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July 20, 2006

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VIA HAND DELIVERY

Chairman Sara Kyle Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243-0505

Re:

Appropriateness of Implementation of PURPA Standard 11 (Net Metering), Standard 12 (Fuel Sources), Standard 13 (Fossil Fuel Generation Efficiency), Standard 14 (Time Based Metering and Communication) and Standard 15 (Interconnection) for

Kentucky Utilities Company

Docket No. 06-00183

Dear Chairman Kyle:

Enclosed you will find a letter from F. Howard Bush, Jr., Manager of Tariffs/Special Contracts for Kentucky Utilities to be filed in the above-referenced docket pursuant to the request of the staff.

Sincerely,

D. Billye Sanders

Attorney for Kentucky Utilities Company

D. Bellye Sanders

DBS/sl Enclosure

WALLER LANSDEN DORTCH & DAVIS, PLLC

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cc: John Wade Hendricks, Esq. Allyson Sturgeon, Esq. F. Howard Bush, Jr.



July 19, 2006

Ms. Darlene Standley Chief, Utilities Division Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

Dear Ms. Standley:

This letter regards Kentucky Utilities Company's ("KU") intentions related to the five KU customers served under the Tennessee Regulatory Authority's ("TRA") jurisdiction and the impact on those customers by the Energy Policy Act of 2005 ("EPA").

The Kentucky Public Service Commission ("PSC") is currently conducting an investigation into the sections addressing Standard 14, "Time Based Metering and Communication", and Standard 15, "Interconnection", of the EPA. KU intends and requests the TRA to allow the findings of the PSC is be offered to the five KU customers served under the TRA jurisdiction under the same conditions as those KU customers falling under PSC jurisdiction.

KU has no generation in the State of Tennessee and does not believe the Standard 12, "Fuel Sources", or Standard 13, "Fossil Fuel Generation Efficiency", addressed by the EPA are relevant for consideration by the TRA as they relate to KU.

KU's tariff, as approved for its Kentucky customers, currently contains provision for Standard 11, "Net Metering". KU is proceeding with preparing a filing requesting the TRA permit the entire KU Kentucky jurisdictional tariff, including the Net Metering Service, be available to the five Tennessee customers.

If you have any questions, please contact me at (859) 367-5636.

Sincerely,

F. Howard Bush Jr.

Manager, Tariffs/Special Contracts

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