

# ODP Requests Rate Adjustment to Recover Costs Associated with Improving Service, Reliability

(LOUISVILLE, Ky.) — Old Dominion Power Company filed a request today with the Virginia State Corporation Commission to increase its base electric revenues approximately \$6.5 million or 9.6 percent, primarily to recover costs associated with improving service and reliability.

ODP, the name under which Kentucky Utilities Company operates in Virginia, and its affiliated utility, Louisville Gas and Electric Company, are undergoing one of the largest environmental upgrades in the companies' history, investing more than \$1 billion to ensure they meet the increased environmental regulations.

"We understand that any increase impacts our customers, but we continue to invest in our system to maintain service and reliability for our customers," said Ed Staton, vice president of State Regulation and Rates. "This rate adjustment is designed to enable us to recoup only ODP's portion of the costs of necessary improvements we've already made."

Some of the largest investments were to meet the more stringent environmental regulations and enhance reliability. The latter investments include upgrades to the transmission systems, enhanced substation reliability and improvements to the energy management system.

Additionally, to provide higher levels of customer service and to meet tighter federal cyber security standards and more stringent transmission reliability requirements, the combined companies have hired nearly 175 new employees.

Residential customers using 1000 kWh per month are expected to see an overall increase of about \$9.57 per month, including the basic service charge. Even if the increase is approved, ODP customers are still expected to have among the lowest rates in Virginia and the country.

If approved, the increase will not occur until Jan 1, 2014.

*Old Dominion Power is a unit of Kentucky Utilities Company. Kentucky Utilities, a part of the PPL Corporation (NYSE: PPL) family of companies, is a regulated utility that serves 546,000 customers in 77 Kentucky counties and five counties in Virginia. It has consistently ranked among the best companies for customer service in the United States. More information is available at [www.lge-ku.com](http://www.lge-ku.com) and [www.pplweb.com](http://www.pplweb.com).*

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