



a PPL company

Mr. Jeff Cline  
Annual Report Branch  
Kentucky Public Service Commission  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, KY 40602-0615

May 15, 2015

Re: *Joint Application of PPL Corporation, E.ON AG, E.ON US Investments Corp., E.ON U.S. LLC, Louisville Gas and Electric Company, and Kentucky Utilities Company for Approval of an Acquisition of Ownership and Control of Utilities*  
Case No. 2010-00204

Dear Mr. Cline:

Pursuant to the Commission's Order dated September 30, 2010 in the aforementioned case, Kentucky Utilities Company ("KU") submits the quarterly Twelve Months Ended Income Statement and Balance Sheet on a Kentucky Jurisdictional and Other Jurisdictional operations basis in compliance with the reporting requirements specified in Appendix C, Commitment No. 1.

Please confirm your receipt of this filing by placing the File Stamp of your Office with date received on the extra copy and returning it to me in the enclosed envelope.

Should you have any questions regarding the information filed herewith, please call me or Don Harris at (502)627-2021.

Sincerely,

A handwritten signature in blue ink that reads "Rick E. Lovekamp". The signature is fluid and cursive.

Rick E. Lovekamp

Enclosures

cc: KPSC Division of Financial Analysis

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MAY 15 2015

PUBLIC SERVICE  
COMMISSION

**Kentucky Utilities Company**  
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**KENTUCKY UTILITIES COMPANY**  
Balance Sheet on a Total Company and Jurisdictional Basis  
At March 31, 2015

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<u>Utility Plant</u>				
Utility Plant	101-106	\$ 7,848,328,596	\$ 6,961,080,608	\$ 887,247,988
Plus: Construction Work in Progress	107	<u>907,825,685</u>	<u>798,241,453</u>	<u>109,584,232</u>
Total Utility Plant		\$ 8,756,154,281	\$ 7,759,322,061	\$ 996,832,220
Less: Accumulated Provision for Depreciation	108,111	<u>2,823,695,882</u>	<u>2,492,748,437</u>	<u>330,947,445</u>
Net Utility Plant		<u>\$ 5,932,458,399</u>	<u>\$ 5,266,573,624</u>	<u>\$ 665,884,775</u>
<u>Other Property and Investments</u>				
Nonutility Property-Less reserve	121-122	\$ 971,313	\$ -	\$ 971,313
Investment in Subsidiary Companies	123.1	-	-	-
Non-Current Portion of Allowances	158.1	-	-	-
Other Investments	124	250,000	-	250,000
Special Funds	125-128	-	-	-
Total Other Property and Investments		<u>\$ 1,221,313</u>	<u>\$ -</u>	<u>\$ 1,221,313</u>
<u>Current and Accrued Assets</u>				
Cash	131	\$ 8,777,840	\$ 7,803,418	\$ 974,422
Special Deposits	132-134	-	-	-
Working Funds	135	61,030	54,255	6,775
Temporary Cash Investments	136	13,817,580	12,283,700	1,533,880
Customer Accounts Receivable	142	150,211,948	128,699,918	21,512,030
Other Accounts Receivable	143	4,304,707	3,826,844	477,863
Less: Accum Prov for Uncollectable Accts-Credit	144	3,139,636	2,791,107	348,529
Notes Receivable from Associated Companies	145	-	-	-
Accounts Receivable from Associated Companies	146	3,781	3,410	371
Fuel	151	85,168,243	74,884,274	10,283,969
Plant Materials and Operating Supplies	154	38,255,518	33,765,621	4,489,897
Allowances	158.1	153,517	134,516	19,001
Less: Non-Current Portion of Allowances	158.1	-	-	-
Stores Expense Undistributed	163	10,301,236	9,097,613	1,203,623
Prepayments	165	7,073,563	6,444,246	629,317
Interest, Dividends, and Rents Receivable	171-172	1,188,964	1,056,978	131,986
Accrued Utility Revenues	173	76,787,614	63,375,000	13,412,614
Miscellaneous Current Assets	174-175	156	139	17
Total Current and Accrued Assets		<u>\$ 392,966,060</u>	<u>\$ 338,638,825</u>	<u>\$ 54,327,234</u>
<u>Deferred Debits</u>				
Unamortized Debt Expense	181	\$ 18,074,299	\$ 16,067,884	\$ 2,006,415
Deferred Regulatory Assets	182	362,674,665	321,107,597	41,567,068
Preliminary Survey and Inventory	183	6,000,043	5,333,983	666,061
Clearing Accounts	184	1,468,051	1,324,299	143,752
Miscellaneous Deferred Debits	186	39,006,581	34,182,366	4,824,215
Unamortized Loss on Bonds	189	9,422,199	8,376,247	1,045,952
Accumulated Deferred Income Taxes	190	233,812,122	208,525,807	25,286,315
Total Deferred Debits		<u>\$ 670,457,961</u>	<u>\$ 594,918,183</u>	<u>\$ 75,539,778</u>
Total Assets		<u>\$ 6,997,103,733</u>	<u>\$ 6,200,130,632</u>	<u>\$ 796,973,101</u>

