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PUBLIC SERVICE COMMISSION

Mr. Jeff DeRouen Executive Director Kentucky Public Service Commission 211 Sower Boulevard P. O. Box 615 Frankfort, KY 40602-0615 Kentucky Utilities Company State Regulation and Rates 220 West Main Street PO Box 32010 Louisville, Kentucky 40232 www.lge-ku.com

Rick E. Lovekamp Manager - Regulatory Affairs T 502-627-3780 F 502-627-3213 rick.lovekamp@lge-ku.com

July 1, 2014

Re: In the Matter of: Joint Application of Kentucky Utilities Company, Kentucky Association for Community Action, Inc., and Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc. for the Establishment of a Home Energy Assistance Program, Case No. 2007-00338

Dear Mr. DeRouen:

On June 13, 2014, pursuant to Ordering Paragraph No. 4 of the Commission's Order in Case No. 2007-00338, Kentucky Utilities Company ("KU") filed the HEA program information for calendar year 2013 and the financial audits for CAK and CAC for year ended June 30, 2013.

In its June 13, 2014 letter, KU originally stated "during 2013, there was no change to the monthly or annual benefit amount after approval of the aforementioned Order." However, in Case No. 2012-00221, the Commission issued an Order on December 20, 2012 that approved the terms associated with the Settlement Agreement, Stipulation, and Recommendation ("Settlement Agreement"), which specifically stated in Section 4.4 of the Settlement Agreement that the HEA subsidy amount administered by CAC may increase up to \$88 per month or \$616 annually. As a result, the subsidy amount increased during 2013. KU apologizes for any inconvenience this oversight may have caused.

Mr. Jeff DeRouen July 1, 2014

Please confirm your receipt of this filing by placing the stamp of your Office with date received on the extra copy and returning to me in the enclosed envelope. Should you have any questions regarding this information, please contact me or Don Harris at 502-627-2021.

Sincerely,

Rick E. Lovekamp