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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: Petition of Kentucky Utilities Company for an Order Authorizing the Restructure and Refinancing of Unsecured Debt, the Assumption of Obligations and for Amendment of Existing Financing Authority
Docket No. 10-00119

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 refinancing of debt of KU. KU will continue to file periodic updates with the TRA until such time as the TRA has acted on KU's petition.

KU filed minor corrections to an exhibit in the refinancing cases with the TRA, the Kentucky Public Service Commission ("KPSC") and the Virginia State Corporation Commission ("VSCC"). On August 17, 2010, KU filed an application pursuant to the Virginia Affiliate Act regarding tax allocation, interim financing and an insurance service agreement. KU also continues to provide regulatory updates to the VSCC.

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, reading "D. Billye Sanders". The signature is written in dark ink and is positioned above the printed name.

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