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August 7, 2008

VIA HAND DELIVERY

Tre Hargett, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37219

filed electronically in docket office on 08/07/08

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. 08-00144

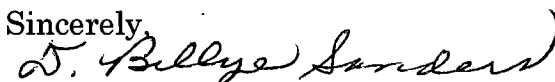
Dear Chairman Hargett,

I inadvertently left out a portion of Exhibit 2 to the Petition that was filed in the above referenced docket. Exhibit 2 is a comparison of taxable vs. tax-exempt financing. The portion of the exhibit that was filed with the Petition was a comparison of a tax-exempt fixed vs. taxable fixed interest rate. The enclosed addition to Exhibit 2 is a comparison of a tax-exempt floating vs. taxable floating interest rate.

I have also enclosed the original verification page for the Petition. The verification page that was filed with the Petition was a copy.

The original and four copies of this filing are attached and this filing has also been made electronically. Please contact me if you have any questions.

Sincerely,



D. Billye Sanders
Attorney for Kentucky Utilities
Company

August 7, 2008

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DBS:hmd

Enclosures

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

ADDITION TO EXHIBIT 2

KENTUCKY UTILITIES
Debt Analysis

Kentucky Utilities \$18.8MM
Comparison: Tax Exempt Floating vs. Taxable Floating (Intracompany)
Impact on Cash Flow

TAX EXEMPT POLLUTION CONTROL BONDS

PROPOSED FINANCING

Comparison: Tax Exempt Floating vs. Taxable Floating (Intracompany)

