

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

IN THE MATTER OF THE ADJUSTMENT
OF ELECTRIC RATES OF DUKE ENERGY KENTUCKY, INC.

CASE NO. 2017-00321

FILING REQUIREMENTS

VOLUME 5

Duke Energy Kentucky, Inc.
Case No. 2017-00321
Forecasted Test Period Filing Requirements
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Vol. #	Tab #	Filing Requirement	Description	Sponsoring Witness
1	1	KRS 278.180	30 days' notice of rates to PSC.	James P. Henning
1	2	807 KAR 5:001 Section 7(1)	The original and 10 copies of application plus copy for anyone named as interested party.	James P. Henning
1	3	807 KAR 5:001 Section 12(2)	<p>(a) Amount and kinds of stock authorized.</p> <p>(b) Amount and kinds of stock issued and outstanding.</p> <p>(c) Terms of preference of preferred stock whether cumulative or participating, or on dividends or assets or otherwise.</p> <p>(d) Brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name of mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of indebtedness actually secured, together with any sinking fund provisions.</p> <p>(e) Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together with amount of interest paid thereon during the last fiscal year.</p> <p>(f) Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year.</p> <p>(g) Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.</p> <p>(h) Rate and amount of dividends paid during the five (5) previous fiscal years, and the amount of capital stock on which dividends were paid each year.</p>	John L. Sullivan, III
1	4	807 KAR 5:001 Section 12(2)(i)	Detailed income statement and balance sheet.	David L. Doss
1	5	807 KAR 5:001 Section 14(1)	Full name, mailing address, and electronic mail address of applicant and reference to the particular provision of law requiring PSC approval.	James P. Henning

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1	6	807 KAR 5:001 Section 14(2)	If a corporation, the applicant shall identify in the application the state in which it is incorporated and the date of its incorporation, attest that it is currently in good standing in the state in which it is incorporated, and, if it is not a Kentucky corporation, state if it is authorized to transact business in Kentucky.	James P. Henning
1	7	807 KAR 5:001 Section 14(3)	If a limited liability company, the applicant shall identify in the application the state in which it is organized and the date on which it was organized, attest that it is in good standing in the state in which it is organized, and, if it is not a Kentucky limited liability company, state if it is authorized to transact business in Kentucky.	James P. Henning
1	8	807 KAR 5:001 Section 14(4)	If the applicant is a limited partnership, a certified copy of its limited partnership agreement and all amendments, if any, shall be annexed to the application, or a written statement attesting that its partnership agreement and all amendments have been filed with the commission in a prior proceeding and referencing the case number of the prior proceeding.	James P. Henning
1	9	807 KAR 5:001 Section 16 (1)(b)(1)	Reason adjustment is required.	James P. Henning William Don Wathen, Jr.
1	10	807 KAR 5:001 Section 16 (1)(b)(2)	Certified copy of certificate of assumed name required by KRS 365.015 or statement that certificate not necessary.	James P. Henning
1	11	807 KAR 5:001 Section 16 (1)(b)(3)	New or revised tariff sheets, if applicable in a format that complies with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed	Bruce L. Sailors
1	12	807 KAR 5:001 Section 16 (1)(b)(4)	Proposed tariff changes shown by present and proposed tariffs in comparative form or by indicating additions in italics or by underscoring and striking over deletions in current tariff.	Bruce L. Sailors
1	13	807 KAR 5:001 Section 16 (1)(b)(5)	A statement that notice has been given in compliance with Section 17 of this administrative regulation with a copy of the notice.	James P. Henning
1	14	807 KAR 5:001 Section 16(2)	If gross annual revenues exceed \$5,000,000, written notice of intent filed at least 30 days, but not more than 60 days prior to application. Notice shall state whether application will be supported by historical or fully forecasted test period.	James P. Henning
1	15	807 KAR 5:001 Section 16(3)	Notice given pursuant to Section 17 of this administrative regulation shall satisfy the requirements of 807 KAR 5:051, Section 2.	James P. Henning

1	16	807 KAR 5:001 Section 16(6)(a)	The financial data for the forecasted period shall be presented in the form of pro forma adjustments to the base period.	Robert H. Pratt
1	17	807 KAR 5:001 Section 16(6)(b)	Forecasted adjustments shall be limited to the twelve (12) months immediately following the suspension period.	Sarah E. Lawler Cynthia S. Lee Robert H. Pratt
1	18	807 KAR 5:001 Section 16(6)(c)	Capitalization and net investment rate base shall be based on a thirteen (13) month average for the forecasted period.	Sarah E. Lawler
1	19	807 KAR 5:001 Section 16(6)(d)	After an application based on a forecasted test period is filed, there shall be no revisions to the forecast, except for the correction of mathematical errors, unless the revisions reflect statutory or regulatory enactments that could not, with reasonable diligence, have been included in the forecast on the date it was filed. There shall be no revisions filed within thirty (30) days of a scheduled hearing on the rate application.	Robert H. Pratt
1	20	807 KAR 5:001 Section 16(6)(e)	The commission may require the utility to prepare an alternative forecast based on a reasonable number of changes in the variables, assumptions, and other factors used as the basis for the utility's forecast.	Robert H. Pratt
1	21	807 KAR 5:001 Section 16(6)(f)	The utility shall provide a reconciliation of the rate base and capital used to determine its revenue requirements.	Sarah E. Lawler
1	22	807 KAR 5:001 Section 16(7)(a)	Prepared testimony of each witness supporting its application including testimony from chief officer in charge of Kentucky operations on the existing programs to achieve improvements in efficiency and productivity, including an explanation of the purpose of the program.	All Witnesses
1	23	807 KAR 5:001 Section 16(7)(b)	Most recent capital construction budget containing at minimum 3 year forecast of construction expenditures.	Robert H. Pratt Joseph A. Miller Anthony J. Platz
1	24	807 KAR 5:001 Section 16(7)(c)	Complete description, which may be in prefiled testimony form, of all factors used to prepare forecast period. All econometric models, variables, assumptions, escalation factors, contingency provisions, and changes in activity levels shall be quantified, explained, and properly supported.	Robert H. Pratt
1	25	807 KAR 5:001 Section 16(7)(d)	Annual and monthly budget for the 12 months preceding filing date, base period and forecasted period.	Robert H. Pratt
1	26	807 KAR 5:001 Section 16(7)(e)	Attestation signed by utility's chief officer in charge of Kentucky operations providing: 1. That forecast is reasonable, reliable, made in good faith and that all basic assumptions used have been identified and justified; and 2. That forecast contains same assumptions and methodologies used in forecast prepared for use by management, or an identification and explanation for any differences; and 3. That productivity and efficiency gains are included in the forecast.	James P. Henning

1	27	807 KAR 5:001 Section 16(7)(f)	For each major construction project constituting 5% or more of annual construction budget within 3 year forecast, following information shall be filed: 1. Date project began or estimated starting date; 2. Estimated completion date; 3. Total estimated cost of construction by year exclusive and inclusive of Allowance for Funds Used During construction ("AFUDC") or Interest During construction Credit; and 4. Most recent available total costs incurred exclusive and inclusive of AFUDC or Interest During Construction Credit.	Robert H. Pratt Joseph A. Miller Anthony J. Platz
1	28	807 KAR 5:001 Section 16(7)(g)	For all construction projects constituting less than 5% of annual construction budget within 3 year forecast, file aggregate of information requested in paragraph (f) 3 and 4 of this subsection.	Robert H. Pratt Joseph A. Miller Anthony J. Platz
1	29	807 KAR 5:001 Section 16(7)(h)	Financial forecast for each of 3 forecasted years included in capital construction budget supported by underlying assumptions made in projecting results of operations and including the following information: 1. Operating income statement (exclusive of dividends per share or earnings per share); 2. Balance sheet; 3. Statement of cash flows; 4. Revenue requirements necessary to support the forecasted rate of return; 5. Load forecast including energy and demand (electric); 6. Access line forecast (telephone); 7. Mix of generation (electric); 8. Mix of gas supply (gas); 9. Employee level; 10. Labor cost changes; 11. Capital structure requirements; 12. Rate base; 13. Gallons of water projected to be sold (water); 14. Customer forecast (gas, water); 15. MCF sales forecasts (gas); 16. Toll and access forecast of number of calls and number of minutes (telephone); and 17. A detailed explanation of any other information provided.	Robert H. Pratt John Verderame John L. Sullivan, III Benjamin Passy
1	30	807 KAR 5:001 Section 16(7)(i)	Most recent FERC or FCC audit reports.	David L. Doss
2	31	807 KAR 5:001 Section 16(7)(j)	Prospectuses of most recent stock or bond offerings.	John L. Sullivan, III
2	32	807 KAR 5:001 Section 16(7)(k)	Most recent FERC Form 1 (electric), FERC Form 2 (gas), or PSC Form T (telephone).	David L. Doss
3-4	33	807 KAR 5:001 Section 16(7)(l)	Annual report to shareholders or members and statistical supplements for the most recent 2 years prior to application filing date.	John L. Sullivan, III
5	34	807 KAR 5:001 Section 16(7)(m)	Current chart of accounts if more detailed than Uniform System of Accounts charts.	David L. Doss
5	35	807 KAR 5:001 Section 16(7)(n)	Latest 12 months of the monthly managerial reports providing financial results of operations in comparison to forecast.	David L. Doss

5	36	807 KAR 5:001 Section 16(7)(o)	Complete monthly budget variance reports, with narrative explanations, for the 12 months prior to base period, each month of base period, and subsequent months, as available.	David L. Doss Robert H. Pratt
6-8	37	807 KAR 5:001 Section 16(7)(p)	SEC's annual report for most recent 2 years, Form 10-Ks and any Form 8-Ks issued during prior 2 years and any Form 10-Qs issued during past 6 quarters.	David L. Doss
9	38	807 KAR 5:001 Section 16(7)(q)	Independent auditor's annual opinion report, with any written communication which indicates the existence of a material weakness in internal controls.	David L. Doss
9	39	807 KAR 5:001 Section 16(7)(r)	Quarterly reports to the stockholders for the most recent 5 quarters.	John L. Sullivan
9	40	807 KAR 5:001 Section 16(7)(s)	Summary of latest depreciation study with schedules itemized by major plant accounts, except that telecommunications utilities adopting PSC's average depreciation rates shall identify current and base period depreciation rates used by major plant accounts. If information has been filed in another PSC case, refer to that case's number and style.	John J. Spanos
9	41	807 KAR 5:001 Section 16(7)(t)	List all commercial or in-house computer software, programs, and models used to develop schedules and work papers associated with application. Include each software, program, or model; its use; identify the supplier of each; briefly describe software, program, or model; specifications for computer hardware and operating system required to run program	Sarah E. Lawler
9	42	807 KAR 5:001 Section 16(7)(u)	If utility had any amounts charged or allocated to it by affiliate or general or home office or paid any monies to affiliate or general or home office during the base period or during previous 3 calendar years, file: 1. Detailed description of method of calculation and amounts allocated or charged to utility by affiliate or general or home office for each allocation or payment; 2. method and amounts allocated during base period and method and estimated amounts to be allocated during forecasted test period; 3. Explain how allocator for both base and forecasted test period was determined; and 4. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during base period is reasonable.	Jeffrey R. Setser
10	43	807 KAR 5:001 Section 16(7)(v)	If gas, electric or water utility with annual gross revenues greater than \$5,000,000, cost of service study based on methodology generally accepted in industry and based on current and reliable data from single time period.	James E. Ziolkowski

11	44	807 KAR 5:001 Section 16(7)(w)	Local exchange carriers with fewer than 50,000 access lines need not file cost of service studies, except as specifically directed by PSC. Local exchange carriers with more than 50,000 access lines shall file: 1. Jurisdictional separations study consistent with Part 36 of the FCC's rules and regulations; and 2. Service specific cost studies supporting pricing of services generating annual revenue greater than \$1,000,000 except local exchange access: a. Based on current and reliable data from single time period; and b. Using generally recognized fully allocated, embedded, or incremental cost principles.	N/A
11	45	807 KAR 5:001 Section 16(8)(a)	Jurisdictional financial summary for both base and forecasted periods detailing how utility derived amount of requested revenue increase.	Sarah E. Lawler
11	46	807 KAR 5:001 Section 16(8)(b)	Jurisdictional rate base summary for both base and forecasted periods with supporting schedules which include detailed analyses of each component of the rate base.	Sarah E. Lawler Cynthia S. Lee Robert H. Pratt Lisa M. Bellucci James E. Ziolkowski David L. Doss
11	47	807 KAR 5:001 Section 16(8)(c)	Jurisdictional operating income summary for both base and forecasted periods with supporting schedules which provide breakdowns by major account group and by individual account.	Sarah E. Lawler
11	48	807 KAR 5:001 Section 16(8)(d)	Summary of jurisdictional adjustments to operating income by major account with supporting schedules for individual adjustments and jurisdictional factors.	Sarah E. Lawler Cynthia S. Lee Robert H. Pratt James E. Ziolkowski
11	49	807 KAR 5:001 Section 16(8)(e)	Jurisdictional federal and state income tax summary for both base and forecasted periods with all supporting schedules of the various components of jurisdictional income taxes.	Lisa M. Bellucci
11	50	807 KAR 5:001 Section 16(8)(f)	Summary schedules for both base and forecasted periods (utility may also provide summary segregating items it proposes to recover in rates) of organization membership dues; initiation fees; expenditures for country club; charitable contributions; marketing, sales, and advertising; professional services; civic and political activities; employee parties and outings; employee gifts; and rate cases.	Sarah E. Lawler
11	51	807 KAR 5:001 Section 16(8)(g)	Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll taxes, straight time and overtime hours, and executive compensation by title.	Sarah E. Lawler Tom Silinski
11	52	807 KAR 5:001 Section 16(8)(h)	Computation of gross revenue conversion factor for forecasted period.	Sarah E. Lawler
11	53	807 KAR 5:001 Section 16(8)(i)	Comparative income statements (exclusive of dividends per share or earnings per share), revenue statistics and sales statistics for 5 calendar years prior to application filing date, base period, forecasted period, and 2 calendar years beyond forecast period.	David L. Doss Robert H. Pratt