## KENTUCKY UTILITIES COMPANY

Balance Sheet on a Total Company and Jurisdictional Basis

At March 31, 2015

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<b>Proprietary Capital</b>				
Common Stock Issued	201	\$ 308,139,978	\$ 273,933,567	\$ 34,206,411
Preferred Stock Issued	204	-	-	-
Premium on Capital Stock	207	-	-	-
Paid in Capital	208-211	563,858,083	501,264,579	62,593,504
Other Comprehensive Income	219	(2,137,645)	-	(2,137,645)
(Less) Common Stock Expense	214	321,289	285,623	35,666
Retained Earnings	215-216	1,777,247,895	1,579,956,809	197,291,086
Unappropriated Undistributed Subsidiary Earnings	216.1	-	-	-
<b>Total Proprietary Capital</b>		<b>\$ 2,646,787,022</b>	<b>\$ 2,354,869,332</b>	<b>\$ 291,917,690</b>
<b>Long-Term Debt</b>				
Bonds	221-222	\$ 2,100,779,405	\$ 1,867,573,305	\$ 233,206,100
Long-Term Debt Marked to Market	221.200	-	-	-
Long-Term Debt To Associated Companies	223	-	-	-
Other Long-Term Debt	224	-	-	-
Unamortized Discount on Long-Term Debt	226	(9,839,303)	(8,747,049)	(1,092,254)
<b>Total Long-Term</b>		<b>\$ 2,090,940,102</b>	<b>\$ 1,858,826,256</b>	<b>\$ 232,113,846</b>
<b>Other Non-Current Liabilities</b>				
Accumulated Provision for Property Insurance	228.1	-	-	-
Accumulated Provision for Injuries and Damages	228.2	2,189,595	1,975,189	214,406
Accumulated Provision for Pensions and Benefits	228.3	102,070,716	92,075,923	9,994,793
Accumulated Miscellaneous Operating Provision	228.4	-	-	-
<b>Total Other Non-Current Liabilities</b>		<b>\$ 104,260,311</b>	<b>\$ 94,051,112</b>	<b>\$ 10,209,199</b>
<b>Current and Accrued Liabilities</b>				
Notes Payable	231	\$ 192,947,747	\$ 171,528,748	\$ 21,418,999
Accounts Payable	232	120,407,085	108,616,790	11,790,295
Notes Payable to Associated Companies	233	-	-	-
Accounts Payable to Associated Companies	234	33,345,533	-	33,345,533
Customer Deposits	235	27,238,383	25,827,297	1,411,085
Taxes Accrued	236	13,323,031	11,844,050	1,478,981
Interest Accrued	237	29,640,399	26,350,039	3,290,360
Dividends Declared	238	-	-	-
Matured Long-Term Bonds	239	-	-	-
Tax Collections Payable	241	5,699,472	4,937,134	762,338
Miscellaneous Current and Accrued Liabilities	242-245	81,845,453	73,518,177	8,327,276
<b>Total Current and Accrued Liabilities</b>		<b>\$ 504,447,103</b>	<b>\$ 422,622,235</b>	<b>\$ 81,824,868</b>
<b>Deferred Credits</b>				
Customer Advances for Construction	252	\$ 2,148,290	\$ 2,189,028	\$ (40,739)
Accumulated Deferred Investment Tax Credits	255	94,403,590	82,058,065	12,345,525
Other Deferred Credits	253	39,752,929	34,873,167	4,879,762
Regulatory Liabilities	254	140,750,798	126,171,529	14,579,269
Asset Retirement Obligation	230	213,517,920	187,090,713	26,427,207
Miscellaneous Long-Term Liabilities	244	-	-	-
Accumulated Deferred Income Taxes	281-283	1,160,095,669	1,034,633,632	125,462,037
<b>Total Deferred Credits</b>		<b>\$ 1,650,669,195</b>	<b>\$ 1,467,016,134</b>	<b>\$ 183,653,061</b>
<b>Total Liabilities and Stockholders Equity</b>		<b>\$ 6,997,103,733</b>	<b>\$ 6,197,385,069</b>	<b>\$ 799,718,663</b>
Adjustment to Balance		-	\$ (2,745,562)	\$ 2,745,562

