

Michael J. Shafer
Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.2599 Fax 610.774.6726
MJShafer@pplweb.com



December 21, 2018

E-File

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

**Re: Amended Affiliated Interest Agreement between PPL Electric Utilities Corp.,
Kentucky Utilities Co. and Louisville Gas and Electric Co.
Docket No. G-2011-2263689**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation (“PPL Electric”) is the executed amended Utility Services Agreement for Mutual Assistance. This amended agreement is being submitted pursuant to the Secretarial Letter dated October 17, 2018, in the above-referenced docket.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on December 21, 2018, which is the date it was filed electronically via the Commission’s E-Filing System.

If you have any questions regarding these comments, please don’t hesitate to contact me.

Very truly yours,

Michael J. Shafer

Enclosures

Cc via email: Lee Yalcin

UTILITY SERVICES AGREEMENT FOR MUTUAL ASSISTANCE

This Utility Services Agreement for Mutual Assistance (this "Agreement") is entered into as of the 17th day of OCTOBER, 2018, by and between Kentucky Utilities Company ("KU-ODP"), a public utility organized under Virginia and Kentucky law and doing business in Virginia as Old Dominion Power Company, Louisville Gas and Electric Company ("LG&E"), a public utility organized under Kentucky law, and PPL Electric Utilities Corporation ("PPL Electric"), a public utility organized under Pennsylvania law.

WHEREAS, KU-ODP, LG&E, and PPL Electric are indirect subsidiaries of PPL Corporation;

WHEREAS, KU-ODP, LG&E, and PPL Electric are utility companies that provide electric service within their respective service territories;

WHEREAS, KU-ODP, LG&E, and PPL Electric may receive from and provide assistance to each other in the form of personnel, equipment, and services to aid in restoring and/or maintaining electric utility service when such service has been disrupted by the elements, equipment malfunctions, accidents, sabotage, or any other occurrence for which emergency assistance is deemed to be necessary or advisable ("Emergency Assistance"); and

WHEREAS, KU-ODP, LG&E, and PPL Electric believe that it is in the public interest and the interests of each company to provide for such an arrangement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. **GOODS AND SERVICES.** From time to time during the term of this Agreement, KU-ODP, LG&E, and PPL Electric may supply Emergency Assistance to one another. Such Emergency Assistance will be provided only (a) upon request, (b) when the requesting party ("Requesting Company") believes in good faith that the transaction will benefit the Requesting Company and its native-load customers, and (c) the responding party ("Responding Company") believes in good faith that the Emergency Assistance can be provided without material detriment to the Responding Company and its native-load customers.

2. **COMPENSATION AND ALLOCATION.**

A. The Emergency Assistance period shall commence when personnel and/or equipment expenses are initially incurred by the Responding Company in response to the Requesting Company's needs. The Emergency Assistance period shall terminate when such employees and/or equipment have returned to the Responding Company.

B. The Requesting Company shall reimburse the Responding Company for all costs and expenses incurred by the Responding Company as a result of furnishing Emergency Assistance. The Responding Company shall furnish documentation of

expenses to the Requesting Company. Such costs and expenses shall include, but not be limited to, the following:

- (i) Employees' wages and salaries for paid time spent in the Requesting Company's service area and paid time during travel to and from such service area, plus the Responding Company's standard payable additives to cover all employee benefits and allowances for vacation, sick leave and holiday pay and social retirement benefits, all payroll taxes, workers' compensation, employer's liability insurance and other contingencies and benefits imposed by applicable law or regulation.
- (ii) Employee travel and living expenses (meals, lodging and reasonable incidentals).
- (iii) Replacement cost of materials and supplies expended or furnished.
- (iv) Repair or replacement cost of equipment damaged or lost.
- (v) Charges, at rates internally used by the Responding Company, for the use of transportation equipment and other equipment requested.
- (vi) Administrative and general costs, which are properly allocable to the Emergency Assistance, to the extent such cost are not chargeable to the foregoing subsections.

3. TERMINATION AND MODIFICATION. Any party to this Agreement may terminate its participation in this Agreement by providing 60 days written notice of such termination to the other parties.

This Agreement is subject to termination or modification at any time to the extent its performance may conflict with any rule, regulation or order of the Federal Energy Regulatory Commission adopted before or after the making of this Agreement. This Agreement shall be subject to the approval of any state commission or other state regulatory body whose approval is, by the laws of said state, a legal prerequisite to the execution and delivery or the performance of this Agreement.