11	54	807 KAR 5:001 Section 16(8)(j)	Cost of capital summary for both base and forecasted periods with supporting schedules providing details on each component of the capital structure.	John L. Sullivan, III
11	55	807 KAR 5:001 Section 16(8)(k)	Comparative financial data and earnings measures for the 10 most recent calendar years, base period, and forecast period.	Cynthia S. Lee Robert H. Pratt John L. Sullivan David L. Doss
11	56	807 KAR 5:001 Section 16(8)(l)	Narrative description and explanation of all proposed tariff changes.	Bruce L. Sailors
11	57	807 KAR 5:001 Section 16(8)(m)	Revenue summary for both base and forecasted periods with supporting schedules which provide detailed billing analyses for all customer classes.	Bruce L. Sailors
11	58	807 KAR 5:001 Section 16(8)(n)	Typical bill comparison under present and proposed rates for all customer classes.	Bruce L. Sailors
11	59	807 KAR 5:001 Section 16(10)	Request for waivers from the requirements of this section shall include the specific reasons for the request. The commission shall grant the request upon good cause shown by the utility.	Legal
11	60	807 KAR 5:001 Section (17)(1)	(1) Public postings. (a) A utility shall post at its place of business a copy of the notice no later than the date the application is submitted to the commission. (b) A utility that maintains a Web site shall, within five (5) business days of the date the application is submitted to the commission, post on its Web sites: 1. A copy of the public notice; and 2. A hyperlink to the location on the commission's Web site where the case documents are available. (c) The information required in paragraphs (a) and (b) of this subsection shall not be removed until the commission issues a final decision on the application.	James P. Henning

11	61	807 KAR 5:001 Section 17(2)	<p>(2) Customer Notice.</p> <p>(a) If a utility has twenty (20) or fewer customers, the utility shall mail a written notice to each customer no later than the date on which the application is submitted to the commission.</p> <p>(b) If a utility has more than twenty (20) customers, it shall provide notice by:</p> <ol style="list-style-type: none"> 1. Including notice with customer bills mailed no later than the date the application is submitted to the commission; 2. Mailing a written notice to each customer no later than the date the application is submitted to the commission; 3. Publishing notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made no later than the date the application is submitted to the commission; or 4. Publishing notice in a trade publication or newsletter delivered to all customers no later than the date the application is submitted to the commission. <p>(c) A utility that provides service in more than one (1) county may use a combination of the notice methods listed in paragraph (b) of this subsection.</p>	James P. Henning
11	62	807 KAR 5:001 Section 17(3)	<p>(3) Proof of Notice. A utility shall file with the commission no later than forty-five (45) days from the date the application was initially submitted to the commission:</p> <p>(a) If notice is mailed to its customers, an affidavit from an authorized representative of the utility verifying the contents of the notice, that notice was mailed to all customers, and the date of the mailing;</p> <p>(b) If notice is published in a newspaper of general circulation in the utility's service area, an affidavit from the publisher verifying the contents of the notice, that the notice was published, and the dates of the notice's publication; or</p> <p>(c) If notice is published in a trade publication or newsletter delivered to all customers, an affidavit from an authorized representative of the utility verifying the contents of the notice, the mailing of the trade publication or newsletter, that notice was included in the publication or newsletter, and the date of mailing.</p>	James P. Henning

11	63	807 KAR 5:001 Section 17(4)	<p>(4) Notice Content. Each notice issued in accordance with this section shall contain:</p> <p>(a) The proposed effective date and the date the proposed rates are expected to be filed with the commission;</p> <p>(b) The present rates and proposed rates for each customer classification to which the proposed rates will apply;</p> <p>(c) The amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rates will apply;</p> <p>(d) The amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply, except for local exchange companies, which shall include the effect upon the average bill for each customer classification for the proposed rate change in basic local service;</p> <p>(e) A statement that a person may examine this application at the offices of (utility name) located at (utility address);</p> <p>(f) A statement that a person may examine this application at the commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the commission's Web site at http://psc.ky.gov;</p> <p>(g) A statement that comments regarding the application may be submitted to the Public Service Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602;</p> <p>(h) A statement that the rates contained in this notice are the rates proposed by (utility name) but that the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice;</p> <p>(i) A statement that a person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party; and</p> <p>(j) A statement that if the commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the commission may take final action on the application.</p>	Bruce L. Sailors
11	64	807 KAR 5:001 Section 17(5)	(5) Abbreviated form of notice. Upon written request, the commission may grant a utility permission to use an abbreviated form of published notice of the proposed rates, provided the notice includes a coupon that may be used to obtain all the required information.	N/A
12	-	807 KAR 5:001 Section 16(8)(a) through (k)	Schedule Book (Schedules A-K)	Various
13	-	807 KAR 5:001 Section 16(8)(l) through (n)	Schedule Book (Schedules L-N)	Bruce L. Sailors

14	-	-	Work papers	Various
15	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 1 of 6)	Various
16	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 2 of 6)	Various
17	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 3 of 6)	Various
18	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 4 of 6)	Various
19	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 5 of 6)	Various
20	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 6 of 6)	Various
20	-	KRS 278.2205(6)	Cost Allocation Manual	Legal

**DUKE ENERGY KENTUCKY
CASE NO. 2017-00321
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(m)**

807 KAR 5:001, SECTION 16(7)(m)

Description of Filing Requirement:

A current chart of accounts if more detailed than the Uniform System of Accounts chart.

Response:

See attached. The company uses the Uniform System of Accounts.

Witness Responsible: David L. Doss, Jr.

Account Number	Account Description
0101000	Property Plant and Equipment
0101150	Common Plant in Service
0101315	ARO Asset - Coal Ash
0101499	Asset Retirement Obligations
0101950	Allocated - Common Plant in Service
0105100	Plt Held For Future Use - Wo Sys
0106000	Comp Const Unclassified
0106102	CCNC - Common
0106950	Allocated - Common CCNC
0107000	SCHM Cwip
0107888	CWIP - BU Bal Sht - Svc Co Exp
0107950	Allocated - Common CWIP
0108000	Accumulated DDandA - Ppande
0108101	Accum DD&A- Common PP&E
0108151	Common Accum Dep - COR
0108301	Accum Depreciation COR
0108315	ARO Accum Depr - Coal Ash
0108499	Aro Asset Accum Depreciation
0108600	SCHM Retirement Wip
0108620	RWIP - Reg Liab
0108640	ARO Liability - Ash Mgmt
0108950	Allocated- Common Accum Depreciation
0108951	Allocated - Common Acc Dep COR
0108952	Allocated - Common RWIP
0111100	Acc Prov - Amor Elec Plt in Ser
0111110	Common Accum Amort
0111950	Allocated- Common Accumulated Amortization
0121000	NonUtil Prop - General
0121500	NonUtility - Construction Wip
0124090	Invst-Campbell Co Bus Develop
0128716	Prefunded Pension (major)
0131088	Cash Wells Fargo 1157
0131155	Cash PNC 0659
0131158	Cash JPM Chase 9831
0131160	Cash JPM Chase 7099
0131202	Cash BOA 7084
0136200	Short-Term Investment
0142011	Accounts Receivable Other
0142100	Cust Accts - Special Billed Acct
0142200	Cust Acct - Edp
0142440	A/R BPM - Actual
0142801	A/R-Passport Interface
0142830	A/R-Merch/Jobb/Contract Work
0142891	IC Customer AR Sold VIE
0142970	A/R - ENRB Holding Account

0142982	Def Rev Rec - Unbilled Fuel
0142997	A/R BPM - Estimate
0143009	Cust Accts-Special Billed Acct
0143011	A/R - Other - Gen Acctg
0143151	Other A/R-Misc Non-Utility
0143155	Other A/R - Miscellaneous
0143180	Ret Med Life Den/Prem Withheld
0143221	LT Asset: Interest Receiv
0143222	LT Tax Reclass Fed Dr
0143223	LT Tax Reclass State Dr
0143272	Misc Accts Rec-EA
0143320	Mar Billed - Edp
0143852	A/R-Regional Transmission
0143870	Cust Billing-Outdoor Light
0143891	IC Other AR Sold VIE
0144100	SCHM Uncollectible Accrual Electric
0144700	Prov for MARBS Uncollectibles
0145004	IC Moneypool - ST Notes Receiv
0145891	IC Note Rec VIE
0146000	Electric Interunit Account
0146006	IC Moneypool - Interest Receiv
0146009	I/C AR Rollup
0146104	IC Accounts Receivable
0146250	IC Netting - Accts Receivable
0146992	Federal Tax Refunds - Interco
0151126	Fuel Stock - Propane
0151130	Coal Stock
0151131	Coal Stock in Transit
0151140	Diesel Fuel Stock
0151700	Propane Inventory
0154100	Inventory
0154200	Limestone Inventory
0154410	Working Stock
0154990	Schm Inv Cr - Surplus Mat'L Ident
0158150	SO2 Current Vintage
0158170	Annual NOx Current Vintage
0158183	Seasonal NOx Current
0163000	Commodity Cost
0163110	Stores Expense
0163120	Stores Expense - Joint Owner
0164100	Storage Gas - Current Inventory
0165003	Fed Tax Receivable - Audit
0165075	Interco Prepaid Insu SchM
0165400	Misc Prepaid Expenses
0165513	Prepaid Expense - Misc.
0165520	Collateral Asset

0165970	State Tax Prepayments
0171100	SCHM Interest Receivable
0172004	Rents Rec-Real Estate
0173100	Unbilled Revenue Receivable
0173891	IC Unbilled AR Sold VIE
0174015	Customer Collateral
0174100	Other Current Assets
0174273	Gas Stored Current
0174300	Swap Int Recvbl Cur Reg Asset
0174995	Native Deferred MTM Asset
0175001	Deriv Assets - Noncashflw - ST
0175002	Deriv Assets - Noncashflw - LT
0181021	Unamortized Debt Expense
0181056	Unamortized Debt Exp - CurrLTD
0181335	UnamDebtExp 100M 46S DEK Debs
0181336	45M 3 42 DEK 01/15/2026
0181337	50M 4 45 DEK 01/15/2046
0181400	Credit Facilities Fee
0181839	ULHP 50M 5 75 3/10/16
0181840	ULHP 65M 6 2 3/10/2036
0181843	ULHP PCB 06B
0181844	LOC FEE KY PCB Series 2010
0181845	5 0 Debs 12/15/14
0181869	ULHP PCB 06A
0182050	East Bend Plant O&M Expense
0182312	Oprb FAS 106 - Medical
0182315	Reg Asset - Coal Ash Pond ARO
0182318	Other Reg Assets - Gen Acct
0182320	Regulatory Asset - Inc Tax
0182359	REPS Incremental Costs
0182366	Carbon Mgmt Reg Asset
0182401	Deferred DSM Costs
0182402	ARO Other Regulatory Asset
0182403	Gas ARO Other Regulatory Asset
0182410	Interest Rate Swap Reg Asset
0182471	Coal Ash Spend - Retail (NC&MW)
0182493	Def Depr - East Bend
0182700	Hurricane Ike Regulatory Asset
0182715	Deferred Gas Integrity Costs
0182800	Acc Pen Post Ret Pur Acct-Qual
0182801	Pension Post Retire P Acctg - FAS87 NQ
0183000	Prelim Survey and Investigation
0184023	Clearing Payroll Fixed Distr
0185000	Temporary Facilities
0186027	KO Transmission 2015-2016 Rate
0186108	DEK 2017 ELEC Rate Case Exp

0186120	Misc. Wip - Fp Dist. Wids
0186195	Deferred PEC Rate Case Expens
0186251	Contra Equity Coal Ash Spend RA
0186301	Lease Receivable
0186341	Unearned Income
0186342	Vacation Accrual Regulatory Asset
0186470	Error Suspense - Corp Payroll
0186625	Intang Asset Fas87-Qual Pen (I)
0186770	Misc Deferred Debits Debt
0186802	Accr Pen FAS158 - Qual
0186803	Pension Post Retire FAS158 - FAS 106
0186804	Pen Post Ret P Acctg-Qual
0186805	Pension Post Retire FAS158 - FAS 87 NQ
0189100	Schm Unamt Loss Reaq Dt
0190000	Adit: Assets
0190001	Adit: Prepaid: Federal Taxes
0190002	Adit: Prepaid: State Taxes
0190015	LT Def Credit for state Liab-190
0190052	Accum Deferred SIT-OCI
0190053	Accum Deferred FIT-Plant
0190054	Accum Deferred SIT-Plant
0190155	Deferred Tax - Nol
0191400	Unrecovered Purch Gas Cost
0191800	Unrec Purch Gas - Unbilled Rev
0191990	Unrec Purch Gas-Manual Reclass
0201000	Common Stock Issued
0207001	Premium on Common Stock
0208000	Donations From Stockholder
0208010	Donat Recvd From Stkhld Tax
0211006	Other Misc Paid in Cap
0216000	Unapprop Retained Earnings
0216100	Unappr Undistr Subsid Earnings
0216150	Equity IC AR Rollup
0223306	Intercompany Notes Payable LT
0224034	LT Debt - Current Portion
0224335	100M 4 65 DEK DEBS 10/1/19
0224336	45M 3 42 DEK 01/15/2026
0224337	50M 4 45 DEK 01/15/2046
0224834	Long Term Debt
0224840	ULHP 65M 6 2 3/10/2036
0224843	ULHP PCB 06B
0224844	KY 5% 40M DEBS DUE 12/15/14
0224869	ULHP PCB 06A
0226021	Unamort Discount-Curr
0226335	UNamDis 4 65 DEK Deb 10/1/19
0226840	ULHP 65M 6 2 3/10/2036