Date	Principal Outstanding	Interest @ 3.740%	Debt Expense Amortization	Issue Expenses	Taxes	Total Cash Outlay	Present Value
01-Apr-06	\$ 18,026,265	337,091	5,893	\$353,592	(138,437)	\$353,592	196,332
01-Apr-09	18,026,265	337,091	5,893	359,624	(138,437)	359,624	194,764
01-Apr-10	18,026,265	337,091	5,893	359,624	(138,437)	359,624	193,197
01-Apr-11	18,026,265	337,091	5,893	359,624	(138,437)	359,624	191,630
01-Apr-12	18,026,265	337,091	5,893	359,624	(138,437)	359,624	190,063
01-Apr-13	18,026,265	337,091	5,893	359,624	(138,437)	359,624	188,496
01-Apr-14	18,026,265	337,091	5,893	359,624	(138,437)	359,624	186,929
01-Apr-15	18,026,265	337,091	5,893	359,624	(138,437)	359,624	185,362
01-Apr-16	18,026,265	337,091	5,893	359,624	(138,437)	359,624	183,795
01-Apr-17	18,026,265	337,091	5,893	359,624	(138,437)	359,624	182,228
01-Apr-18	18,026,265	337,091	5,893	359,624	(138,437)	359,624	180,661
01-Apr-19	18,026,265	337,091	5,893	359,624	(138,437)	359,624	179,094
01-Apr-20	18,026,265	337,091	5,893	359,624	(138,437)	359,624	177,527
01-Apr-21	18,026,265	337,091	5,893	359,624	(138,437)	359,624	175,960
01-Apr-22	18,026,265	337,091	5,893	359,624	(138,437)	359,624	174,393
01-Apr-23	18,026,265	337,091	5,893	359,624	(138,437)	359,624	172,826
01-Apr-24	18,026,265	337,091	5,893	359,624	(138,437)	359,624	171,259
01-Apr-25	18,026,265	337,091	5,893	359,624	(138,437)	359,624	169,692
01-Apr-26	18,026,265	337,091	5,893	359,624	(138,437)	359,624	168,125
01-Apr-27	18,026,265	337,091	5,893	359,624	(138,437)	359,624	166,558
01-Apr-28	18,026,265	337,091	5,893	359,624	(138,437)	359,624	164,991
01-Apr-29	18,026,265	337,091	5,893	359,624	(138,437)	359,624	163,424
01-Apr-30	18,026,265	337,091	5,893	359,624	(138,437)	359,624	161,857
01-Apr-31	18,026,265	337,091	5,893	359,624	(138,437)	359,624	160,290
01-May-01	18,026,265	337,091	5,893	359,624	(138,437)	359,624	158,723
01-May-02	18,026,265	337,091	5,893	359,624	(138,437)	359,624	157,156
01-May-03	18,026,265	337,091	5,893	359,624	(138,437)	359,624	155,589
01-May-04	18,026,265	337,091	5,893	359,624	(138,437)	359,624	154,022
01-May-05	18,026,265	337,091	5,893	359,624	(138,437)	359,624	152,455
01-May-06	18,026,265	337,091	5,893	359,624	(138,437)	359,624	150,888
01-May-07	18,026,265	337,091	5,893	359,624	(138,437)	359,624	149,321
01-May-08	18,026,265	337,091	5,893	359,624	(138,437)	359,624	147,754
01-May-09	18,026,265	337,091	5,893	359,624	(138,437)	359,624	146,187
01-May-10	18,026,265	337,091	5,893	359,624	(138,437)	359,624	144,620
01-May-11	18,026,265	337,091	5,893	359,624	(138,437)	359,624	143,053
01-May-12	18,026,265	337,091	5,893	359,624	(138,437)	359,624	141,486
01-May-13	18,026,265	337,091	5,893	359,624	(138,437)	359,624	139,919
01-May-14	18,026,265	337,091	5,893	359,624	(138,437)	359,624	138,352
01-May-15	18,026,265	337,091	5,893	359,624	(138,437)	359,624	136,785
01-May-16	18,026,265	337,091	5,893	359,624	(138,437)	359,624	135,218
01-May-17	18,026,265	337,091	5,893	359,624	(138,437)	359,624	133,651
01-May-18	18,026,265	337,091	5,893	359,624	(138,437)	359,624	132,084
01-May-19	18,026,265	337,091	5,893	359,624	(138,437)	359,624	130,517
01-May-20	18,026,265	337,091	5,893	359,624	(138,437)	359,624	128,950
01-May-21	18,026,265	337,091	5,893	359,624	(138,437)	359,624	127,383
01-May-22	18,026,265	337,091	5,893	359,624	(138,437)	359,624	125,816
01-May-23	18,026,265	337,091	5,893	359,624	(138,437)	359,624	124,249
01-May-24	18,026,265	337,091	5,893	359,624	(138,437)	359,624	122,682
01-May-25	18,026,265	337,091	5,893	359,624	(138,437)	359,624	121,115
01-May-26	18,026,265	337,091	5,893	359,624	(138,437)	359,624	119,548
01-May-27	18,026,265	337,091	5,893	359,624	(138,437)	359,624	117,981
01-May-28	18,026,265	337,091	5,893	359,624	(138,437)	359,624	116,414
01-May-29	18,026,265	337,091	5,893	359,624	(138,437)	359,624	114,847
01-May-30	18,026,265	337,091	5,893	359,624	(138,437)	359,624	113,280
01-May-31	18,026,265	337,091	5,893	359,624	(138,437)	359,624	111,713
01-Jun-01	18,026,265	337,091	5,893	359,624	(138,437)	359,624	110,146
01-Jun-02	18,026,265	337,091	5,893	359,624	(138,437)	359,624	108,579
01-Jun-03	18,026,265	337,091	5,893	359,624	(138,437)	359,624	107,012
