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

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

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

VIA UPS OVERNIGHT DELIVERY

August 9, 2007

RE: **Petition of Kentucky Utilities Company for an Order Authorizing the
Issuance of Securities and the Assumption of Obligations**
Docket No. 07-00043

Dear Ms. Kyle:

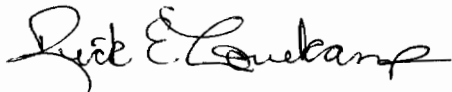
Pursuant to Ordering Paragraph No. 3 of the Commission's Order in the aforementioned proceeding, Kentucky Utilities Company ("KU") hereby files an original and thirteen (13) copies of all correspondence submitted to the Kentucky Public Service Commission ("KPSC") and the Virginia State Corporation Commission ("VSCC") under said Order.

On August 8, 2007, KU, d/b/a Old Dominion Power ("ODP") filed pursuant to the VSCC Order Authorizing the Issuance of Securities and the Assumption of Obligations, Detailed Reports of Action as stipulated in the order. Detailed Reports of Action are filed quarterly and due 60 days after the end of each calendar quarter in which debt is issued. A Final Report of Action is to be filed on or before March 31, 2008.

Ms. Sara Kyle
August 9, 2007

Attached are copies of all correspondence submitted to the VSCC. Please confirm your receipt of this information by placing the File Stamp of your Office on the enclosed additional copy. Should you have any questions regarding this transaction or this information, please contact me or Don Harris at (502) 627-2021.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick E. Lovekamp". The signature is fluid and cursive, with the first name "Rick" being more prominent.

Rick E. Lovekamp

cc: Ron Jones – Tennessee Regulatory Authority
Pat Miller – Tennessee Regulatory Authority
Dan Arbough
Kendrick Riggs – Stoll · Keenon · Ogden



Mr. Joel Peck, Clerk
Virginia State Corporation Commission
Document Control Center
1300 East Main Street
Tyler Building 1F
Richmond, Virginia 23218

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Company**
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VIA UPS OVERNIGHT DELIVERY

August 8, 2007

**RE: Kentucky Utilities Company (Case No. PUE-2007-00007)
Report of Action**

Dear Mr. Peck:

Pursuant to Ordering Paragraph No. 4 of the Commission's Order in the aforementioned proceeding, Kentucky Utilities Company d/b/a Old Dominion Power Company ("KU/ODP") hereby files an original and three (3) copies of information related to an issuance under said Order.

On June 20, 2007 KU/ODP borrowed \$50 million from Fidelity Corporation in accordance with the order issued March 1, 2007 in the above-referenced case. The details of the loan are shown below:

Borrower:	Kentucky Utilities Company
Lender:	Fidelity Corporation
Amount:	\$50 million
Maturity Date:	June 20, 2017
Interest Rate:	5.98%
Price Paid:	100%
Proceeds:	\$50 million
Commissions Paid:	None
Legal Costs:	None
Security for Loan:	None
Interest Payments:	June 20 and December 20 commencing December 20, 2007

Mr. Joel Peck, Clerk
August 8, 2007

The proceeds of the loan were used to fund capital projects described in the application. KU elected to issue a ten year loan to lock in historically attractive long-term rates, but avoid the extreme long end of the curve where it has issued several notes recently. The cumulative principal amount of debt issued under the authority granted in this order is \$295 million. There is \$170 million of debt remaining to be issued under the authority granted in this order.

Please confirm your receipt of this information by placing the File Stamp of your Office on the enclosed additional copy and returning it in the enclosed self-addressed, stamped envelope. Should you have any questions regarding this information filed herewith, please contact me or Don Harris at (502) 627-2021.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick E. Lovekamp", with a long horizontal flourish extending to the right.

Rick E. Lovekamp

cc: Dan Arbough
Kendrick Riggs – Stoll, Keenon, Ogden



an **e-on** company

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VIA UPS OVERNIGHT DELIVERY

August 8, 2007

**RE: Kentucky Utilities Company (Case No. PUE-2007-00007)
Report of Action**

Dear Mr. Peck:

On March 30, 2007, Kentucky Utilities Company d/b/a Old Dominion Power Company (“KU/ODP”) borrowed \$75 million from Fidelity Corporation. Pursuant to Ordering Paragraph No. 3 of the Commission’s Order for the aforementioned proceeding, KU/ODP filed a Preliminary Report of Action on April 10, 2007. However, KU/ODP inadvertently omitted to file the quarterly report within 60 days after the debt issuance date as stipulated in Ordering Paragraph No. 4 in the aforementioned proceeding. KU/ODP apologizes for this oversight and hereby files an original and three (3) copies of information related to an issuance under said Order.

On March 30, 2007 KU/ODP borrowed \$75 million from Fidelity Corporation in accordance with the order issued March 1, 2007 in the above-referenced case. The details of the loan are as follows:

Mr. Joel Peck, Clerk
August 8, 2007

Borrower:	Kentucky Utilities Company
Lender:	Fidelia Corporation
Amount:	\$75 million
Maturity Date:	March 30, 2037
Interest Rate:	5.86%
Price Paid:	100%
Proceeds:	\$75 million
Commissions Paid:	None
Legal Costs:	None
Security for Loan:	None
Interest Payments:	March 30 and September 30 commencing September 30, 2007

The proceeds of the loan were used to fund capital projects described in the application. KU elected to issue a thirty- year loan due to the slope of the yield curve with long-term treasury rates within .30% of short-term rates. The cumulative principal amount of debt issued under the authority granted in this order is \$295 million. There is \$220 million of debt remaining to be issued under the authority granted in this order.

Please confirm your receipt of this information by placing the File Stamp of your Office on the enclosed additional copy and returning it in the enclosed self-addressed, stamped envelope. Should you have any questions regarding this information filed herewith, please contact me or Don Harris at (502) 627-2021.

Sincerely,



Rick E. Lovekamp

cc: Dan Arbough
Kendrick Riggs – Stoll, Keenon, Ogden