0227101	LT Capital Lease Obligation
0227102	Noncurrent Capital Lease-Meter
0228280	Schm Environmental
0228315	Schm Opeb (Fas106)
0228325	Schm Post Emp FAS 112
0228348	Pension Liab - FAS 87(Cinergy)
0230315	ARO Liability - Coal Ash
0230951	ARO sch M
0232000	A/P Vendors Payable
0232002	A/P - Misc - Gen - Acctg
0232004	Vision Deduction
0232005	Long Term Disability Deduction
0232016	AP PS8.9 Vendors Payable
0232039	Payable 401K Incentive Match
0232045	Supplemental Life Deductions
0232048	Supplemental AD&D Deduction
0232049	Medical & HSA Deductions
0232052	Medical Spending Acct Deduct
0232053	Dependent Spending Acct Deduct
0232067	Dental Deductions
0232101	EAP 10 customer charge
0232109	A/P BPM - Actual
0232120	Vouchers Payable - Special
0232140	Customer Refunds Payable
0232152	A/P Purchased Gas
0232163	Emission Allowance A/P
0232170	Accounts Payable - Coal
0232175	Limestone and Freight Payable
0232176	Reagent Payable
0232180	Accounts Payable - Oil Stocks
0232181	Natural Gas Payable
0232345	MISO MTEP - Short Term Accrual
0232361	A/P Fuelfunds - Customer Donations
0232892	A/P Miscellaneous
0232996	Capital - Accruals
0232999	A/P BPM - Estimate
0233150	IC Moneypool - ST Notes Pay
0234000	IC Moneypool - ST Interest Pay
0234250	IC Netting - Accts Payable
0235140	Special Customer Deposits
0236001	State It Payable Other
0236041	Accrued Property Tax
0236150	St/Local Unemployment Tax Liab
0236700	Employer FICA Tax Liab
0236750	Federal Unemployment Tax Liab
0236906	Use Tax Payable

0236926	LT tax reclass Fed cr
0236927	LT tax reclass state cr
0236940	Current Tax Reclass State Cr
0236942	State Inc Tax Payable - Prior Yrs LT
0236943	State Inc Tax Payable- Prior Yrs
0236952	Current Liability UTP St PGN
0236962	Current Liability UTP Fed PGN
0236965	Accrued SIT - Prior Year
0236980	Current Tax Reclass Fed Cr
0236981	Fed Inc Tax Payable - Prev Yr
0236983	Fed Inc Payable-Prior Yrs
0236986	LT Liability Fed - KTRA
0236990	Fed Inc Tax Payable - Current
0236992	Current Liability UTP - Fed
0236993	LT Liability Fed - UTP
0237110	Bonds Interest Payable
0237221	Int Accrued on MW Dep
0241110	State Income Tax Wh - Employee
0241150	Federal Income Tax Wh - Employee
0241160	FICA Withheld - Employee
0241311	County School Taxes Payable
0241320	Sales Tax on Elc Enrgy
0241335	Local Taxes Withheld
0241348	Franchise Fees Payable
0242033	Wages Payable - Accrual
0242110	Contract Retentions
0242381	Retirement Bank Accrual
0242440	Cash Coll and Contrib To Trustee
0242460	Prov For Incentive Ben Prog
0242461	Prior Year Incentive Accrual
0242490	Vacation Carryover
0242650	Accrued Payable - Other
0242660	Collection - Contr Stk Pur 401 - K
0242890	Deferred Rev Pay - Fuel
0242895	Native Deferred MTM Liability
0242897	NC Pension Liability - FAS 87
0242981	Ratepayer Sharing Provisions
0242998	Misc Liab - FAS 106
0242999	Misc Liab - FAS 112
0243050	2156_CLTD_CAP_LEASE
0243105	Current Portion of Cap Lease Obligation
0244001	Deriv Liab - Noncashflw - S - T
0244005	Derivative Instr-Regulatory-ST
0244006	Derivative Instr-Regulatory-LT
0244007	Accrued Interest Exp-Swaps-Reg
0252050	Gas Contributions Post 1992

0253016	Unclaimed Property
0253035	Misc Def Cr - Genl Acctg
0253039	Deferred Revenue
0253062	Long Term Def Rev - OL
0253070	Reserves - Mgp Sites FERC 228
0253130	Gas Refunds/Recl Adj Due Cust
0253208	NonCurr Liab Pwr Trdg Pur Acct
0253345	MISO MTEP - Long Term Accrual
0253630	Schm Exec Cash Bal Plan
0253690	Pension Deferred Credits
0253890	Schm Tax and S/L For Surplus Mat'ls
0254100	Regulatory Liability - Inc Tax
0254101	Deferred Regulatory Liability
0254210	Reg Liability Emission Swaps
0254220	Reg Liab Em Swp GAAP Int Asset
0254401	DSM Energy Efficiency
0254689	Reg Liability - OPEB
0255000	Accum Def Inv Tax Credits
0255201	Def ITC-Non-Regulated
0281200	Deferred Federal Income Tax
0281201	Deferred State Income Tax
0282100	Adit: PpandE: Federal Taxes
0282101	Adit: PpandE: State Taxes
0283100	Adit: Other: Federal Taxes
0283101	Adit: Other: State Taxes
0401100	Non-reg Operation Expense
0402000	Maintenance Expense
0403002	Depr - Expense
0404200	Amort of Elec Plt - Software
0407354	DSM Deferral - Electric
0407355	DSM Deferral - Gas
0407407	Carrying Charges
0408040	NC Property Tx - Misc NonUtility
0408050	Municipal License-Electric
0408120	Franchise Tax - Non Electric
0408121	Taxes Property - Operating
0408150	State Unemployment Tax
0408151	Federal Unemployment Tax
0408152	Employer FICA Tax
0408153	Employer Local Tax
0408205	Highway Use Tax
0408470	Franchise Tax
0408700	Fed Social Security Tax - Elec
0408800	Federal Highway Use Tax - Elec
0408820	Misc NonUtility Tax
0408851	Sales and Use Tax Exp

0408960	Allocated Payroll Taxes
0409102	SIT Exp - Utility
0409104	Current State Income Tax - PY
0409190	Federal Income Tax - Electric CY
0409191	Federal Income Tax - Electric PY
0409194	Current FIT Elec-PY Audit
0409195	UTP Tax Expense: Fed Util-PY
0409197	Current State Inc Tax-Util
0409202	State Income Tax NonUtility
0409220	Federal Income Tax - NonUtility CY
0409221	Federal Income Tax - NonUtility PY
0409233	Tax expense - state nonutility - PY
0410100	Dfit: Utility: Current Year
0410102	Dsit: Utility: Current Year
0410105	Dfit: Utility: Prior Year
0410106	Dsit: Utility: Prior Year
0410109	DFIT Utility - prior year
0410240	Dfit: Non - Utility: Curr Year
0410241	Dfit: Non - Utility: Prior Yr Cr
0410242	Dsit: Non - Utility: Curr Year
0410243	Dsit: Non - Utility: Prior Year
0411051	Accretion Expense - ARO Ash Pond
0411055	Deferred FIT Credit Other Inc & Ded TI 0
0411100	Dfit: Utility: Curr Year Cr
0411101	Dsit: Utility: Curr Year Cr
0411102	Dfit: Utility: Prior Year Cr
0411103	Dsit: Utility: Prior Year Cr
0411106	DFIT Utility - Prior year
0411240	Dfit: Non - Utility: Curr Yr Cr
0411241	Other Deferred Taxes PY
0411242	Dsit: Non - Utility: Curr Yr Cr
0411243	Dsit: Non - Utility: Prior Yr Cr
0411410	Invest Tax Credit Adj - Electric
0411824	SO2 Sales Proceeds-Native
0415100	Other Misc Gas Rev
0415530	Marketing Service Revenue
0416330	Miscellaneous Expense
0417007	Misc Revenue-Reg
0417107	Administrative Expenses
0417310	Products and Svcs - NonReg
0417320	Exp - Unreg Products and Svcs
0419040	Interest Inc (sch M)
0419110	AFUDC Equity Component
0419240	Miscellaneous Interest
0419429	IC Moneypool - Interest Inc
0419891	IC Int Income VIE

0421060	MINI-TIMBER SALES-NC
0421100	Gain on Disposal of Property
0421200	Loss on Disposal of Property
0421600	Loss on Disposal of Discontinued Ops
0421940	Misc Income
0426100	Donations
0426300	Penalties
0426400	Exp/Civic and Political Activity
0426500	Earn of Equity Inv Pur Acc Adj
0426509	Loss on Sale of A/R
0426510	Other
0426512	Donations
0426540	Employee Service Club Dues
0426553	PpandE Impairments
0426591	I/C - Loss on Sale of A/R
0426891	IC Sale of AR Fees VIE
0427220	Interest on L - T Note Payable
0428021	Amort of Deferred Debt Exp
0428025	Amortization of Debt Discount
0428100	Amort of Debt Discount and Exp
0428165	Amort on Loss of Reaquired Debt
0430216	IC Moneypool - LT Interest Exp
0431000	Int Exp - Taxes
0431002	Int Exp - Other
0431003	Other Interest - Swaps
0431020	Interest Exp-Cust Service Dep
0431130	Interest Exp - Capital Lease
0431315	Coal Ash Spend - Debt Return
0431400	Int/Other Notes and Acct Pay
0431550	Interest Exp-Assign From Svc
0431710	Int Exp on Revenue Refunds
0431900	Interest Expense Other
0432000	AFUDC Debt Component
0438000	Dividend Declared Common
0440000	Residential
0440990	Residential Unbilled Rev
0442100	General Service
0442190	General Service Unbilled Rev
0442200	Industrial Service
0442290	Industrial Svc Unbilled Rev
0444000	Public St and Highway Lighting
0445000	Other Sales To Public Auth
0445090	OPA Unbilled
0447150	Sales For Resale - Outside
0447155	I/C Sales for Resale
0448000	Interdepartmental Sales - Elec

0449100	Provisions For Rate Refunds
0451100	Misc Service Revenue
0453625	Intercompany Sales of Water
0454200	Pole and Line Attachments
0454300	Tower Lease Revenues
0454400	Other Electric Rents
0456025	RSG Rev - MISO Make Whole
0456040	Sales Use Tax Coll Fee
0456075	Data Processing Service
0456110	Transmission Charge Ptp
0456111	Other Transmission Revenues
0456610	Other Electric Revenues
0456970	Wheel Transmission Rev - ED
0457100	Allocated OandM Offset
0457105	Scheduling & Dispatch Revenues
0457204	PJM Reactive Rev
0457700	Allocated Employee Bnfts Offset
0480000	Residential Sales-Gas
0480990	Gas Residential Sales-Unbilled
0481000	Industrial Sales-Gas
0481090	Gas Industrial Sales Unbilled
0481200	Gas Commercial Sales
0481290	Gas Commercial Sales Unbilled
0482000	Other Sales To Public Auth-Gas
0482090	Gas OPA Unbilled
0482200	Gas Public St Hwy Ltng
0484000	Interdepartmental Sales
0488000	Misc Service Revenue-Gas
0488100	IC Misc Svc Reg Gas Reg
0489000	Transp Gas of Others
0489010	IC Gas Transp Rev Reg
0489020	Comm Gas Transp Only
0489025	Comm Gas Transp Unbilled
0489030	Indust Gas Transp Only
0489035	Indust Gas Transp Unbilled
0489040	OPA Gas Transp Only
0489045	OPA Gas Transp Unbilled
0489200	Transportation Fees
0495031	Gas Losses Damaged Lines
0500000	Suprvsn and Engrg - Steam Oper
0501110	Coal Consumed - Fossil Steam
0501150	Coal Handling
0501160	Coal Sampling and Testing
0501190	Sale of Fly Ash - Expenses
0501310	Oil Consumed - Fossil Steam
0501350	Oil Handling Expense

0502040	Cost of Lime
0502100	Fossil Steam Exp - Other
0505000	Electric Expenses - Steam Oper
0506000	Misc Fossil Power Expenses
0509030	SO2 Emission Expense
0509210	NOx Emission Expense
0509212	Annual NOx Emission Expense
0510000	Suprvsn and Engrng - Steam Maint
0510100	Suprvsn and Engrng-Steam Maint - Rec
0511000	Maint of Structures - Steam
0512100	Maint of Boiler Plant - Other
0513100	Maint of Electric Plant - Other
0514000	Maintenance - Misc Steam Plant
0514300	Maintenance - Misc Steam Plant
0520000	Steam Expenses - Nuc Oper
0524000	Misc Expenses - Nuc Oper
0532100	Maint Misc Nuclear Plt - Other
0535000	Supervsn and Engrng - Hydro Oper
0542000	Maint of Structures - Hydro
0546000	Suprvsn and Enginring - Ct Oper
0547100	Natural Gas
0547150	Natural Gas Handling - Ct
0547701	Propane Gas
0548100	Generation Expenses - Other Ct
0548200	Prime Movers - Generators - Ct
0549000	Misc - Power Generation Expenses
0551000	Suprvsn and Enginring - Ct Maint
0552000	Maintenance of Structures - Ct
0553000	Maint - Gentg and Elect Equip - Ct
0554000	Misc Power Generation Plant - Ct
0555028	Purch Pwr - Non-native - net
0555190	Capacity Purchase Expense
0555202	Purch Power-Fuel Clause
0556000	System Cnts & Load Dispatching
0557000	Other Expenses - Oper
0557450	Commissions/Brokerage Expense
0557980	Retail Deferred Fuel Expenses
0560000	Supervsn and Engrng - Trans Oper
0561100	Load Dispatch - Reliability
0561200	Load Dispatch - MnitrandOprtrnsys
0561300	Load Dispatch - TranssvchandSch
0561400	Scheduling - Sys CntrlandDisp Svs
0561500	Reliability Planning and Stdsdev
0561800	Reliability Planning and Stds Dev
0562000	Station Expenses
0563000	Overhead Line Expenses - Trans

