2011-240 Comment Letter No. 15

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President and Controller

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Financial Accounting Standards Board Technical Director 401 Merritt 7 P.O. Box 5116 Norwalk, CT 06856-5116

Re: File Reference No. 2011-240 Proposed Accounting Standards Update—Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05

Dear Technical Director:

PPL Corporation ("PPL") appreciates the opportunity to comment on the Proposed Accounting Standards Update, Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05 ("Proposed ASU"). PPL is an energy and utility holding company that, through its subsidiaries, owns or controls nearly 19,000 megawatts of generating capacity in the United States, sells energy in key U.S. markets, and delivers electricity and natural gas to about ten million end users in the United States and the United Kingdom.

PPL supports the FASB's initiatives for the issuance of high quality accounting standards that provide transparency in financial statements and meet the needs of investors and other market participants. PPL further supports the goal of attaining a single set of high quality global standards through convergence efforts; as such, PPL appreciates the Board's efforts to converge the requirements for presenting the components of other comprehensive income to improve the comparability of financial statements prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP) or International Financial Reporting Standards (IFRS).

Responses to Questions

Question 1: Do you agree with the deferral? Why or why not?

We agree with the Board's proposal to defer the effective date for the amendments in Update 2011-05 related to the presentation of reclassifications of items out of accumulated other comprehensive income ("AOCI"). Update 2011-05 requires entities to present the effects of these reclassifications on the components of net income and comprehensive income in both

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the statement where net income is presented and the statement where other comprehensive income is presented for both annual and interim financial statements.

We are in agreement with the deferral so that the Board has sufficient time to perform a cost / benefit analysis of the requirement. We ask the Board to consider the following items when performing its assessment:

- Adding line items to the statement of net income under each component that is affected by reclassifications out of AOCI could cause the statement to become cluttered with excessive detail, which could compromise clarity and confuse readers.
- Determining the amount of each reclassification by component of net income, particularly when reclassifications impact multiple line items, would cause a number of implementation issues. The appropriate controls and systems will need to be in place to be able to collect and summarize the information in the level of detail required to implement this requirement. The additional time required to collect and summarize this information would increase an entity's risk of not meeting its SEC filing deadlines.
- Our investors have typically not raised concerns or posed questions regarding amounts reclassified out of AOCI. As such, we believe the cost in terms of additional preparer workload and financial statement complexity outweighs any potential benefits provided by these new presentation requirements.

Question 2: Are there alternatives that the board should consider for presenting reclassifications out of accumulated other comprehensive income that would be more cost effective than the one required by Update 2011-05?

We believe that the requirement to present the effects of reclassifications out of AOCI on the components of net income in the statement where net income is presented should be eliminated due to the factors noted in our response to Question 1 above. We believe the requirement to present the effects of reclassifications out of AOCI on the components of other comprehensive income in the statement that includes other comprehensive income should remain.

Question 3: If you provide an alternative in Question 2 above, please explain how your alternative would better serve the needs of users of financial statements than current requirements.

As noted in our response to Question 1 above, the additional information that would be required to be presented in the statement where the components of net income are presented would cause that statement to become cluttered and could potentially distract users from more important information.

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Maintaining the requirement to show the effects of reclassifications out of AOCI on the components of other comprehensive income in the statement that includes other comprehensive income will provide investors clarity into the impact these reclassifications have on net income.

We would be pleased to discuss our comments in further detail and provide any additional information that you may find helpful in addressing these important issues.

Very truly yours,

Vincent Sorgi

Vice President & Controller

cc: Mr. P. A. Farr

Mr. M. A. Cunningham

Mr. M. D. Woods