01-Jun-04	18,026,265	337,091	5,893	359,624	(138,437)	359,624	105,445
01-Jun-05	18,026,265	337,091	5,893	359,624	(138,437)	359,624	103,878
01-Jun-06	18,026,265	337,091	5,893	359,624	(138,437)	359,624	102,311
01-Jun-07	18,026,265	337,091	5,893	359,624	(138,437)	359,624	100,744
01-Jun-08	18,026,265	337,091	5,893	359,624	(138,437)	359,624	99,177
01-Jun-09	18,026,265	337,091	5,893	359,624	(138,437)	359,624	97,610
01-Jun-10	18,026,265	337,091	5,893	359,624	(138,437)	359,624	96,043
01-Jun-11	18,026,265	337,091	5,893	359,624	(138,437)	359,624	94,476
01-Jun-12	18,026,265	337,091	5,893	359,624	(138,437)	359,624	92,909
01-Jun-13	18,026,265	337,091	5,893	359,624	(138,437)	359,624	91,342
01-Jun-14	18,026,265	337,091	5,893	359,624	(138,437)	359,624	89,775
01-Jun-15	18,026,265	337,091	5,893	359,624	(138,437)	359,624	88,208
01-Jun-16	18,026,265	337,091	5,893	359,624	(138,437)	359,624	86,641
01-Jun-17	18,026,265	337,091	5,893	359,624	(138,437)	359,624	85,074
01-Jun-18	18,026,265	337,091	5,893	359,624	(138,437)	359,624	83,507
01-Jun-19	18,026,265	337,091	5,893	359,624	(138,437)	359,624	81,940
01-Jun-20	18,026,265	337,091	5,893	359,624	(138,437)	359,624	80,373
01-Jun-21	18,026,265	337,091	5,893	359,624	(138,437)	359,624	78,806
01-Jun-22	18,026,265	337,091	5,893	359,624	(138,437)	359,624	77,239
01-Jun-23	18,026,265	337,091	5,893	359,624	(138,437)	359,624	75,672
01-Jun-24	18,026,265	337,091	5,893	359,624	(138,437)	359,624	74,105
01-Jun-25	18,026,265	337,091	5,893	359,624	(138,437)	359,624	72,538
01-Jun-26	18,026,265	337,091	5,893	359,624	(138,437)	359,624	70,971
01-Jun-27	18,026,265	337,091	5,893	359,624	(138,437)	359,624	69,404
01-Jun-28	18,026,265	337,091	5,893	359,624	(138,437)	359,624	67,837
01-Jun-29	18,026,265	337,091	5,893	359,624	(138,437)	359,624	66,270
01-Jun-30	18,026,265	337,091	5,893	359,624	(138,437)	359,624	64,703
01-Jul-01	18,026,265	337,091	5,893	359,624	(138,437)	359,624	63,136
01-Jul-02	18,026,265	337,091	5,893	359,624	(138,437)	359,624	61,569
01-Jul-03	18,026,265	337,091	5,893	359,624	(138,437)	359,624	60,002
01-Jul-04	18,026,265	337,091	5,893	359,624	(138,437)	359,624	58,435
01-Jul-05	18,026,265	337,091	5,893	359,624	(138,437)	359,624	56,868
01-Jul-06	18,026,265	337,091	5,893	359,624	(138,437)	359,624	55,301
01-Jul-07	18,026,265	337,091	5,893	359,624	(138,437)	359,624	53,734
01-Jul-08	18,026,265	337,091	5,893	359,624	(138,437)	359,624	52,167
01-Jul-09	18,026,265	337,091	5,893	359,624	(138,437)	359,624	50,600
01-Jul-10	18,026,265	337,091	5,893	359,624	(138,437)	359,624	49,033
01-Jul-11	18,026,265	337,091	5,893	359,624	(138,437)	359,624	47,466
01-Jul-12	18,026,265	337,091	5,893	359,624	(138,437)	359,624	45,899
01-Jul-13	18,026,265	337,091	5,893	359,624	(138,437)	359,624	44,332
01-Jul-14	18,026,265	337,091	5,893	359,624	(138,437)	359,624	42,765
01-Jul-15	18,026,265	337,091	5,893	359,624	(138,437)	359,624	41,198
01-Jul-16	18,026,265	337,091	5,893	359,624	(138,437)	359,624	39,631
01-Jul-17	18,026,265	337,091	5,893	359,624	(138,437)	359,624	38,064
01-Jul-18	18,026,265	337,091	5,893	359,624	(138,437)	359,624	36,497
01-Jul-19	18,026,265	337,091	5,893	359,624	(138,437)	359,624	34,930
01-Jul-20	18,026,265	337,091	5,893	359,624	(138,437)	359,624	33,363
01-Jul-21	18,026,265	337,091	5,893	359,624	(138,437)	359,624	31,796
01-Jul-22	18,026,265	337,091	5,893	359,624	(138,437)	359,624	30,229
01-Jul-23	18,026,265	337,091	5,893	359,624	(138,437)	359,624	28,662
01-Jul-24	18,026,265	337,091	5,893	359,624	(138,437)	359,624	27,095
01-Jul-25	18,026,265	337,091	5,893	359,624	(138,437)	359,624	25,528
01-Jul-26	18,026,265	337,091	5,893	359,624	(138,437)	359,624	23,961
01-Jul-27	18,026,265	337,091	5,893	359,624	(138,437)	359,624	22,394
01-Jul-28	18,026,265	337,091	5,893	359,624	(138,437)	359,624	20,827
01-Jul-29	18,026,265	337,091	5,893	359,624	(138,437)	359,624	19,260
01-Jul-30	18,026,265	337,091	5,893	359,624	(138,437)	359,624	17,693
01-Aug-01	18,026,265	337,091	5,893	359,624	(138,437)	359,624	16,126
01-Aug-02	18,026,265	337,091	5,893	359,624	(138,437)	359,624	14,559
01-Aug-03	18,026,265	337,091	5,893	359,624	(138,437)	359,624	12,992
01-Aug-04	18,026,265	337,091					