0565000	Transm of Elec By Others
0566000	Misc Trans Exp - Other
0566100	Misc Trans - Trans Lines Related
0567000	Rents - Trans Oper
0569000	Maint of Structures - Trans
0569100	Maint of Computer Hardware
0569200	Maint of Computer Software
0570100	Maint Stat Equip - Other_Trans
0570200	Main - Cir Brkrs Trnsf Mtrs - Trans
0571000	Maint of Overhead Lines - Trans
0575700	Market Faciliation - MntrandComp
0580000	Supervsn and Engring - Dist Oper
0581004	Load Dispatch-Dist of Elec
0582100	Station Expenses - Other - Dist
0583100	Overhead Line Exps - Other Dist
0583200	Transf Set Rem Reset Test - Dist
0584000	Underground Line Expenses - Dist
0586000	Meter Expenses - Dist
0587000	Cust Install Exp - Other Dist
0588100	Misc Distribution Exp - Other
0589000	Rents - Dist Oper
0591000	Maintenance of Structures - Dist
0592100	Maint Station Equip - Other - Dist
0592200	Cir Brkrs Trnsf Mters Rely - Dist
0593000	Maint Overhd Lines - Other - Dist
0594000	Maint - Underground Lines - Dist
0595100	Maint Lines Transfrs - Other - Dist
0596000	Maint - Streetlightng/Signl - Dist
0597000	Maintenance of Meters - Dist
0711000	Gas Boiler Labor
0712000	Gas Production - Other Power Ex
0717000	Liq Petro Gas Exp - Vapor Proc
0728000	Liquid Petroleum Gas
0735000	Gas Misc Production Exp
0742000	Maint Gas Production Expense
0801000	Purchases Gas and Ngl
0801001	Purchases Gas and Ngl - Aff
0803290	Miscellaneous Expense
0804110	Unproductive Time Distributed
0804210	Vacations
0804220	Holidays
0804290	Other Excused Absences
0804330	Sick
0805002	Unrecovered Purchase Gas Adj
0805003	Purchase Gas Cost Unbilled Rev
0807000	Gas Purchased Expenses

0807100	I/C Gas Purchased Expenses
0813001	Other Gas Supply Expenses
0820000	Fabricated Equipment
0850001	Operation Supv and Eng - Tran
0856001	Main Expense
0859000	Other Expenses - Trans
0870000	Distribution Sys Ops - Supv/Eng
0871000	Distribution Load Dispatching
0874000	Mains and Services
0875000	Measuring and Reg Stations - Ge
0876000	Measuring and Reg Station - Indus
0878000	Meter and House Regulator - Expense
0879000	Customer Installation Expense
0880000	Gas Distribution - Other Expense
0885000	Maint Dist Sys Fac - Supv/Engr
0887000	Maintenance of Mains
0889000	Maint - Meas/Reg Stn Equip - Gas
0890000	Maint - Meas/Reg Stn Eq - Indus
0892000	Maintenance of Services
0893000	Maint - Meters and House Regu
0894000	Maint - Other Distribution Equi
0901000	Supervision - Cust Accts
0902000	Meter Reading Expense
0903000	Cust Records and Collection Exp
0903100	Cust Contracts and Orders - Local
0903200	Cust Billing and Acct
0903250	Customer Billing - Common
0903300	Cust Collecting - Local
0903400	Cust Receiv and Collect Exp - Edp
0903750	Common - Operating - Cust Accts
0903891	IC Collection Agent Revenue
0904001	Bad Debt Expense
0904003	Cust Acctg-Loss On Sale-A/R
0904891	IC Loss on Sale of AR with VIE
0905000	Misc Customer Accts Expenses
0908000	Cust Asst Exp-Conservation Programs - Rec
0908160	Cust Assist Exp - General
0909650	Misc Advertising Expenses
0910000	Misc Cust Serv/Inform Exp
0910100	Exp - Rs Reg Prod/Svces - Cstaccts
0912000	Demonstrating and Selling Exp
0913001	Advertising Expense
0920000	A and G Salaries
0920100	Salaries & Wages - Proj Supt - NCRC Rec
0921100	Employee Expenses
0921101	Employee Exp - NC

0921110	Relocation Expenses
0921200	Office Expenses
0921300	Telephone and Telegraph Exp
0921400	Computer Services Expenses
0921540	Computer Rent (Go Only)
0921600	Other
0921800	Off Supplies & Exp - Proj Supt - NCRC Rec
0921900	Office Supply And Exp-Partner
0921980	Office Supplies and Expenses
0922000	Admin Exp Transfer
0922100	Admin Exp Transf - Construction
0923000	Outside Services Employed
0923980	Outside Services Employee and
0924000	Property Insurance
0924050	Intercompany Property Insurance Exp
0924980	Property Insurance For Corp.
0925000	Injuries and Damages
0925051	Intercompany Gen Liab Expense
0925200	Injuries and Damages - Other
0925300	Environmental Inj and Damages
0925980	Injuries and Damages For Corp.
0926000	Empl Pensions and Benefits
0926430	Employees'Recreation Expense
0926490	OTHer Employee Benefits
0926600	Employee Benefits - Transferred
0928000	Regulatory Expenses (Go)
0928006	State Reg Comm Proceeding
0928053	Travel Expense
0929000	Duplicate Chrgs - Enrgy To Exp
0929500	Admin Exp Transf
0930150	Miscellaneous Advertising Exp
0930200	Misc General Expenses
0930210	Industry Association Dues
0930220	Exp of Servicing Securities
0930230	Dues To Various Organizations
0930240	Director'S Expenses
0930250	Buy\Sell Transf Employee Homes
0930600	Leased Circuit Charges - Other
0930700	Research and Development
0930940	General Expenses
0931001	Rents - AandG
0931008	A and G Rents IC
0932000	Maintenance of General Plant
0935100	Maint General Plant-Elec
0935200	Cust Infor and Computer Control
0999998	Allocations Suspense

1231005	Investment in Sub - Equity
1231015	Current Year Earnings of Sub - Loaded
1231055	Investment in IC AR Cash Rollup
2161500	IC AR Rollup
4181107	Earnings of Sub

**DUKE ENERGY KENTUCKY
CASE NO. 2017-00321
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(n)**

807 KAR 5:001, SECTION 16(7)(n)

Description of Filing Requirement:

The latest twelve (12) months of the monthly management reports providing financial results of operations in comparison to the forecast.

Response:

See attached and also see response to Filing Requirement 16(7)(o).

Sponsoring Witness: David L. Doss, Jr.

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of July 31, 2016
(Unaudited)

	Total Company
<u>Assets</u>	
Utility Plant in Service	2,074,749,373
Construction Work in Progress	40,931,460
Less: Accumulated Depreciation	(991,370,331)
Net Utility Plant	1,124,310,502
Nonutility Property	2,206
Other Investments	1,500
Other Special Funds	1,285,725
Long Term Portion of Derivative Instrument Assets	440,056
Total Other Property & Investments	1,729,487
Cash	4,959,951
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	1,805,753
Other Accounts Receivable	1,184,787
Less: Provision for Uncollectibles	(135,234)
Notes Receivable from Assoc. Co.	14,859,736
Accounts Receivable from Assoc. Co.	3,523,038
Fuel Stock	19,002,570
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	20,427,389
Other Materials & Supplies	-
Stores Expense Undistributed	1,175,416
Prepayments	1,929,135
Emission Allowances	87,907
Derivative Instrument Assets	4,346,506
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	16,946,842
Rents Receivable	2,500
Total Current & Accrued Assets	90,116,296
Unamortized Debt Expense	1,741,099
Other Regulatory Assets	60,462,197
Preliminary Survey & Investigation	384,636
Clearing Accounts	7,251
Temporary Facilities	(1,950)
Miscellaneous Deferred Debits	28,455,403
Unamortized Loss on Reacquired Debt	1,565,937
Accumulated Deferred Income Taxes	42,154,640
Unrecovered Purchased Gas Costs	1,903,983
Total Deferred Debits	136,673,196
TOTAL ASSETS AND OTHER DEBITS	1,352,829,481

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of July 31, 2016
(Unaudited)

	<u>Total Company</u>
<u>Proprietary Capital</u>	
Common Stock Issued	8,779,995
Premium on Capital Stock	18,838,946
Other Paid-in Capital Stock	148,655,189
Retained Earnings	255,486,254
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>431,760,384</u>
<u>Liabilities</u>	
Bonds	336,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(358,602)
Total Long-Term Debt	<u>361,361,398</u>
Obligations Under Capital Leases - Noncurrent	1,754,246
Asset Retirement Obligation	102,627,194
Long-Term Portion of Derivative Instrument Liabilities	7,101,328
Accum. Misc. Operating Provisions	11,581,864
Total Other Noncurrent Liabilities	<u>123,064,632</u>
Accounts Payable	16,263,016
Notes Payable to Assoc. Co.	-
Accounts Payable to Assoc. Co.	8,685,386
Customer Deposits	10,382,364
Taxes Accrued	7,612,613
Interest Accrued	3,381,966
Tax Collections Payable	1,536,597
Misc. Current & Accrued Liabilities	12,473,180
Obligations Under Capital Leases - Current	1,345,437
Derivative Instrument Liabilities	8,047,117
Less: Long-Term Portion of Derivative Instrument Liabilities	(7,101,328)
Total Current & Accrued Liabilities	<u>62,626,348</u>
Customer Advances for Construction	1,261,820
Accum. Deferred Investment Tax Credits	769,190
Other Deferred Credits	23,678,126
Other Regulatory Liabilities	464,312
Accumulated Deferred Income Taxes	347,843,271
Total Deferred Credits	<u>374,016,719</u>
 TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	 <u><u>1,352,829,481</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended July 31, 2016
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	122,684,301	57,758,288	180,442,589
Commercial Sales	111,954,577	18,697,575	130,652,152
Industrial Sales	52,966,947	1,290,237	54,257,184
Sales to Public Authorities	21,387,518	1,958,222	23,345,740
Public Street & Highway Lighting	1,655,041	921	1,655,962
Inter-Departmental Sales	55,088	13,192	68,280
Misc. Service Revenues	2,787,529	694,231	3,481,760
Revenues from Transportation	-	6,131,702	6,131,702
Sales for Resale	22,997,459	-	22,997,459
Rents from Property	781,906	214	782,120
Other Revenues	4,623,636	1,073	4,624,709
Total Revenues	<u>341,894,002</u>	<u>86,545,655</u>	<u>428,439,657</u>
<u>Operating Expenses</u>			
Operation Expense	201,857,101	49,034,056	250,891,157
Maintenance Expense	34,463,933	1,905,519	36,369,452
Depreciation Expense	28,276,562	13,312,380	41,588,942
Amortization and Depletion	2,015,964	786,036	2,802,000
Taxes Other than Income Taxes	9,531,899	4,304,611	13,836,510
Income Taxes - Federal & Other	(21,171,580)	4,517,114	(16,654,466)
Provision for Deferred Income Taxes - Net	40,034,511	223,500	40,258,011
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>295,008,390</u>	<u>74,083,216</u>	<u>369,091,606</u>
NET OPERATING INCOME	<u>46,885,612</u>	<u>12,462,439</u>	<u>59,348,051</u>
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	519,135	-	519,135
Less: Expense of Merchandising, Jobbing and Contract Work	(155,241)	2,211	(153,030)
Revenues from Nonutility Operations	(54,029)	6,339	(47,690)
Interest & Dividend Income	726,531	228,215	954,746
AFUDC	688,464	193,849	882,313
Gain on Disposition of Property	-	4,832	4,832
Loss on Disposition of Property	(6,021)	-	(6,021)
Misc. Income Deductions	(874,870)	(401,852)	(1,276,722)
Taxes Other than Income Taxes	(89,264)	(30,850)	(120,114)
Income Taxes - Federal & Other	(908,801)	64,085	(844,716)
Provision for Deferred Income Taxes - Net	1,587,523	(280,145)	1,307,378
Total Other Income & Deductions	<u>1,433,427</u>	<u>(213,316)</u>	<u>1,220,111</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(9,403,242)	(3,863,506)	(13,266,748)
Amortization of Debt Disc. And Expense	(519,860)	(181,517)	(701,377)
Amortization of Loss on Reacquired Debt	(188,790)	(77,684)	(266,474)
Interest on Debt to Assoc. Co.	(165,245)	(61,618)	(226,863)
Other Interest Expense	(1,581,981)	(75,826)	(1,657,807)
Less: Allowance for Borrowed Fund Used During Construction - Credit	298,716	72,567	371,283
Net Interest Charges	<u>(11,560,402)</u>	<u>(4,187,584)</u>	<u>(15,747,986)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>36,758,637</u>	<u>8,061,539</u>	<u>44,820,176</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
July 31, 2016
(Unaudited)

	Actual June 2016	Activity	Actual July 2016
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	285,067,596	13,247	285,080,843
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	1,811,512	(57,266)	1,754,246
Total Long-term debt	311,879,108	(44,019)	311,835,089
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	-	-	-
Unappropriated Retained Earnings Balance	228,157,431	-	228,157,431
Unappropriated Retained Earnings - Current Year Net Income	22,175,340	5,153,483	27,328,823
Total Common Stock Equity	426,606,901	5,153,483	431,760,384
TOTAL CAPITALIZATION	738,486,009	5,109,464	743,595,473

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unamortized Discount, nor Unamortized Debt Expense.

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
August 31, 2016
(Unaudited)

	Actual July 2016	Activity	Actual August 2016
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	285,080,843	(2,050)	285,078,793
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	1,754,246	(57,422)	1,696,824
Total Long-term debt	<u>311,835,089</u>	<u>(59,472)</u>	<u>311,775,617</u>
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	-	-	-
Unappropriated Retained Earnings Balance	228,157,431	-	228,157,431
Unappropriated Retained Earnings - Current Year Net Income	27,328,823	3,848,940	31,177,763
Total Common Stock Equity	<u>431,760,384</u>	<u>3,848,940</u>	<u>435,609,324</u>
TOTAL CAPITALIZATION	743,595,473	3,789,468	747,384,941

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unamortized Discount, nor Unamortized Debt Expense.

