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August 3, 2018

VIA EMAIL AND OVERNIGHT COURIER

Ms. Sharla Dillon
Docket Room Manager
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243

RE: Docket 18-00057: *Petition of Kentucky Utilities Company for an Order Authorizing the Issuance of Securities and the Assumption of Obligations and an Order Amending and Extending Existing Authority With Respect to Revolving Line of Credit*

Dear Ms. Dillon:

This letter is in response to Mr. Kettles' letter dated May 21, 2018 seeking the status of and periodic updates of the above-referenced *Petition* filed by Kentucky Utilities Company ("KU"), including approvals of the similar filings pending before the Kentucky Public Service Commission ("KPSC") and the Virginia State Corporation Commission.

As KU indicated in its July 11, 2018 letter filed in response to Mr. Kettles' letter, KU received approval in Kentucky and Virginia. On July 20, 2018, KU filed a motion with the KPSC requesting clarification on the multi-year revolving line of credit, specifically the time periods in which KU can exercise extensions. On August 3, 2018, the KPSC granted KU's Motion to Clarify and amended the KPSC's June 27, 2018 order to clarify that KU can exercise extensions in 2019 and 2020 for five years from the date of the amendment. A copy of the KPSC's August 3, 2018 order is enclosed.

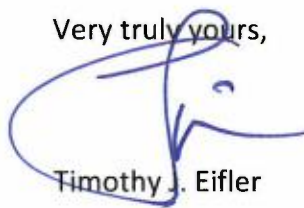
KU respectfully requests the Commission enter a written order approving the application by August 6, 2018.

As provided in Mr. Kettles' letter, KU is sending the original and four copies of this letter to Ms. Dillon. KU will also email an electronic file of this letter to Sharla.Dillon@tn.gov.

Ms. Sharla Dillon
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Should you have any questions or need additional information, please contact me at your convenience.

Very truly yours,

A handwritten signature in blue ink, appearing to be 'Timothy J. Eifler', with a large, stylized initial 'T'.

Timothy J. Eifler

TJE:mew
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
UTILITIES COMPANY FOR AN ORDER)	
AUTHORIZING THE ISSUANCE OF SECURITIES)	CASE NO.
AND ASSUMPTION OF OBLIGATIONS AND AN)	2018-00153
ORDER AMENDING AND EXTENDING EXISTING)	
AUTHORITY WITH RESPECT TO REVOLVING LINE)	
OF CREDIT)	

ORDER

On May 11, 2018, Kentucky Utilities Company (KU) filed an application for authority to refund and refinance the Carroll County, Kentucky Environmental Facilities Revenue Bonds, 2007 Series A (Carroll County 2007 Series A Bonds). KU further requested authority to incur debt in the form of First Mortgage Bonds in a principal amount not to exceed \$400 million. KU finally requested an order extending its existing and previously multi-year revolving line of credit for up to five years from the effective date of the amendment.

On June 27, 2018, an Order was entered approving the above-referenced issuance of securities and assumption of obligations and extending the existing revolving line of credit. On July 3, 2018, KU filed a motion requesting that the Commission consider amending the June 27, 2018 Order to better reflect the statements made by KU in its application concerning compensation. In an Order issued on July 17, 2018, the

Commission granted the proposed amendment.¹

On July 20, 2018, KU filed a motion requesting clarification on the multi-year revolving line of credit, specifically the time periods in which the time is being extended. In its motion for clarification, KU stated that in its application it requested “the Commission amend and extend KU’s existing authority to allow KU to exercise extensions of its multi-year revolving credit line in 2019 and 2020 to extend the credit facility maturity date to up to five years from the effective date of the amendment.”² KU seeks clarification regarding this five-year extension pursuant to Paragraph 15 of the June 27, 2018 Order where the period of five years would result in a term ending December 31, 2024, which conflicts with the January 31, 2024 date referenced in Paragraph 11. KU further seeks clarification as to whether it can exercise extensions in 2020, as requested in the Application.³

In order to resolve this issue, KU requests that the Commission delete the January 31, 2024 reference in Paragraph 11 of the June 27, 2018 Order, and clarify Paragraph 15 to state “KU is authorized to exercise extension in 2019 and 2020, respectively, to extend the facility maturity dates to five years from the date of the amendment.”

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that KU’s motion to clarify should be granted.

¹ Case No. 2018-00153 *Electronic Application of Kentucky Utilities Company for an Order Authorizing the Issuance of Securities and Assumption of Obligations and an Order Amending and Extending Existing Authority with Respect to Revolving Line of Credit* (KY PSC July 17, 2018).

² Application, pages 1 and 18.

³ KU’s Motion to Clarify, July 20, 2018.

IT IS THEREFORE ORDERED that:

1. KU's motion to clarify is granted.

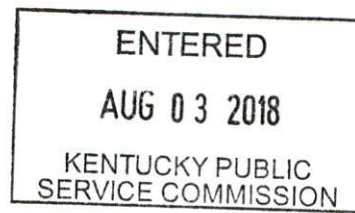
2. The Commission's order of June 27, 2018, shall be amended in the following manner:

Ordering Paragraph 11 shall read: KU is authorized to extend the term of its existing revolving line of credit and the total aggregate amount of the multi-year revolving credit facilities shall not exceed \$500 million.

Ordering Paragraph 15 shall read: KU is authorized to exercise extension in 2019 and 2020, respectively, to extend the facility maturity dates to five years from the date of the amendment.

3. All provisions of the June 27, 2018 Order that are not in conflict with the terms of this Order shall remain in full force and effect.

By the Commission



ATTEST:


Executive Director

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