Assumptions

Kentucky Utilities \$15.0MM
Comparison Tax Exempt Funding vs. Taxable Funding (intercompany)
Assumptions

Tax Exempt Bond	3.740%	\$	18,026,265	Matures October 1, 2038
Unamortized Debt Expense			\$553,592	At October 1, 2008
Remaining amortization period				
From October 1, 2008 to Matur	360.0	months		
Assuming a 30 Year Extension	360.0	months		
Redemption (Call) Price		0%		
Amount of Premium		\$0		

Synthetic Fixed Interest Rate Calculation			
SIFMA	2.59%		
Remaining Fee	0.10%		
LC Spread	0.05%		
LC Spread Over SIFMA			
Interest Rate	3.74%		

Taxable Fiable Loan

	3.5903%	\$	18,026,265	Matures October 1, 2038
Bond Issue Costs				
Underwriting	0.35%			
Brokerage	0.44%			
Company Counsel	0.39%			
Underwriters Cut	0.24%			
Insurance	0.00%			
Rating	0.22%			
Printing	0.04%			
Trustee Counsel	0.04%			
Trustee	0.22%			
FMB Trustee	0.03%			
AMT	0.00%			
Insurance costs				
Issuer cost	1.61%			
MISCELLANEOUS				
Tax rate	40.353%			
Discount rate	2.38%			

Insurance Premium Calculation			
Par			0
RBI Coupon	4.65%		
Annual			0
30 Years			0
Real Deal Serv.			0
Premium Rate	0.59%		
Premium			0

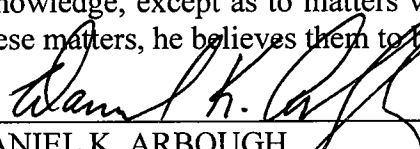
Remaining Expense (OGM Expense) 45,066

VERIFICATION

COMMONWEALTH OF KENTUCKY

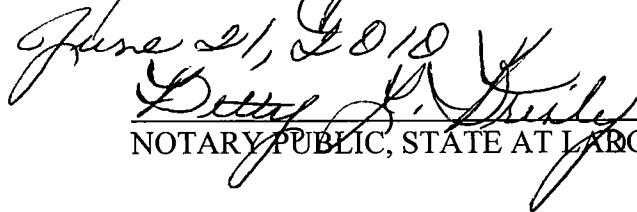
COUNTY OF JEFFERSON

Daniel K. Arbough being first duly sworn, deposes and says that he is Treasurer for Kentucky Utilities Company, that he has read the foregoing Petition and knows the contents thereof, and that the same is true of his own knowledge, except as to matters which are therein stated on information or belief, and that as to these matters, he believes them to be true.


DANIEL K. ARBOUGH

Subscribed and sworn before me this 4th day of August, 2008.

My Commission Expires:

June 21, 2010

NOTARY PUBLIC, STATE AT LARGE