

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND)	
ELECTRIC COMPANY FOR AN ORDER)	CASE NO.
AMENDING AND EXTENDING EXISTING)	2012-00410
AUTHORITY WITH RESPECT TO REVOLVING)	
LINE OF CREDIT)	

ORDER

On September 6, 2012, Louisville Gas and Electric Company (“LG&E”) filed an application for authority to extend its existing and previously authorized \$500 Million multi-year revolving line of credit for a term through December 31, 2017. On October 18, 2012, the Commission approved LG&E’s request after considering LG&E’s belief that revolving lines of credit will be less readily available and more expensive in the future based upon changes in regulation adopted by the Federal Reserve. Even though LG&E could not “quantify the differences in conditions and fees on similar credit facilities in 2016 as opposed to today. . .” the Commission found that the extension of LG&E’s authority with respect to its multi-year revolving line of credit was for lawful objects within the corporate purposes of LG&E’s utility operations; was necessary and appropriate for and consistent with the proper performance of its service to the public; would not impair its ability to perform that service; was reasonably necessary and appropriate for such purposes; and should, therefore, be approved.

On October 22, 2012, LG&E filed a motion to amend Ordering Paragraph 3 of the Commission’s October 18, 2012 Order, which states that “LG&E shall agree only to

such terms and price that are consistent with the parameters set out in its application, and that produce net present value savings over the existing financing.” LG&E asserts that, although its position and request are based upon available information, the actual 2016 conditions and fees cannot be known with certainty until 2016.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that Ordering Paragraph 3 of the Commission’s Order of October 18, 2012 should be amended.

IT IS THEREFORE ORDERED that:

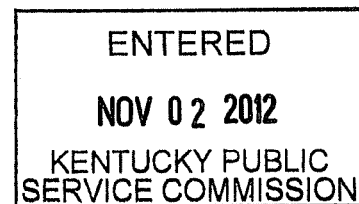
1. Ordering Paragraph 3 of the Order of October 18, 2012 is amended as follows:

LG&E shall agree only to such terms and prices that are consistent with the parameters set out in its application.


2. All provisions of the Order of October 18, 2012 that are not in conflict with the terms of this Order shall remain in effect.

By the Commission

Commissioner Breathitt is abstaining from this proceeding.



ATTEST:


Executive Director

Honorable J. Wade Hendricks
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