**KENTUCKY UTILITIES COMPANY**  
Income Statement on a Total Company and Jurisdictional Basis  
Twelve Months Ended March 31, 2015

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<u>Utility Operating Income</u>				
Operating Revenues:				
Residential Sales	440	\$ 622,030,244	\$ 582,871,712	\$ 39,158,533
Commercial and Industrial Sales:	442			
Small (or Comm) - Rural Comm & Comm L&P		377,568,397	359,267,141	18,301,256
Large (or Ind) - Industrial & Mine Power		432,153,342	419,418,050	12,735,291
Public Street and Highway Lighting	444	11,412,269	11,093,183	319,086
Other Sales to Public Authorities	445	126,670,362	119,745,739	6,924,623
Total Sales to Ultimate Consumers		<u>\$ 1,569,834,614</u>	<u>\$ 1,492,395,825</u>	<u>\$ 77,438,789</u>
Sales for Resale	447	129,782,866	13,895,800	115,887,066
Total Sales of Electricity		<u>\$ 1,699,617,480</u>	<u>\$ 1,506,291,625</u>	<u>\$ 193,325,855</u>
Less: Provision for Refund	449.1	4,096,111	-	4,096,111
Total Revenues Net of Provision for Refund		<u>\$ 1,695,521,369</u>	<u>\$ 1,506,291,625</u>	<u>\$ 189,229,744</u>
Other Operating Revenues:				
Late Payment Charges	450	3,886,257	3,727,868	158,389
Miscellaneous Service Revenues	451	2,166,513	2,035,255	131,258
Rent from Electric Property	454	3,795,817	3,546,307	249,511
Other Electric Revenues	456	18,250,853	17,356,388	894,465
Total Other Operating Revenues		<u>\$ 28,099,441</u>	<u>\$ 26,665,818</u>	<u>\$ 1,433,623</u>
Total Operating Revenue		<u>\$ 1,723,620,810</u>	<u>\$ 1,532,957,443</u>	<u>\$ 190,663,367</u>
Operating Expenses:				
Operation Expenses	401	\$ 919,871,393	\$ 815,757,003	\$ 104,114,390
Maintenance Expenses	402	133,264,540	118,183,900	15,080,640
Depreciation Expense	403	191,977,432	170,485,772	21,491,661
Amortization of Limited-Term Electric Plant	404	9,918,081	8,798,088	1,119,993
Regulatory Credits	407	-	-	-
Taxes Other than Income Taxes	408.1	36,497,266	32,875,736	3,621,529
Income Taxes - Federal	409.1	(101,543,537)	Total Income Taxes	
Income Taxes - State	409.1	6,152,772		
Deferred Federal Income Taxes - Net	410-1.1	219,641,525		
Deferred State Income Taxes - Net	410-1.1	13,711,125		
Accretion Expense	411.1	-	-	-
Investment Tax Credit Adjustment - Net	411.4	-	-	-
Losses/(Gains) from Disposition of Allowances	411.8	(157)	(137)	(19)
Total Utility Operating Expenses		<u>\$ 1,429,490,439</u>	<u>\$ 1,270,504,114</u>	<u>\$ 158,986,325</u>
Net Utility Operating Income		<u>\$ 294,130,372</u>	<u>\$ 262,453,329</u>	<u>\$ 31,677,042</u>

**KENTUCKY UTILITIES COMPANY**  
Income Statement on a Total Company and Jurisdictional Basis  
Twelve Months Ended March 31, 2015

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<b>Other Income and Deductions are not separated on a jurisdictional basis.</b>				
<u>Other Income and Deductions</u>				
Total Other Income		\$ 5,141,436		
Total Other Income Deductions		2,517,620		
Total Taxes on Other income and Deductions		(2,060,713)		
Net Other Income and Deductions		\$ 4,684,529		
<u>Interest Charges</u>				
Interest on Long Term Debt	427	\$ 70,865,418		
Amortization of Debt Discount and Expense	428	2,904,114		
Amortization of Loss on Re-Acquired Debt	428.1	613,930		
Amortization of Premium on Debt - Credit	429	-		
Amortization of Gain on Re-Acquired Debt - Credit	429.1	-		
Interest on Debt to Associated Companies	430	5,226		
Other Interest Expense	431	3,732,329		
Allowance for Borrowed Funds Used During Construction	432	(722,678)		
Net Interest Charges		\$ 77,398,339	\$ 69,173,559	\$ 8,224,780
Cumulative Effect of Accounting Change, Net of Tax		\$ -		
Net Income		\$ 221,416,561		