

D. Billye Sanders

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filed electronically in docket office on 08/26/10

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 third response of Kentucky Utilities Company ("KU") to Jerry Kettles' letter of July 28, 2010.

This letter will serve as the third 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. On August 16, 2010, the Joint Petitioners filed data requests to four of the intervenors: Community Action Council, Kentucky Industrial Utility Customers, Kentucky School Boards Association, and Metro Housing Coalition. The Joint Petitioners also filed supplemental data responses in light of KU's Virginia Affiliates Act Application. An informal conference is scheduled at the KPSC for August 26, 2010 to discuss the issues in the case.

On August 17, 2010, the KU filed an application pursuant to the Virginia Affiliate Act regarding tax allocation, interim financing and an insurance service agreement with the Virginia State Corporation Commission ("VSCC"). The Joint Petitioners also continue to provide

regulatory updates to the VSCC. The deadline for written comments, requests for hearing and notices of participation were due to the VSCC on August 20, 2010, and none were filed.

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,

A handwritten signature in cursive script, appearing to read "D. Billye Sanders", with a long, sweeping horizontal stroke at the end.

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