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of August 31, 2016
(Unaudited)

	<u>Total Company</u>
<u>Proprietary Capital</u>	
Common Stock Issued	8,779,995
Premium on Capital Stock	18,838,946
Other Paid-in Capital Stock	148,655,189
Retained Earnings	259,335,194
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>435,609,324</u>
<u>Liabilities</u>	
Bonds	336,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(354,472)
Total Long-Term Debt	<u>361,365,528</u>
Obligations Under Capital Leases - Noncurrent	1,696,824
Asset Retirement Obligation	103,224,178
Long-Term Portion of Derivative Instrument Liabilities	7,101,328
Accum. Misc. Operating Provisions	11,563,912
Total Other Noncurrent Liabilities	<u>123,586,242</u>
Accounts Payable	21,800,264
Notes Payable to Assoc. Co.	-
Accounts Payable to Assoc. Co.	13,367,981
Customer Deposits	10,324,315
Taxes Accrued	4,854,654
Interest Accrued	4,424,239
Tax Collections Payable	1,611,953
Misc. Current & Accrued Liabilities	12,158,398
Obligations Under Capital Leases - Current	1,319,661
Derivative Instrument Liabilities	8,047,117
Less: Long-Term Portion of Derivative Instrument Liabilities	(7,101,328)
Total Current & Accrued Liabilities	<u>70,807,254</u>
Customer Advances for Construction	1,425,096
Accum. Deferred Investment Tax Credits	752,423
Other Deferred Credits	23,509,278
Other Regulatory Liabilities	459,615
Accumulated Deferred Income Taxes	353,762,080
Total Deferred Credits	<u>379,908,492</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u><u>1,371,276,840</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended August 31, 2016
(Unaudited)

	Electric	Gas	Total Company
Revenues			
Residential Sales	124,690,514	57,677,552	182,368,066
Commercial Sales	112,826,851	18,509,218	131,336,069
Industrial Sales	53,142,051	1,287,221	54,429,272
Sales to Public Authorities	21,519,225	1,953,021	23,472,246
Public Street & Highway Lighting	1,653,854	922	1,654,778
Inter-Departmental Sales	55,789	13,047	68,836
Misc. Service Revenues	1,936,222	701,524	2,637,746
Revenues from Transportation	-	6,132,247	6,132,247
Sales for Resale	22,280,204	-	22,280,204
Rents from Property	807,975	215	808,190
Other Revenues	4,849,944	1,141	4,851,085
Total Revenues	343,762,629	86,276,108	430,038,737
Operating Expenses			
Operation Expense	202,774,507	49,152,496	251,927,003
Maintenance Expense	34,382,179	1,839,482	36,221,661
Depreciation Expense	30,733,660	13,384,951	44,118,611
Amortization and Depletion	2,020,050	778,486	2,798,536
Taxes Other than Income Taxes	9,556,035	4,332,262	13,888,297
Income Taxes - Federal & Other	(16,578,846)	(2,878,527)	(19,457,373)
Provision for Deferred Income Taxes - Net	34,928,942	7,643,879	42,572,821
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	297,816,527	74,253,029	372,069,556
NET OPERATING INCOME	45,946,102	12,023,079	57,969,181
Other Income & Deductions			
Revenues from Merchandising, Jobbing and Contract Work	525,167	-	525,167
Less: Expense of Merchandising, Jobbing and Contract Work	(131,287)	2,727	(128,560)
Revenues from Nonutility Operations	(50,932)	13,163	(37,769)
Interest & Dividend Income	738,756	232,366	971,122
AFUDC	742,492	229,619	972,111
Gain on Disposition of Property	38,553	4,828	43,381
Loss on Disposition of Property	(6,021)	(4,832)	(10,853)
Misc. Income Deductions	(869,932)	(395,023)	(1,264,955)
Taxes Other than Income Taxes	(89,037)	(30,655)	(119,692)
Income Taxes - Federal & Other	(2,304,706)	50,878	(2,253,828)
Provision for Deferred Income Taxes - Net	2,890,809	(38,561)	2,852,048
Total Other Income & Deductions	1,483,662	64,510	1,548,172
Interest Charges			
Interest on Long Term Debt	(9,462,504)	(3,917,841)	(13,380,345)
Amortization of Debt Disc. And Expense	(544,949)	(192,928)	(737,877)
Amortization of Loss on Recquired Debt	(188,344)	(78,130)	(266,474)
Interest on Debt to Assoc. Co.	(167,570)	(63,023)	(230,593)
Other Interest Expense	(1,595,529)	(73,424)	(1,668,953)
Less: Allowance for Borrowed Fund Used During Construction - Credit	327,019	84,537	411,556
Net interest Charges	(11,631,877)	(4,240,809)	(15,872,686)
Extraordinary Items after Taxes	-	-	-
NET INCOME	35,797,887	7,846,780	43,644,667

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of August 31, 2016
(Unaudited)

	<u>Total Company</u>
<u>Assets</u>	
Utility Plant in Service	2,078,195,098
Construction Work in Progress	49,174,229
Less: Accumulated Depreciation	(995,394,805)
Net Utility Plant	<u>1,131,974,522</u>
Nonutility Property	2,206
Other Investments	1,500
Other Special Funds	1,309,229
Long Term Portion of Derivative Instrument Assets	440,056
Total Other Property & Investments	<u>1,752,991</u>
Cash	9,774,753
Working Funds	-
Temporary Cash Investments	1,000,000
Customer Accounts Receivable	1,275,553
Other Accounts Receivable	1,128,430
Less: Provision for Uncollectibles	(137,480)
Notes Receivable from Assoc. Co.	16,653,554
Accounts Receivable from Assoc. Co.	525,367
Fuel Stock	20,638,836
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	20,378,466
Other Materials & Supplies	-
Stores Expense Undistributed	1,273,527
Prepayments	1,401,928
Emission Allowances	77,369
Derivative Instrument Assets	4,346,506
Interest & Dividends Receivable	265
Misc Current and Accrued Assets	17,706,710
Rents Receivable	2,500
Total Current & Accrued Assets	<u>96,046,284</u>
Unamortized Debt Expense	1,695,702
Other Regulatory Assets	62,054,022
Preliminary Survey & Investigation	406,741
Clearing Accounts	9,782
Temporary Facilities	(6,250)
Miscellaneous Deferred Debits	28,451,142
Unamortized Loss on Reacquired Debt	1,543,730
Accumulated Deferred Income Taxes	45,309,626
Unrecovered Purchased Gas Costs	2,038,548
Total Deferred Debits	<u>141,503,043</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>1,371,276,840</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of September 30, 2016
(Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
Assets				
Utility Plant in Service	1,596,548,111	458,455,625	11,455,835	2,066,459,571
Construction Work in Progress	39,532,842	11,850,944	-	51,383,786
Less: Accumulated Depreciation	(832,176,054)	(159,465,003)	(7,222,653)	(998,863,710)
Net Utility Plant	<u>803,904,899</u>	<u>310,841,566</u>	<u>4,233,182</u>	<u>1,118,979,647</u>
Nonutility Property	-	-	2,206	2,206
Other Investments	-	-	1,500	1,500
Other Special Funds	-	-	1,332,733	1,332,733
Long Term Portion of Derivative Instrument Assets	-	-	441,442	441,442
Total Other Property & Investments	<u>-</u>	<u>-</u>	<u>1,777,881</u>	<u>1,777,881</u>
Cash	5,146,028	2,112,767	(385,327)	6,873,468
Working Funds	-	-	-	-
Temporary Cash Investments	-	-	-	-
Customer Accounts Receivable	1,135,162	285,754	-	1,420,916
Other Accounts Receivable	1,350,330	554,395	(101,111)	1,803,614
Less: Provision for Uncollectibles	(102,303)	(25,753)	-	(128,056)
Notes Receivable from Assoc. Co.	8,901,275	3,654,530	(666,514)	11,889,291
Accounts Receivable from Assoc. Co.	1,140,218	468,130	(85,378)	1,522,970
Fuel Stock	19,459,191	1,466,450	2,723,407	23,649,048
Gas Stored Underground Inventory	-	-	-	-
Plant Materials & Operating Supplies	19,857,561	469,554	-	20,327,115
Other Materials & Supplies	-	-	-	-
Stores Expense Undistributed	1,259,311	29,778	-	1,289,089
Prepayments	702,007	332,333	-	1,034,340
Emission Allowances	67,333	-	-	67,333
Derivative Instrument Assets	2,489,273	-	-	2,489,273
Interest & Dividends Receivable	-	-	-	-
Misc Current and Accrued Assets	14,828,240	4,183,860	-	19,012,100
Rents Receivable	2,500	-	-	2,500
Total Current & Accrued Assets	<u>76,236,126</u>	<u>13,531,798</u>	<u>1,485,077</u>	<u>91,253,001</u>
Unamortized Debt Expense	1,222,972	502,106	(91,574)	1,633,504
Other Regulatory Assets	60,066,039	3,786,606	-	63,852,645
Preliminary Survey & Investigation	79,172	32,505	(5,928)	105,749
Clearing Accounts	8,397	2,043	-	10,440
Temporary Facilities	-	-	-	-
Miscellaneous Deferred Debits	21,150,343	8,683,540	(1,583,705)	28,250,178
Unamortized Loss on Reacquired Debt	1,139,135	467,686	(85,297)	1,521,524
Accumulated Deferred Income Taxes	36,179,693	2,279,471	-	38,459,164
Unrecovered Purchased Gas Costs	-	1,934,743	-	1,934,743
Total Deferred Debits	<u>119,845,751</u>	<u>17,688,700</u>	<u>(1,766,504)</u>	<u>135,767,947</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>999,986,776</u></u>	<u><u>342,062,064</u></u>	<u><u>5,729,636</u></u>	<u><u>1,347,778,476</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of September 30, 2016
(Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
<u>Proprietary Capital</u>				
Common Stock Issued	6,573,407	2,698,795	(492,207)	8,779,995
Premium on Capital Stock	14,104,342	5,790,715	(1,056,111)	18,838,946
Other Paid-in Capital Stock	111,295,167	45,693,632	(8,333,610)	148,655,189
Retained Earnings	213,779,513	68,358,770	(19,110,736)	263,027,547
Accumulated Other Comprehensive Income	-	-	-	-
Total Proprietary Capital	<u>345,752,429</u>	<u>122,541,912</u>	<u>(28,992,664)</u>	<u>439,301,677</u>
<u>Liabilities</u>				
Bonds	252,095,529	103,500,994	(18,876,523)	336,720,000
Advances from Associated Companies	18,717,000	7,684,500	(1,401,500)	25,000,000
Less: Unamortized Discount on Long-Term Debt	(262,293)	(107,688)	19,640	(350,341)
Total Long-Term Debt	<u>270,550,236</u>	<u>111,077,806</u>	<u>(20,258,383)</u>	<u>361,369,659</u>
Obligations Under Capital Leases - Noncurrent	1,163,231	477,572	-	1,640,803
Asset Retirement Obligation	80,766,128	5,437,072	-	86,203,200
Long-Term Portion of Derivative Instrument Liabilities	5,365,523	1,305,358	-	6,670,881
Accum. Misc. Operating Provisions	9,301,009	2,262,808	-	11,563,817
Total Other Noncurrent Liabilities	<u>96,595,891</u>	<u>9,482,810</u>	<u>-</u>	<u>106,078,701</u>
Accounts Payable	17,033,083	6,993,147	(1,275,411)	22,750,819
Notes Payable to Assoc. Co.	-	-	-	-
Accounts Payable to Assoc. Co.	6,395,777	2,625,866	(478,906)	8,542,737
Customer Deposits	6,194,639	4,166,021	-	10,360,660
Taxes Accrued	11,562,332	(6,098,008)	(124,304)	5,340,020
Interest Accrued	2,586,175	1,061,786	(193,649)	3,454,312
Tax Collections Payable	1,093,105	487,606	8,132	1,588,843
Misc. Current & Accrued Liabilities	8,717,190	2,120,772	-	10,837,962
Obligations Under Capital Leases - Current	916,026	376,080	-	1,292,106
Derivative Instrument Liabilities	6,099,574	1,483,942	-	7,583,516
Less: Long-Term Portion of Derivative Instrument Liabilities	(5,365,523)	(1,305,358)	-	(6,670,881)
Total Current & Accrued Liabilities	<u>55,232,378</u>	<u>11,911,854</u>	<u>(2,064,138)</u>	<u>65,080,094</u>
Customer Advances for Construction	-	1,429,120	-	1,429,120
Accum. Deferred Investment Tax Credits	(2,759,108)	655,358	2,839,403	735,653
Other Deferred Credits	17,995,298	5,726,423	-	23,721,721
Other Regulatory Liabilities	18,128	436,788	-	454,916
Accumulated Deferred Income Taxes	216,601,524	78,799,993	54,205,418	349,606,935
Total Deferred Credits	<u>231,855,842</u>	<u>87,047,682</u>	<u>57,044,821</u>	<u>375,948,345</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u>999,986,776</u>	<u>342,062,064</u>	<u>5,729,636</u>	<u>1,347,778,476</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended September 30, 2016
(Unaudited)

