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February 6, 2007

VIA HAND DELIVERY

Sara Kyle, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
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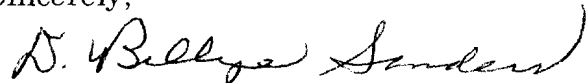
Re: In the Matter of the Petition of Kentucky Utilities
Company for an Order Authorizing the Issuance of Securities
and the Assumption of Obligations
Docket No: 06-00235

Dear Chairman Kyle,

Enclosed you will find fourteen copies of the Order of the Kentucky Public Service Commission amending its Order dated January 22, 2007 in Case No. 2006-00390, which involves the same securities that are the subject of this docket. This Order corrects two factual errors that were in the Order. This Order does not affect the action that the TRA has taken to approve Kentucky Utilities Petition in this docket. I had previously informed the Staff that their were errors in the Kentucky Order that Kentucky Utilities was seeking to correct. This Order evidences acknowledgment of the errors and corrects them.

Please contact me if you have any questions.

Sincerely,



D. Billye Sanders
Attorney for Kentucky Utilities
Company

February 6, 2007

Page 2

DBS/hmd

Enclosure

cc: Kendrick R. Riggs, Esq.
John Wade Hendricks, Esq.
Allyson K. Sturgeon, Esq.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY)	
UTILITIES COMPANY FOR AN ORDER)	
AUTHORIZING THE ISSUANCE OF)	CASE NO. 2006-00390
SECURITIES AND THE ASSUMPTION)	
OF OBLIGATIONS)	

O R D E R

On January 24, 2007, Kentucky Utilities Company ("KU") filed a motion requesting the Commission to amend its January 22, 2007 Order, *nunc pro tunc*, to correct two factual statements.

In support of its motion, KU states that the Commission's characterization of the bonds at issue in this proceeding as the only two remaining issuances of secured debt is incorrect. KU states that the evidence of record clearly describes its three First Mortgage Bonds and its ten Pollution Control Bonds and clearly demonstrates that all of these bonds are currently secured, not just the two that are the subject of this proceeding. It states that the record reflects that, with the exception of the two bonds that are the subject of this proceeding, the First Mortgage Bond Series P, and the Pollution Control Bond Series 10, external debt documentation for the outstanding Pollution Control Bonds includes provisions that provide for the release of the security that collateralizes all outstanding bond issues upon their repayment, redemption, or refinancing. However, KU asserts that all of these bonds will remain secured until a release is obtained.

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that its characterization of KU's First Mortgage Bond Series P and its Pollution Control Bond Series 10 in its January 22, 2007 Order as KU's only remaining secured debt is inaccurate and should be corrected. The Commission further finds, however, that the misstatement is not a clerical error and that, as a result, our January 22, 2007 Order cannot be amended *nunc pro tunc*.

IT IS THEREFORE ORDERED that:

1. KU's motion to amend is granted as described herein.
2. The first literal sentence of the first paragraph of page 1 of the Order of January 22, 2007 is amended to read as follows:

On August 23, 2006, Kentucky Utilities Company ("KU") filed an application for authority to refinance two outstanding issuances of secured debt for the purpose of converting them to unsecured debt.

3. The first literal sentence of the third full paragraph of page 2 of the Order of January 22, 2007 is amended to read as follows:

Except for these two series of secured debt, all of KU's outstanding external debt has included provisions that provide for the release of the security which collateralizes all outstanding first mortgage and tax exempt pollution control debt.

Done at Frankfort, Kentucky, this 6th day of February, 2007.

By the Commission

ATTEST:


Executive Director