a petition setting forth a formal analysis of any potential synergies and benefits from the transaction and a proposed methodology for allotting an appropriate share of the potential synergies and benefits to LG&E's and KU's ratepayers.. The Booz draft does not reflect PPL's plans regarding post-closing operations of the combined companies as provided in the Regulatory Commitments or PPL's assessment of any potential synergy savings that may be realized as contemplated by Regulatory Commitment. No.39. Identification of potential synergies associated with the proposed acquisition must be consistent with all the proposed Regulatory Commitments because, the post-closing operations of the combined companies under PPL will be as provided in the Regulatory Commitments. A copy of the Booz draft is being provided pursuant to a petition for confidential treatment. See attached CD in folder titled Question No. 1-18.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 19

Responding Witness: Paul A. Farr

Q-19. Refer to page 4 of the Testimony of Paul A. Farr ("Farr Testimony"). Starting at line 15, Mr. Farr states that it is expected that PPL Kentucky will issue $800 million in unsecured corporate debt. Provide a detailed description of the purpose of this debt issuance.

A-19. As part of the recapitalization of the E.ON U.S. entities, PPL will significantly reduce the debt of E.ON U.S. The proceeds of the $800 million will be used to repay a portion of the E.ON U.S. debt to Fidelia Corporation, an E.ON AG affiliate, at or near closing of the transaction. The $800 million will be the only long-term debt remaining at E.ON U.S. following closing. The amount of debt for LG&E and KU will not change.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 20

Responding Witness: Paul A. Farr

Q-20. Refer to pages 6-9 of the Farr Testimony concerning PPL's compliance with the requirements of the Public Holding Company Act of 2005. Explain whether PPL has familiarized itself with the provisions of KRS 278.2201 through 278.2213 which deal with cost allocation, transactions between utilities and affiliates, and recordkeeping by utilities and affiliates.

A-20. PPL has familiarized itself with the provisions of KRS 278.2201 through 278.2213. Please see the response to Questions No. 8.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 21

Responding Witness: William H. Spence

Q-21. Refer to page 3 of the Testimony of William H. Spence ("Spence Testimony") regarding the generating capacity PPL owns or controls in the United States. Provide a breakdown showing the amount of regulated generation and unregulated generation. Include in the response the generation mix for each of the two categories.

A-21. All of PPL's U.S. generating capacity, owned by one of its major subsidiaries, PPL Energy Supply, LLC, is sold by another of PPL's major subsidiaries, PPL EnergyPlus, LLC, into wholesale markets, all of which are served under market-based rates. A list of these unregulated generation facilities is listed as Item 2, page 17, to the 2009 10-K.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff Dated June 23, 2010

Question No. 22

Responding Witness: William H. Spence

Q-22. Refer to pages 7-10 of the Spence Testimony concerning reliability and safety issues.

a. Provide a list of all North American Electric Reliability Council ("NERC") entities (e.g., Generator Operator, Generation Owner, Transmission Operator, Transmission Owner) and the Regional Reliability Organization ("RRO") with which PPL and/or any of its subsidiaries or affiliates is registered and the date of such registration.

b. Provide information related to any self-reports of potential violations of NERC Reliability Standards, since the standards became mandatory, including:

(1) The NERC Reliability Standard, and all requirements and sub-requirements, potentially violated;

(2) The Violation Severity Level and Violation Risk Factor for each Reliability Standard, requirement and sub-requirement for which a potential violation was reported;

(3) The initial amount of penalties, if any, calculated by the RRO, the amount of penalties agreed to by the RRO and PPL and/or its subsidiary or affiliate as part of any settlement discussions, the amount of penalties recommended by the RRO to the Federal Energy Regulatory Commission ("FERC"), and the amount of penalties ultimately approved by FERC; and

(4) Descriptions of actions taken, programs implemented, programs amended, and on-going reporting related to any reported violations of the Reliability Standards including, but not limited to, the status of any such programs, amendments, and reporting.

c. Provide the dates of any audits on compliance with NERC Reliability Standards including:
   (1) The RRO or other organization performing the audit;

   (2) Whether the audits arose as part of a regular audit plan of the RRO, a self-report, or other report to the RRO and/or the FERC; and

   (3) The preliminary and final findings of any such audits.

A-22. Please see attached table. PPL notes that some of the information contained in its response to this question is non-public and highly confidential, and is being filed with the KPSC under a Petition for Confidential Protection.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 23

Responding Witness: Karl-Heinz Feldmann

Q-23. Refer to page 4 of the Testimony of Karl-Heinz Feldmann. Regarding the $6 million in donations described on line 3-8, confirm whether the sentence on lines 8-10 means that these donations are not contingent on the proposed acquisition.

A-23. These donations are not contingent on the proposed acquisition. Please see response to AG 1-76.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff Dated June 23, 2010

Question No. 24

Responding Witness: Victor A. Staffieri / William H. Spence

Q-24. Refer to page 8 of the Testimony of Victor A. Staffieri. Starting at line 9, Mr. Staffieri states that "the managers of E.ON U.S., LG&E and KU will be provided an opportunity to broaden their experience by exchanging positions with other managers in PPL's organization."

a. Describe in detail how these exchanges would occur and whether they would be temporary or permanent.

b. State whether these exchanges would be voluntary or mandatory for employees.

A-24. a. While the details of these exchanges are not available, at this time the intent is to provide managers with an opportunity to broaden their experience by exchanging positions with other managers in PPL's organization. The exchanges may be temporary or permanent depending on individual development needs.

b. These exchanges are anticipated to be voluntary.

PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 2010-00204

Joint Response to First Data Request of Commission Staff
Dated June 23, 2010

Question No. 25

Responding Witness: Lonnie E. Bellar / William H. Spence

Q-25. Refer to page 4 of the Testimony of Lonnie E. Bellar. Describe in detail all discussions between PPL, LG&E and KU regarding PPL's efforts and mitigation measures to permit LG&E and KU to continue to operate without being participants in a Regional Transmission Organization. Provide documentation thereof including, but not limited to, e-mails, memoranda, letters, and transcripts of phone conversations.

A-25. The only discussions concerning this issue between PPL, LG&E, and KU occurred between their chief executive officers ("CEOs") in a face-to-face meeting concerning the proposed transaction. At that meeting, the CEO of LG&E and KU suggested that the Commission likely would not welcome membership in a Regional Transmission Organization ("RTO") as a condition of the proposed transaction. As stated in the Testimony of James H. Miller, CEO of PPL, in this proceeding, PPL has therefore committed to use its reasonable best efforts to address any market power mitigation concerns of federal regulators through means other than RTO membership for LG&E and KU.[1] This position is also prevalent in the application filed with FERC regarding the acquisition of E.ON U.S. by PPL which was filed with the KPSC.

[1] Miller Testimony at 12-13.