	Electric	Gas	Non- Jurisdictional	Total Company
<u>Revenues</u>				
Residential Sales	126,840,545	57,749,979	-	184,590,524
Commercial Sales	113,664,232	18,602,810	-	132,267,042
Industrial Sales	53,268,023	1,286,950	-	54,554,973
Sales to Public Authorities	21,659,746	1,959,809	-	23,619,555
Public Street & Highway Lighting	1,653,074	924	-	1,653,998
Inter-Departmental Sales	55,773	12,929	-	68,702
Misc. Service Revenues	277,611	32,816	675,980	986,407
Revenues from Transportation	-	6,156,238	-	6,156,238
Sales for Resale	20,427,929	-	-	20,427,929
Rents from Property	864,398	215	-	864,613
Other Revenues	4,831,796	1,223	-	4,833,019
Total Revenues	<u>343,543,127</u>	<u>85,803,893</u>	<u>675,980</u>	<u>430,023,000</u>
<u>Operating Expenses</u>				
Operation Expense	200,863,399	49,014,555	289,397	250,167,351
Maintenance Expense	34,219,597	1,903,112	23,011	36,145,720
Depreciation Expense	30,333,476	13,442,403	-	43,775,879
Amortization and Depletion	1,814,196	770,672	-	2,584,868
Taxes Other than Income Taxes	9,628,441	4,294,995	71,631	13,995,067
Income Taxes - Federal & Other	(22,420,481)	2,451,565	65,893	(19,903,023)
Provision for Deferred Income Taxes - Net	40,026,766	1,543,371	668,819	42,238,956
Investment Tax Credit Adjustment	-	86	(86)	-
Total Operating Expenses	<u>294,465,394</u>	<u>73,420,759</u>	<u>1,118,665</u>	<u>369,004,818</u>
NET OPERATING INCOME	<u>49,077,733</u>	<u>12,383,134</u>	<u>(442,685)</u>	<u>61,018,182</u>
<u>Other Income & Deductions</u>				
Revenues from Merchandising, Jobbing and Contract Work	-	-	513,356	513,356
Less: Expense of Merchandising, Jobbing and Contract Work	-	-	(132,557)	(132,557)
Revenues from Nonutility Operations	-	-	(24,853)	(24,853)
Interest & Dividend Income	-	-	1,000,850	1,000,850
AFUDC	823,561	256,818	-	1,080,379
Gain on Disposition of Property	-	-	43,381	43,381
Loss on Disposition of Property	-	-	(10,853)	(10,853)
Misc. Income Deductions	-	-	(2,925,334)	(2,925,334)
Taxes Other than Income Taxes	-	-	(119,242)	(119,242)
Income Taxes - Federal & Other	-	-	(3,152,896)	(3,152,896)
Provision for Deferred Income Taxes - Net	-	-	3,147,957	3,147,957
Total Other Income & Deductions	<u>823,561</u>	<u>256,818</u>	<u>(1,660,191)</u>	<u>(579,812)</u>
<u>Interest Charges</u>				
Interest on Long Term Debt	(10,091,799)	(4,143,315)	755,658	(13,479,456)
Amortization of Debt Disc. And Expense	(579,761)	(238,028)	43,412	(774,377)
Amortization of Loss on Reacquired Debt	(199,504)	(81,909)	14,939	(266,474)
Interest on Debt to Assoc. Co.	(176,469)	(72,452)	13,214	(235,707)
Other Interest Expense	(1,211,171)	(497,262)	90,691	(1,617,742)
Less: Allowance for Borrowed Fund Used During Construction - Credit	356,090	93,067	-	449,157
Net interest Charges	<u>(11,902,614)</u>	<u>(4,939,899)</u>	<u>917,914</u>	<u>(15,924,599)</u>
Extraordinary Items after Taxes	-	-	-	-
NET INCOME	<u>37,998,680</u>	<u>7,700,053</u>	<u>(1,184,962)</u>	<u>44,513,771</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
September 30, 2016
(Unaudited)

	Actual Aug-16	Activity	Actual Sep-16
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	285,078,793	14,751	285,093,544
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	1,696,824	(56,021)	1,640,803
Total Long-term debt	311,775,617	(41,270)	311,734,347
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	-	-	-
Unappropriated Retained Earnings Balance	228,157,431	-	228,157,431
Unappropriated Retained Earnings - Current Year Net Income	31,177,763	3,692,353	34,870,116
Total Common Stock Equity	435,609,324	3,692,353	439,301,677
TOTAL CAPITALIZATION	747,384,941	3,651,083	751,036,024

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unamortized Discount, nor Unamortized Debt Expense.

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of October 31, 2016
(Unaudited)

	Total Company
<u>Assets</u>	
Utility Plant in Service	2,071,064,461
Construction Work in Progress	51,556,731
Less: Accumulated Depreciation	(1,001,490,173)
Net Utility Plant	1,121,131,019
Nonutility Property	2,206
Other Investments	1,500
Other Special Funds	1,356,237
Long Term Portion of Derivative Instrument Assets	441,442
Total Other Property & Investments	1,801,385
Cash	7,856,602
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	2,462,166
Other Accounts Receivable	1,588,914
Less: Provision for Uncollectibles	(132,922)
Notes Receivable from Assoc. Co.	6,713,301
Accounts Receivable from Assoc. Co.	3,848,837
Fuel Stock	23,631,411
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	23,115,148
Other Materials & Supplies	-
Stores Expense Undistributed	1,713,668
Prepayments	1,216,537
Emission Allowances	56,704
Derivative Instrument Assets	2,489,273
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	19,069,722
Rents Receivable	2,500
Total Current & Accrued Assets	93,631,861
Unamortized Debt Expense	1,571,306
Other Regulatory Assets	65,946,192
Preliminary Survey & Investigation	120,877
Clearing Accounts	12,321
Temporary Facilities	(650)
Miscellaneous Deferred Debits	28,003,101
Unamortized Loss on Reacquired Debt	1,499,318
Accumulated Deferred Income Taxes	39,481,292
Unrecovered Purchased Gas Costs	2,037,762
Total Deferred Debits	138,671,519
TOTAL ASSETS AND OTHER DEBITS	1,355,235,784

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of October 31, 2016
(Unaudited)

	<u>Total Company</u>
<u>Proprietary Capital</u>	
Common Stock Issued	8,779,995
Premium on Capital Stock	18,838,946
Other Paid-in Capital Stock	148,655,189
Retained Earnings	255,471,218
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>431,745,348</u>
<u>Liabilities</u>	
Bonds	336,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(346,210)
Total Long-Term Debt	<u>361,373,790</u>
Obligations Under Capital Leases - Noncurrent	1,583,068
Asset Retirement Obligation	86,346,429
Long-Term Portion of Derivative Instrument Liabilities	6,670,881
Accum. Misc. Operating Provisions	11,572,239
Total Other Noncurrent Liabilities	<u>106,172,617</u>
Accounts Payable	20,144,497
Notes Payable to Assoc. Co.	8,991,000
Accounts Payable to Assoc. Co.	11,459,780
Customer Deposits	10,350,609
Taxes Accrued	9,338,584
Interest Accrued	2,153,495
Tax Collections Payable	1,301,629
Misc. Current & Accrued Liabilities	11,505,866
Obligations Under Capital Leases - Current	1,265,884
Derivative Instrument Liabilities	7,583,516
Less: Long-Term Portion of Derivative Instrument Liabilities	(6,670,881)
Total Current & Accrued Liabilities	<u>77,423,979</u>
Customer Advances for Construction	1,429,120
Accum. Deferred Investment Tax Credits	718,884
Other Deferred Credits	23,599,268
Other Regulatory Liabilities	450,219
Accumulated Deferred Income Taxes	352,322,559
Total Deferred Credits	<u>378,520,050</u>
 TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	 <u><u>1,355,235,784</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended October 31, 2016
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	127,753,479	57,213,350	184,966,829
Commercial Sales	114,485,238	18,378,039	132,863,277
Industrial Sales	53,524,382	1,261,932	54,786,314
Sales to Public Authorities	21,861,848	1,932,668	23,794,516
Public Street & Highway Lighting	1,641,091	931	1,642,022
Inter-Departmental Sales	56,881	12,453	69,334
Misc. Service Revenues	11,653	714,836	726,489
Revenues from Transportation	-	6,164,533	6,164,533
Sales for Resale	20,225,749	-	20,225,749
Rents from Property	937,139	216	937,355
Other Revenues	4,055,311	1,224	4,056,535
Total Revenues	<u>344,552,771</u>	<u>85,680,182</u>	<u>430,232,953</u>
<u>Operating Expenses</u>			
Operation Expense	199,895,448	49,138,528	249,033,976
Maintenance Expense	33,859,930	1,909,527	35,769,457
Depreciation Expense	30,054,492	13,438,069	43,492,561
Amortization and Depletion	1,828,717	763,377	2,592,094
Taxes Other than Income Taxes	9,631,783	4,386,997	14,018,780
Income Taxes - Federal & Other	(21,808,433)	2,196,760	(19,611,673)
Provision for Deferred Income Taxes - Net	40,307,626	2,225,220	42,532,846
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>293,769,563</u>	<u>74,058,478</u>	<u>367,828,041</u>
NET OPERATING INCOME	<u>50,783,208</u>	<u>11,621,704</u>	<u>62,404,912</u>
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	516,203	10,926	527,129
Less: Expense of Merchandising, Jobbing and Contract Work	(135,591)	3,306	(132,285)
Revenues from Nonutility Operations	(82,802)	26,156	(56,646)
Interest & Dividend Income	775,126	239,250	1,014,376
AFUDC	911,612	289,929	1,201,541
Gain on Disposition of Property	38,553	4,828	43,381
Loss on Disposition of Property	(6,021)	(9,664)	(15,685)
Misc. Income Deductions	(2,190,382)	(876,115)	(3,066,497)
Taxes Other than Income Taxes	(88,533)	(30,265)	(118,798)
Income Taxes - Federal & Other	(2,844,816)	193,485	(2,651,331)
Provision for Deferred Income Taxes - Net	3,261,578	(45,770)	3,215,808
Total Other Income & Deductions	<u>154,927</u>	<u>(193,934)</u>	<u>(39,007)</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(9,625,304)	(3,955,864)	(13,581,168)
Amortization of Debt Disc. And Expense	(625,697)	(185,181)	(810,878)
Amortization of Loss on Reacquired Debt	(187,451)	(79,023)	(266,474)
Interest on Debt to Assoc. Co.	(173,423)	(66,302)	(239,725)
Other Interest Expense	(1,534,380)	(69,090)	(1,603,470)
Less: Allowance for Borrowed Fund Used During Construction - Credit	388,340	103,002	491,342
Net interest Charges	<u>(11,757,915)</u>	<u>(4,252,458)</u>	<u>(16,010,373)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>39,180,220</u>	<u>7,175,312</u>	<u>46,355,532</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
October 31, 2016
(Unaudited)

	Actual September 2016	Activity	Actual October 2016
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	285,093,544	14,752	285,108,296
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	1,640,803	(57,735)	1,583,068
Total Long-term debt	311,734,347	(42,983)	311,691,364
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	-	-	-
Unappropriated Retained Earnings Balance	228,157,431	(10,000,000)	218,157,431
Unappropriated Retained Earnings - Current Year Net Income	34,870,116	2,443,671	37,313,787
Total Common Stock Equity	439,301,677	(7,556,329)	431,745,348
TOTAL CAPITALIZATION	751,036,024	(7,599,312)	743,436,712

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unmortgaged Discount, nor Unamortized Debt Expense.

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of November 30, 2016
(Unaudited)

	Total Company
<u>Assets</u>	
Utility Plant in Service	2,080,493,122
Construction Work in Progress	53,812,452
Less: Accumulated Depreciation	(1,004,235,650)
Net Utility Plant	1,130,069,924
Nonutility Property	2,206
Other Investments	1,500
Other Special Funds	1,379,741
Long Term Portion of Derivative Instrument Assets	441,442
Total Other Property & Investments	1,824,889
Cash	7,607,201
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	1,459,517
Other Accounts Receivable	1,579,766
Less: Provision for Uncollectibles	(139,455)
Notes Receivable from Assoc. Co.	7,481,064
Accounts Receivable from Assoc. Co.	1,637,015
Fuel Stock	23,800,868
Gas Stored Underground Inventory	4,019,290
Plant Materials & Operating Supplies	22,808,392
Other Materials & Supplies	-
Stores Expense Undistributed	853,190
Prepayments	448,087
Emission Allowances	53,344
Derivative Instrument Assets	2,489,273
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	14,828,240
Rents Receivable	2,500
Total Current & Accrued Assets	88,928,292
Unamortized Debt Expense	1,736,655
Other Regulatory Assets	67,851,434
Preliminary Survey & Investigation	143,148
Clearing Accounts	82,297
Temporary Facilities	(4,450)
Miscellaneous Deferred Debits	27,669,857
Unamortized Loss on Reacquired Debt	1,477,112
Accumulated Deferred Income Taxes	40,194,444
Unrecovered Purchased Gas Costs	2,534,520
Total Deferred Debits	141,685,017
TOTAL ASSETS AND OTHER DEBITS	1,362,508,122

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of November 30, 2016
(Unaudited)