The authorization for this Agreement shall expire at the conclusion of five years beginning on the date this Agreement is given final approval by the Virginia State Corporation Commission and the Pennsylvania Public Utility Commission, whichever occurs later, unless the respective Commissions extend their authorizations.

4. BILLING AND PAYMENT. Payment for services provided by either party to this Agreement shall be by making remittance of the amount billed or by making appropriate accounting entries on the books of KU-ODP, LG&E, and PPL Electric. Billing will be made after the work is completed and all actual costs have been accumulated with remittance due within 30 days of billing. Any amount remaining unpaid after 30 days following receipt of the bill shall bear interest thereon from the date of the bill at annual rate of A1/P1 30-day Commercial Paper.

5. INDEMNIFICATION. The Requesting Company shall indemnify, hold harmless and defend the Responding Company from and against any and all liability for loss, damage, cost or expense which a Responding Company may incur by reason of bodily injury, including death, to any person or persons or by reason of damage to or destruction of any property, including the loss of use thereof, which result from furnishing Emergency Assistance and whether or not due in whole or in part to any act, omission or negligence of the Responding Company except to the extent that such death or injury to person, or damage to property, is caused by the willful or wanton misconduct and/or gross negligence of the Responding Company. Where payments are made by the Responding Company under a workers' compensation or disability benefits law or any similar law for bodily injury or death resulting from furnishing Emergency Assistance, the Requesting Company shall reimburse the Responding Company for such payments, except to the extent that such bodily injury or death is caused by the willful or wanton misconduct and/or gross negligence of the Responding Company.

6. NOTICE OF INDEMNIFICATION. In the event any claim or demand is made or suit or action is filed against the Responding Company alleging liability for which the Requesting Company shall indemnify and hold harmless the Responding Company under Section 5 above, the Responding Company shall promptly notify the Requesting Company thereof, and the Requesting Company, at its sole cost and expense, shall settle, compromise or defend the same in such manner as it in its sole discretion deems necessary or prudent. The Responding Company shall cooperate with the Requesting Company's reasonable efforts to investigate, defend and settle the claim or lawsuit.

7. NOTICE. Where written notice is required by this Agreement, all notices, consents, certificates, or other communications hereunder shall be in writing and shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

- A. To KU-ODP:
One Quality Street
Lexington, Kentucky 40507
Attn: Corporate Secretary

- A. To LG&E:
220 West Main Street
Louisville, Kentucky 40202
Attn: Corporate Secretary

- C. To PPL Electric:
2 North 9th Street
Allentown, Pennsylvania 18101
Attn: Corporate Secretary

8. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky, without regard to its conflict of laws provisions.

9. MODIFICATION. No amendment, change, or modification of this Agreement shall be valid, unless made in writing and signed by the parties hereto.

10. ENTIRE AGREEMENT. This Agreement constitutes the entire understanding and agreement of the parties with respect to its subject matter, and effective upon the execution of this Agreement by the respective parties hereof and thereto, any and all prior agreements, understandings, or representations with respect to this subject matter are hereby terminated and canceled in their entirety and are of no further force and effect.

11. WAIVER. No waiver by either party hereto of a breach of any provision of this Agreement shall constitute a waiver of any preceding or succeeding breach of the same or any other provision hereof.

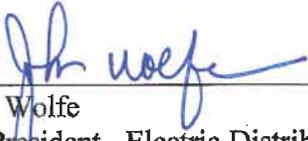
12. ASSIGNMENT. This Agreement shall inure to the benefit and shall be binding upon the parties and their respective successors and assigns. No assignment of this Agreement or either party's rights, interests, or obligations hereunder may be made without the other party's consent, which shall not be unreasonably withheld, delayed, or conditioned.

13. SEVERABILITY. If any provision or provisions of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

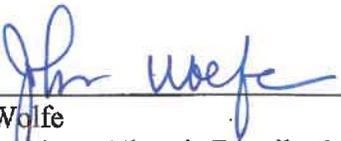
[signatory page follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of this 17th of OCTOBER, 2018.

Kentucky Utilities Company

By: 
Name: John Wolfe
Title: Vice President - Electric Distribution

Louisville Gas and Electric Company

By: 
Name: John Wolfe
Title: Vice President - Electric Distribution

PPL Electric Utilities Corporation

By: 
Name: Stephanie Raymond
Title: Vice President – Distribution Operations