

D. Billye Sanders

Attorney-at Law
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Nashville, Tennessee 32709
(615) 500-7749
sanders.billye@gmail.com

January 17, 2011

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

RE: Petition of Kentucky Utilities Company for Approval of Adjustment of its Electric Rates, Terms and Conditions of Service and Revised Tariff, Docket No. 10-00223: Affidavit Regarding Notice to Customers

Dear Chairman Freeman,

Enclosed are five copies of the affidavit of Lonnie Bellar regarding the notices that were sent to the four Tennessee customers of Kentucky Utilities Company ("KU") and the notice that was posted in KU's Middlesboro, KY office, pursuant to TRA Rule 1220-4-.05(1)(a) and (b), as modified by order of the TRA in this docket, dated December 21, 2010. This affidavit is also being filed electronically. The original affidavit was previously mailed to the TRA.

We have redacted the names and addresses of the customers in order to protect their privacy. In addition to sending the required notices on January 12, 2011, KU sent each customer a letter by registered mail, dated November 30, 2010, detailing the proposed impact of the proposed rate increase on their particular billing based upon prior usage. One customer did not claim the registered letter and that customer's individual impact statement was enclosed with the January 12th notice. In order to protect the privacy of that customer's personal billing information, the impact statement is not enclosed with the affidavit.

Please contact me if you have any questions.

Sincerely,

D. Billye Sanders

D. Billye Sanders
Attorney for Kentucky Utilities Company

Enclosures

c: Lonnie E. Bellar, Vice President, State Regulation and Rates, LG&E and KU Services Company
Allyson K. Sturgeon, Senior Corporate Attorney, LG&E and KU Services Company

AFFIDAVIT

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

I, Lonnie E. Bellar, Vice President of State Regulation and Rates of Kentucky Utilities Company, being duly sworn, affirm that the attached are true and correct copies of the notices that were mailed to the four (4) Tennessee customers of Kentucky Utilities Company on January 12, 2011 by First-Class U.S. Mail, postage prepaid and that a copy of the attached notice was posted on January 12, 2011 at the business office of Kentucky Utilities Company located at 2201 Cumberland Avenue, Middlesboro, KY 40965.



Lonnie E. Bellar

Subscribed and sworn before me, a Notary Public in and before said County and State, this 12th day of January, 2011.



NOTARY PUBLIC

My Commission Expires: November 9, 2014

NOTICE OF PROPOSED ELECTRIC SERVICE RATE INCREASE FOR TENNESSEE CUSTOMERS

KU is proud to provide you with safe, reliable electric service at competitive rates. We strive to exceed the needs of our customers by providing exceptional service. Due to KU's continuing investment in electric generation, distribution, and transmission facilities to provide the electric service our customers expect, an increase in rates is necessary.

We recognize the impact of any rate increase on our customers. With this in mind, our petition to the Tennessee Regulatory Authority ("TRA") will continue the phase-in period that began on August 1, 2009, and was previously approved by the TRA. The attached document provides the predicted impact of the proposed rate change on the average customer.

KU filed a petition with the TRA on December 1, 2010, seeking approval of these rates. A complete copy of the petition including the proposed tariff (with rate changes) and reasons for the increase is available for public inspection at KU's Middlesboro, Kentucky office:

2201 Cumberland Avenue
Middlesboro, KY 40965

and at the TRA office:

460 James Robertson Parkway
Nashville, TN 37243-0505

or on-line at the TRA's web site:

<http://www.state.tn.us/tra/dockets/1000223.htm>

The TRA has scheduled a Hearing to consider the proposed rate increase for Monday, January 24, 2011, during the Authority Conference scheduled to begin at 1:00 p.m. (central) in the Hearing Room on the Ground Floor at 460 James Robertson Parkway, Nashville, Tennessee.

If you have questions about this issue, please do not hesitate to contact Howard Bush, Manager, Tariffs/Special Contracts, at (859) 367-5636.

Date of this Notice: January 12, 2011

KENTUCKY UTILITIES COMPANY

Comparison of Current Tennessee Rates and Proposed Tennessee Rates

KENTUCKY UTILITIES COMPANY TENNESSEE RATES					
		Current		Proposed	
		RS	Outdoor Light	RS	Outdoor Light
Base Rates					
Residential Service					
Basic Service Charge		\$5.00		\$8.50	
Energy Charge		\$0.05716		\$0.06805	
Outdoor Lights					
7000MV			\$8.68		\$9.52
9500MV			\$5.57		\$6.90

		Typical Usage		KENTUCKY UTILITIES COMPANY TENNESSEE RATES			
		Base KWH	Outdoor Light KWH	Current		Proposed	
				RS	Outdoor Light	RS	Outdoor Light
Base Rate Billing		2,241 ¹	69	\$133.10	\$8.68 / \$5.57	\$161.00	\$9.52 / \$6.90

	<u>Multiplier</u>	<u>Current</u>		<u>Proposed with Phase-In</u>		
Phase-In Factors						
Phase-In Factor Effective Aug 2010 - Jul 2011	0.6341	\$84.40	\$5.50 / \$3.53	\$102.09	\$6.04 / \$4.38	
Phase-In Factor Effective Aug 2011 - Jul 2012	0.8171			\$131.55	\$7.78 / \$5.64	
For all subsequent monthly billings	1.0000			\$161.00	\$9.52 / \$6.90	

Note: ¹ This is the average monthly usage in kWh for the 4 Kentucky Utilities Company residential customers in Tennessee. The average monthly usage for a residential customer in Kentucky is 1,303 kWh.



a PPL company

[REDACTED]
[REDACTED]
[REDACTED]

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

Lonnie E. Bellar
Vice President
T 502-627-4830
F 502-217-2109
lonnie.bellar@lge-ku.com

January 12, 2011

RE: Notice of Proposed Increase in Electric Rates

Dear [REDACTED]:

By registered letter dated November 30, 2010, Kentucky Utilities Company ("KU") provided notice of an anticipated increase in your electric rates. That same letter included an attachment detailing the proposed billing impact on your particular billing.

KU is proud to provide you with safe, reliable electric service at competitive rates. We strive to exceed the needs of our customers by providing exceptional service. Due to KU's continuing investment in electric generation, distribution, and transmission facilities to provide the electric service our customers expect, an increase in rates is necessary.

We recognize the impact of any rate increase on our customers. With this in mind, our petition to the Tennessee Regulatory Authority ("TRA") will continue the phase-in period that began on August 1, 2009, and was previously approved by the TRA. The enclosed document provides you with the predicted impact of the proposed rate change on the average customer.

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2201 Cumberland Avenue
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and at the TRA office:

[REDACTED]
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Sincerely,



Lonnie E. Bellar

Enclosure

KENTUCKY UTILITIES COMPANY

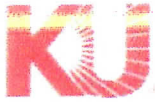
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Typical Usage						
Base KWH	Outdoor Light KWH					
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a PPL company

[REDACTED]
[REDACTED]
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a PPL company

[REDACTED]
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January 12, 2011

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Dear [REDACTED]:

By registered letter dated November 30, 2010, Kentucky Utilities Company ("KU") attempted to provide you notice of an anticipated increase in your electric rates, including an attachment detailing the proposed billing impact on your particular billing. That registered letter was unclaimed. Please find the proposed billing impact on your particular billing enclosed.

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