	<u>Total Company</u>
<u>Proprietary Capital</u>	
Common Stock Issued	8,779,995
Premium on Capital Stock	18,838,946
Other Paid-in Capital Stock	148,655,189
Retained Earnings	258,565,181
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>434,839,311</u>
<u>Liabilities</u>	
Bonds	336,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(342,079)
Total Long-Term Debt	<u>361,377,921</u>
Obligations Under Capital Leases - Noncurrent	1,525,177
Asset Retirement Obligation	86,257,743
Long-Term Portion of Derivative Instrument Liabilities	6,670,881
Accum. Misc. Operating Provisions	11,545,344
Total Other Noncurrent Liabilities	<u>105,999,145</u>
Accounts Payable	22,209,369
Notes Payable to Assoc. Co.	6,838,000
Accounts Payable to Assoc. Co.	11,686,057
Customer Deposits	10,325,629
Taxes Accrued	8,389,589
Interest Accrued	3,177,846
Tax Collections Payable	1,268,170
Misc. Current & Accrued Liabilities	15,464,127
Obligations Under Capital Leases - Current	1,239,439
Derivative Instrument Liabilities	7,583,516
Less: Long-Term Portion of Derivative Instrument Liabilities	(6,670,881)
Total Current & Accrued Liabilities	<u>81,510,861</u>
Customer Advances for Construction	1,434,379
Accum. Deferred Investment Tax Credits	702,116
Other Deferred Credits	24,409,274
Other Regulatory Liabilities	445,521
Accumulated Deferred Income Taxes	351,789,594
Total Deferred Credits	<u>378,780,884</u>
 TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	 <u><u>1,362,508,122</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended November 30, 2016
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	128,179,937	57,438,625	185,618,562
Commercial Sales	115,151,282	18,651,820	133,803,102
Industrial Sales	53,650,716	1,278,589	54,929,305
Sales to Public Authorities	21,966,011	2,008,079	23,974,090
Public Street & Highway Lighting	1,659,326	929	1,660,255
Inter-Departmental Sales	56,346	11,262	67,608
Misc. Service Revenues	(372,007)	723,153	351,146
Revenues from Transportation	-	6,300,865	6,300,865
Sales for Resale	18,826,324	-	18,826,324
Rents from Property	986,985	216	987,201
Other Revenues	3,227,623	1,193	3,228,816
Total Revenues	<u>343,332,543</u>	<u>86,414,731</u>	<u>429,747,274</u>
<u>Operating Expenses</u>			
Operation Expense	203,324,884	49,974,740	253,299,624
Maintenance Expense	32,029,781	1,820,224	33,850,005
Depreciation Expense	29,132,715	13,347,747	42,480,462
Amortization and Depletion	1,847,609	776,385	2,623,994
Taxes Other than Income Taxes	9,605,078	4,829,496	14,434,574
Income Taxes - Federal & Other	(22,694,844)	3,159,854	(19,534,990)
Provision for Deferred Income Taxes - Net	39,560,720	260,495	39,821,215
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>292,805,943</u>	<u>74,168,941</u>	<u>366,974,884</u>
NET OPERATING INCOME	<u>50,526,600</u>	<u>12,245,790</u>	<u>62,772,390</u>
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	628,445	21,837	650,282
Less: Expense of Merchandising, Jobbing and Contract Work	(152,273)	2,121	(150,152)
Revenues from Nonutility Operations	(90,109)	32,644	(57,465)
Interest & Dividend Income	753,579	242,293	995,872
AFUDC	965,537	266,022	1,231,559
Gain on Disposition of Property	38,553	4,828	43,381
Loss on Disposition of Property	(6,021)	(9,664)	(15,685)
Misc. Income Deductions	(2,006,171)	(731,139)	(2,737,310)
Taxes Other than Income Taxes	(88,273)	(30,070)	(118,343)
Income Taxes - Federal & Other	(3,168,496)	831	(3,167,665)
Provision for Deferred Income Taxes - Net	3,373,992	(41,784)	3,332,208
Total Other Income & Deductions	<u>248,763</u>	<u>(242,081)</u>	<u>6,682</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(9,682,581)	(3,984,757)	(13,667,338)
Amortization of Debt Disc. And Expense	(555,675)	(251,971)	(807,646)
Amortization of Loss on Reacquired Debt	(187,005)	(79,469)	(266,474)
Interest on Debt to Assoc. Co.	(170,215)	(71,843)	(242,058)
Other Interest Expense	(1,503,402)	(67,047)	(1,570,449)
Less: Allowance for Borrowed Fund Used During Construction - Credit	409,902	92,642	502,544
Net interest Charges	<u>(11,688,976)</u>	<u>(4,362,445)</u>	<u>(16,051,421)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>39,086,387</u>	<u>7,641,264</u>	<u>46,727,651</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
November 30, 2016
(Unaudited)

	Actual October 2016	Activity	Actual November 2016
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	285,108,296	49,788,698	334,896,994
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	1,583,068	(57,891)	1,525,177
Total Long-term debt	311,691,364	49,730,807	361,422,171
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	-	-	-
Unappropriated Retained Earnings Balance	218,157,431	-	218,157,431
Unappropriated Retained Earnings - Current Year Net Income	37,313,787	3,093,963	40,407,750
Total Common Stock Equity	431,745,348	3,093,963	434,839,311
 TOTAL CAPITALIZATION	 743,436,712	 52,824,770	 796,261,482

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unamortized Discount, nor Unamortized Debt Expense.

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of December 31, 2016
(Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
Assets				
Utility Plant in Service	1,574,262,424	466,421,210	11,700,480	2,052,384,114
Construction Work in Progress	53,521,455	10,311,517	-	63,832,972
Less: Accumulated Depreciation	(835,886,839)	(157,907,879)	(7,213,320)	(1,001,008,038)
Net Utility Plant	<u>791,897,040</u>	<u>318,824,848</u>	<u>4,487,160</u>	<u>1,115,209,048</u>
Nonutility Property	-	-	2,206	2,206
Other Investments	-	-	1,500	1,500
Other Special Funds	-	-	1,715,645	1,715,645
Long Term Portion of Derivative Instrument Assets	-	-	954,187	954,187
Total Other Property & Investments	<u>-</u>	<u>-</u>	<u>2,673,538</u>	<u>2,673,538</u>
Cash	4,891,753	2,008,370	(366,287)	6,533,836
Working Funds	-	-	-	-
Temporary Cash Investments	-	-	-	-
Customer Accounts Receivable	733,027	196,093	-	929,120
Other Accounts Receivable	654,897	268,876	(49,038)	874,735
Less: Provision for Uncollectibles	(111,083)	(29,716)	-	(140,799)
Notes Receivable from Assoc. Co.	13,768,047	5,652,645	(1,030,930)	18,389,762
Accounts Receivable from Assoc. Co.	3,280,721	1,346,941	(245,655)	4,382,007
Fuel Stock	20,893,849	1,300,035	2,414,351	24,608,235
Gas Stored Underground Inventory	-	3,412,415	-	3,412,415
Plant Materials & Operating Supplies	20,212,854	467,039	-	20,679,893
Other Materials & Supplies	-	-	-	-
Stores Expense Undistributed	328,579	7,592	-	336,171
Prepayments	333,335	157,803	-	491,138
Emission Allowances	50,652	-	-	50,652
Derivative Instrument Assets	3,962,367	-	-	3,962,367
Interest & Dividends Receivable	-	-	-	-
Misc Current and Accrued Assets	14,017,712	-	-	14,017,712
Rents Receivable	2,500	-	-	2,500
Total Current & Accrued Assets	<u>83,019,210</u>	<u>14,788,093</u>	<u>722,441</u>	<u>98,529,744</u>
Unamortized Debt Expense	1,300,179	533,805	(97,355)	1,736,629
Other Regulatory Assets	65,650,402	5,368,300	-	71,018,702
Preliminary Survey & Investigation	107,342	44,070	(8,038)	143,374
Clearing Accounts	(12)	(4)	-	(16)
Temporary Facilities	-	-	-	-
Miscellaneous Deferred Debits	22,340,980	9,172,371	(1,672,858)	29,840,493
Unamortized Loss on Reacquired Debt	1,089,259	447,209	(81,562)	1,454,908
Accumulated Deferred Income Taxes	28,530,739	3,471,889	-	32,002,628
Unrecovered Purchased Gas Costs	-	1,627,916	-	1,627,916
Total Deferred Debits	<u>119,018,889</u>	<u>20,685,556</u>	<u>(1,859,813)</u>	<u>137,824,632</u>
TOTAL ASSETS AND OTHER DEBITS	<u>993,935,139</u>	<u>354,278,497</u>	<u>6,023,326</u>	<u>1,354,236,962</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of December 31, 2016
(Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
Proprietary Capital				
Common Stock Issued	6,573,407	2,698,785	(492,207)	8,779,995
Premium on Capital Stock	14,104,342	5,790,715	(1,056,111)	18,838,946
Other Paid-in Capital Stock	111,295,167	45,693,632	(8,333,610)	148,655,189
Retained Earnings	231,728,565	45,589,589	(16,576,785)	260,741,369
Accumulated Other Comprehensive Income	-	-	-	-
Total Proprietary Capital	363,701,481	99,772,731	(26,456,713)	437,015,499
Liabilities				
Bonds	252,095,529	103,500,994	(18,876,523)	336,720,000
Advances from Associated Companies	18,717,000	7,684,500	(1,401,500)	25,000,000
Less: Unamortized Discount on Long-Term Debt	(253,015)	(103,878)	18,945	(337,948)
Total Long-Term Debt	270,559,514	111,081,616	(20,259,078)	361,382,052
Obligations Under Capital Leases - Noncurrent	1,039,002	426,569	-	1,465,571
Asset Retirement Obligation	46,965,232	5,856,854	-	52,822,086
Long-Term Portion of Derivative Instrument Liabilities	3,929,538	1,181,126	-	5,110,664
Accum. Misc. Operating Provisions	11,469,729	3,447,527	-	14,917,256
Total Other Noncurrent Liabilities	63,403,501	10,912,076	-	74,315,577
Accounts Payable	23,711,465	9,735,040	(1,775,478)	31,671,027
Notes Payable to Assoc. Co.	14,716,054	6,041,861	(1,101,915)	19,656,000
Accounts Payable to Assoc. Co.	9,414,839	3,865,380	(704,969)	12,575,250
Customer Deposits	6,140,185	4,129,400	-	10,269,585
Taxes Accrued	(3,287,777)	14,330,087	60,678	11,102,988
Interest Accrued	3,164,941	1,299,407	(236,986)	4,227,362
Tax Collections Payable	1,178,262	586,274	5,290	1,769,826
Misc. Current & Accrued Liabilities	13,019,489	3,913,348	-	16,932,837
Obligations Under Capital Leases - Current	486,553	199,757	-	686,310
Derivative Instrument Liabilities	4,569,850	1,373,588	-	5,943,438
Less: Long-Term Portion of Derivative Instrument Liabilities	(3,929,538)	(1,181,126)	-	(5,110,664)
Total Current & Accrued Liabilities	69,184,323	44,292,996	(3,753,360)	109,723,939
Customer Advances for Construction	-	1,434,379	-	1,434,379
Accum. Deferred Investment Tax Credits	(2,792,237)	638,181	2,839,403	685,347
Other Deferred Credits	15,206,933	4,839,116	-	20,046,049
Other Regulatory Liabilities	4,006,765	1,979,313	-	5,986,078
Accumulated Deferred Income Taxes	210,664,859	79,326,089	53,655,094	343,646,042
Total Deferred Credits	227,086,320	88,219,078	56,494,497	371,799,895
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	993,935,139	354,276,497	6,023,326	1,354,236,962

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended December 31, 2016
(Unaudited)

	Electric	Gas	Non- Jurisdictional	Total Company
Revenues				
Residential Sales	130,486,547	62,214,654	-	192,701,201
Commercial Sales	115,657,305	20,343,213	-	136,000,518
Industrial Sales	53,901,107	1,346,659	-	55,247,766
Sales to Public Authorities	22,007,137	2,134,737	-	24,141,874
Public Street & Highway Lighting	1,660,564	832	-	1,661,496
Inter-Departmental Sales	55,282	9,411	-	64,693
Misc. Service Revenues	(1,242,171)	32,044	520,393	(689,734)
Revenues from Transportation	-	6,406,633	-	6,406,633
Sales for Resale	19,735,468	-	-	19,735,468
Rents from Property	974,165	217	-	974,382
Other Revenues	4,450,270	1,193	-	4,451,463
Total Revenues	347,685,694	92,489,693	520,393	440,695,780
Operating Expenses				
Operation Expense	216,123,472	53,588,493	362,728	270,074,693
Maintenance Expense	31,608,037	1,852,603	19,350	33,479,990
Depreciation Expense	31,279,634	13,725,706	-	45,005,340
Amortization and Depletion	1,784,095	831,341	-	2,615,436
Taxes Other than Income Taxes	9,677,833	4,815,447	43,450	14,538,730
Income Taxes - Federal & Other	(12,618,780)	8,002,932	10,827	(4,605,021)
Provision for Deferred Income Taxes - Net	25,196,537	(4,465,055)	805,957	21,537,439
Investment Tax Credit Adjustment	-	109	(109)	-
Total Operating Expenses	303,050,828	78,351,576	1,242,203	382,644,607
NET OPERATING INCOME	44,634,866	14,138,117	(721,810)	58,051,173
Other Income & Deductions				
Revenues from Merchandising, Jobbing and Contract Work	-	-	660,081	660,081
Less: Expense of Merchandising, Jobbing and Contract Work	-	-	(239,363)	(239,363)
Revenues from Nonutility Operations	-	-	(34,547)	(34,547)
Interest & Dividend Income	-	-	990,145	990,145
AFUDC	1,038,401	293,820	-	1,332,221
Gain on Disposition of Property	-	-	43,381	43,381
Loss on Disposition of Property	-	-	(15,685)	(15,685)
Misc. Income Deductions	-	-	(2,036,242)	(2,036,242)
Taxes Other than Income Taxes	-	-	(100,089)	(100,089)
Income Taxes - Federal & Other	-	-	(3,621,929)	(3,621,929)
Provision for Deferred Income Taxes - Net	-	-	3,507,187	3,507,187
Total Other Income & Deductions	1,038,401	293,820	(847,041)	485,180
Interest Charges				
Interest on Long-Term Debt	(10,301,829)	(4,229,545)	771,385	(13,759,989)
Amortization of Debt Disc. And Expense	(560,246)	(230,016)	41,950	(748,312)
Amortization of Loss on Reacquired Debt	(199,504)	(81,909)	14,939	(266,474)
Interest on Debt to Assoc. Co.	(171,527)	(70,423)	12,844	(229,106)
Other Interest Expense	(1,112,514)	(456,757)	83,303	(1,485,968)
Less: Allowance for Borrowed Fund Used During Construction - Credit	437,011	100,423	-	537,434
Net Interest Charges	(11,908,609)	(4,968,227)	924,421	(15,952,415)
Extraordinary Items after Taxes	-	-	-	-
NET INCOME	33,764,658	9,463,710	(644,430)	42,583,938

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
December 31, 2016
(Unaudited)

	Actual Nov-16	Activity	Actual Dec-16
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	334,896,994	(2,599)	334,894,395
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	1,525,177	(59,606)	1,465,571
Total Long-term debt	361,422,171	(62,205)	361,359,966
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	-	-	-
Unappropriated Retained Earnings Balance	218,157,431	-	218,157,431
Unappropriated Retained Earnings - Current Year Net Income	40,407,750	2,176,188	42,583,938
Total Common Stock Equity	434,839,311	2,176,188	437,015,499
TOTAL CAPITALIZATION	796,261,482	2,113,983	798,375,465

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unamortized Discount, nor Unamortized Debt Expense.

