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August 11, 2010

**Via Electronic Filing**

Mary Freeman  
Chairman, Tennessee Regulatory Authority  
c/o Sharla Dillon, Dockets and Records Manager  
460 James Robertson Parkway  
Nashville, TN 37219

**RE: Joint Petition of PPL Corporation, E.ON AG, E.ON US Investments Corp., E.ON U.S. LLC and Kentucky Utilities Company for Approval of a Transfer of Control of Kentucky Utilities Company**  
**Docket No. 10-00118**

Dear Ms. Freeman:

Enclosed, for filing in the above referenced docket, please find the original and four copies of the second response of Kentucky Utilities Company ("KU") to Jerry Kettles' letter of July 28, 2010.

This letter will serve as the second update requested by the Tennessee Regulatory Authority ("TRA") regarding the similar proceedings pending in Kentucky and Virginia seeking approval of the transfer of control of KU. KU will continue to file periodic updates with the TRA until such time as the TRA has acted on KU's petition.

In the change of control proceeding before the Kentucky Public Service Commission ("KPSC"), discovery continues to proceed according to the procedural schedule. The Joint Petitioners received testimony from various intervenors on August 5, 2010. A hearing is scheduled to begin on September 8, 2010.

The Joint Petitioners met with the VSCC Staff on August 4, 2010. At that informal conference, the VSCC Staff indicated that it planned to act on the petition soon after the KPSC issues its order on October 1, 2010. The Joint Petitioners plan to file an application pursuant to the Virginia Affiliate Act regarding tax allocation, interim financing and an insurance service agreement on or before August 16, 2010.

PPL's, E.ON AG's, and EEI's requests for early termination of the waiting period with respect to their premerger notifications filed with Department of Justice and Federal Trade

Mary Freeman, Chairman

August 11, 2010

Page 2

Commission pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976 have been granted.

Should the TRA Staff have any questions or need any additional information in connection with any of these developments or the transaction in general prior to the next update, please contact me at your convenience.

Sincerely,



D. Billye Sanders

cc: Allyson K. Sturgeon, Senior Corporate Attorney, E.ON U.S. LLC  
John Knox Walkup, Esq., Wyatt, Tarrant & Combs, LLP  
Richard Northern, Esq., Wyatt, Tarrant & Combs, LLP  
Paul E. Russell, Associate General Counsel, PPL Corporation  
Kendrick R. Riggs, Stoll Keenon Ogden PLLC