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of January 31, 2017
(Unaudited)

	Total Company
Assets	
Utility Plant in Service	2,055,819,513
Construction Work in Progress	63,482,291
Less: Accumulated Depreciation	(1,004,572,845)
Net Utility Plant	1,114,728,959
Nonutility Property	9,224
Other Investments	1,500
Other Special Funds	1,610,095
Long Term Portion of Derivative Instrument Assets	954,187
Total Other Property & Investments	2,575,006
Cash	8,899,259
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	1,627,918
Other Accounts Receivable	1,196,354
Less: Provision for Uncollectibles	(163,319)
Notes Receivable from Assoc. Co.	21,602,182
Accounts Receivable from Assoc. Co.	1,081,585
Fuel Stock	22,369,201
Gas Stored Underground Inventory	1,840,728
Plant Materials & Operating Supplies	20,699,262
Other Materials & Supplies	-
Stores Expense Undistributed	375,228
Prepayments	1,566,011
Emission Allowances	48,283
Derivative Instrument Assets	3,962,367
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	14,017,712
Rents Receivable	2,500
Total Current & Accrued Assets	99,125,271
Unamortized Debt Expense	1,721,835
Other Regulatory Assets	71,778,682
Preliminary Survey & Investigation	160,912
Clearing Accounts	2,112
Temporary Facilities	7,114
Miscellaneous Deferred Debits	29,977,044
Unamortized Loss on Reacquired Debt	1,432,700
Accumulated Deferred Income Taxes	32,002,628
Unrecovered Purchased Gas Costs	829,855
Total Deferred Debits	137,912,882
TOTAL ASSETS AND OTHER DEBITS	1,354,342,118

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of January 31, 2017
(Unaudited)

	<u>Total Company</u>
<u>Proprietary Capital</u>	
Common Stock Issued	8,779,995
Premium on Capital Stock	18,838,946
Other Paid-in Capital Stock	148,655,189
Retained Earnings	270,164,989
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>446,439,119</u>
<u>Liabilities</u>	
Bonds	336,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(333,817)
Total Long-Term Debt	<u>361,386,183</u>
Obligations Under Capital Leases - Noncurrent	1,439,595
Asset Retirement Obligation	52,610,347
Long-Term Portion of Derivative Instrument Liabilities	5,110,664
Accum. Misc. Operating Provisions	14,988,443
Total Other Noncurrent Liabilities	<u>74,149,049</u>
Accounts Payable	28,567,793
Notes Payable to Assoc. Co.	20,398,000
Accounts Payable to Assoc. Co.	7,672,251
Customer Deposits	10,216,953
Taxes Accrued	10,350,520
Interest Accrued	3,392,387
Tax Collections Payable	2,057,143
Misc. Current & Accrued Liabilities	16,564,676
Obligations Under Capital Leases - Current	656,561
Derivative Instrument Liabilities	5,943,438
Less: Long-Term Portion of Derivative Instrument Liabilities	(5,110,664)
Total Current & Accrued Liabilities	<u>100,709,058</u>
Customer Advances for Construction	1,463,490
Accum. Deferred Investment Tax Credits	685,347
Other Deferred Credits	19,875,753
Other Regulatory Liabilities	5,986,077
Accumulated Deferred Income Taxes	343,648,042
Total Deferred Credits	<u>371,658,709</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u><u>1,354,342,118</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended January 31, 2017
(Unaudited)

	Electric	Gas	Total Company
Revenues			
Residential Sales	129,372,913	61,649,942	191,022,855
Commercial Sales	115,655,909	20,525,193	136,181,102
Industrial Sales	53,729,682	1,445,101	55,174,783
Sales to Public Authorities	21,956,693	2,178,533	24,135,226
Public Street & Highway Lighting	1,636,229	941	1,637,170
Inter-Departmental Sales	51,225	10,685	61,910
Misc. Service Revenues	(1,217,243)	549,907	(667,336)
Revenues from Transportation	-	6,298,040	6,298,040
Sales for Resale	19,686,902	-	19,686,902
Rents from Property	999,917	225	1,000,142
Other Revenues	4,416,714	1,271	4,417,985
Total Revenues	346,288,941	92,659,838	438,948,779
Operating Expenses			
Operation Expense	216,370,060	55,287,408	271,657,468
Maintenance Expense	32,052,183	1,808,544	33,860,727
Depreciation Expense	30,886,594	13,539,280	44,425,874
Amortization and Depletion	1,814,651	859,608	2,674,259
Taxes Other than Income Taxes	9,790,525	4,794,950	14,585,475
Income Taxes - Federal & Other	(12,818,779)	8,013,759	(4,605,020)
Provision for Deferred Income Taxes - Net	25,196,537	(3,659,098)	21,537,439
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	303,491,771	80,644,451	384,136,222
NET OPERATING INCOME	42,797,170	12,015,387	54,812,557
Other Income & Deductions			
Revenues from Merchandising, Jobbing and Contract Work	635,262	32,467	667,729
Less: Expense of Merchandising, Jobbing and Contract Work	(270,826)	963	(269,863)
Revenues from Nonutility Operations	(72,459)	45,484	(26,975)
Interest & Dividend Income	751,936	248,583	1,000,519
AFUDC	1,124,259	330,966	1,455,225
Gain on Disposition of Property	38,553	4,828	43,381
Loss on Disposition of Property	(6,021)	(9,684)	(15,685)
Misc. Income Deductions	(1,662,675)	(553,801)	(2,216,476)
Taxes Other than Income Taxes	(79,234)	(26,697)	(105,931)
Income Taxes - Federal & Other	(3,637,035)	15,106	(3,621,929)
Provision for Deferred Income Taxes - Net	3,551,860	(44,673)	3,507,187
Total Other Income & Deductions	373,620	43,562	417,182
Interest Charges			
Interest on Long Term Debt	(9,645,087)	(3,935,411)	(13,580,498)
Amortization of Debt Disc. And Expense	(379,793)	(279,519)	(659,312)
Amortization of Loss on Reacquired Debt	(186,616)	(79,858)	(266,474)
Interest on Debt to Assoc. Co.	(164,842)	(70,507)	(235,349)
Other Interest Expense	(1,457,641)	(58,825)	(1,516,466)
Less: Allowance for Borrowed Fund Used During Construction - Credit	467,795	110,236	578,031
Net Interest Charges	(11,366,164)	(4,313,884)	(15,680,066)
Extraordinary Items after Taxes	-	-	-
NET INCOME	31,804,606	7,745,065	39,549,671

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
January 31, 2017
(Unaudited)

	Actual December 2016	Activity	Actual January 2017
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	334,894,395	12,168	334,906,563
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	1,465,571	(25,976)	1,439,595
Total Long-term debt	361,359,966	(13,808)	361,346,158
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	-	-	-
Unappropriated Retained Earnings Balance	218,157,431	42,583,938	260,741,369
Unappropriated Retained Earnings - Current Year Net Income	42,583,938	(33,160,318)	9,423,620
Total Common Stock Equity	437,015,499	9,423,620	446,439,119
TOTAL CAPITALIZATION	798,375,465	9,409,812	807,785,277

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unamortized Discount, nor Unamortized Debt Expense.

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of February 28, 2017
(Unaudited)

	Total Company
<u>Assets</u>	
Utility Plant in Service	2,058,358,022
Construction Work in Progress	66,947,836
Less: Accumulated Depreciation	(1,007,956,890)
Net Utility Plant	1,117,348,968
Nonutility Property	16,058
Other Investments	1,500
Other Special Funds	1,774,097
Long Term Portion of Derivative Instrument Assets	954,187
Total Other Property & Investments	2,745,842
Cash	9,606,120
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	1,706,571
Other Accounts Receivable	1,299,014
Less: Provision for Uncollectibles	(149,323)
Notes Receivable from Assoc. Co.	18,005,157
Accounts Receivable from Assoc. Co.	(1,404,917)
Fuel Stock	22,831,268
Gas Stored Underground Inventory	1,120,511
Plant Materials & Operating Supplies	20,858,306
Other Materials & Supplies	-
Stores Expense Undistributed	481,763
Prepayments	1,142,546
Emission Allowances	47,217
Derivative Instrument Assets	3,962,367
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	14,017,712
Rents Receivable	2,500
Total Current & Accrued Assets	93,526,812
Unamortized Debt Expense	1,702,543
Other Regulatory Assets	73,142,036
Preliminary Survey & Investigation	174,873
Clearing Accounts	3,888
Temporary Facilities	9,244
Miscellaneous Deferred Debits	29,868,067
Unamortized Loss on Reacquired Debt	1,410,493
Accumulated Deferred Income Taxes	33,933,257
Unrecovered Purchased Gas Costs	(726,832)
Total Deferred Debits	139,517,569
TOTAL ASSETS AND OTHER DEBITS	1,353,139,191

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of February 28, 2017
(Unaudited)

	Total Company
<u>Proprietary Capital</u>	
Common Stock Issued	8,779,995
Premium on Capital Stock	18,838,946
Other Paid-in Capital Stock	148,655,189
Retained Earnings	270,845,935
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	447,120,065
<u>Liabilities</u>	
Bonds	336,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(329,687)
Total Long-Term Debt	361,390,313
Obligations Under Capital Leases - Noncurrent	1,413,596
Asset Retirement Obligation	52,351,588
Long-Term Portion of Derivative Instrument Liabilities	5,110,664
Accum. Misc. Operating Provisions	14,985,485
Total Other Noncurrent Liabilities	73,861,333
Accounts Payable	20,996,051
Notes Payable to Assoc. Co.	23,981,000
Accounts Payable to Assoc. Co.	8,879,039
Customer Deposits	10,234,797
Taxes Accrued	3,095,438
Interest Accrued	4,433,520
Tax Collections Payable	1,625,589
Misc. Current & Accrued Liabilities	16,107,701
Obligations Under Capital Leases - Current	626,574
Derivative Instrument Liabilities	5,943,438
Less: Long-Term Portion of Derivative Instrument Liabilities	(5,110,664)
Total Current & Accrued Liabilities	90,812,483
Customer Advances for Construction	1,463,490
Accum. Deferred Investment Tax Credits	653,761
Other Deferred Credits	19,637,351
Other Regulatory Liabilities	5,876,464
Accumulated Deferred Income Taxes	352,323,931
Total Deferred Credits	379,954,997
 TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	 1,353,139,191

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended February 28, 2017
(Unaudited)

	Electric	Gas	Total Company
Revenues			
Residential Sales	127,105,819	59,750,186	186,856,005
Commercial Sales	114,678,919	20,127,663	134,806,582
Industrial Sales	53,291,949	1,402,709	54,694,658
Sales to Public Authorities	21,698,410	2,150,156	23,848,566
Public Street & Highway Lighting	1,665,005	945	1,665,950
Inter-Departmental Sales	54,127	19,956	74,083
Misc. Service Revenues	(1,029,551)	547,482	(482,069)
Revenues from Transportation	-	6,196,715	6,196,715
Sales for Resale	20,445,967	-	20,445,967
Rents from Property	1,020,773	233	1,021,006
Other Revenues	4,107,028	1,099	4,108,127
Total Revenues	343,038,446	90,197,144	433,235,590
Operating Expenses			
Operation Expense	214,818,625	54,714,559	269,533,184
Maintenance Expense	31,842,640	1,859,056	33,701,696
Depreciation Expense	30,359,688	13,426,106	43,785,794
Amortization and Depletion	1,830,999	886,601	2,717,600
Taxes Other than Income Taxes	9,890,594	4,711,116	14,601,710
Income Taxes - Federal & Other	(18,382,920)	8,885,685	(9,497,235)
Provision for Deferred Income Taxes - Net	29,611,891	(5,715,141)	23,896,750
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	299,971,517	78,767,982	378,739,499
NET OPERATING INCOME	43,066,929	11,429,162	54,496,091
Other Income & Deductions			
Revenues from Merchandising, Jobbing and Contract Work	670,413	43,241	713,654
Less: Expense of Merchandising, Jobbing and Contract Work	(285,278)	541	(284,737)
Revenues from Nonutility Operations	(67,272)	51,831	(15,441)
Interest & Dividend Income	733,449	246,127	979,576
AFUDC	1,165,845	351,664	1,517,509
Gain on Disposition of Property	38,553	4,828	43,381
Loss on Disposition of Property	(6,021)	(9,664)	(15,685)
Misc. Income Deductions	(1,739,529)	(578,346)	(2,317,875)
Taxes Other than Income Taxes	(78,191)	(26,521)	(104,712)
Income Taxes - Federal & Other	(4,121,862)	13,533	(4,108,329)
Provision for Deferred Income Taxes - Net	3,700,308	(50,552)	3,649,756
Total Other Income & Deductions	10,415	46,682	57,097
Interest Charges			
Interest on Long Term Debt	(9,512,219)	(3,845,091)	(13,357,310)
Amortization of Debt Disc. And Expense	(320,655)	(254,600)	(575,255)
Amortization of Loss on Reacquired Debt	(186,674)	(79,800)	(266,474)
Interest on Debt to Assoc. Co.	(169,200)	(72,282)	(241,482)
Other Interest Expense	(1,422,613)	(53,708)	(1,476,321)
Less: Allowance for Borrowed Fund Used During Construction - Credit	487,304	115,703	603,007
Net interest Charges	(11,124,057)	(4,189,778)	(15,313,835)
Extraordinary Items after Taxes	-	-	-
NET INCOME	31,953,287	7,286,066	39,239,353

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
February 28, 2017
(Unaudited)

	Actual January 2017	<u>Activity</u>	Actual February 2017
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	334,906,563	16,668	334,923,231
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	1,439,595	(25,999)	1,413,596
Total Long-term debt	<u>361,346,158</u>	<u>(9,331)</u>	<u>361,336,827</u>
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	-	-	-
Unappropriated Retained Earnings Balance	260,741,369	-	260,741,369
Unappropriated Retained Earnings - Current Year Net Income	9,423,620	680,946	10,104,566
Total Common Stock Equity	<u>446,439,119</u>	<u>680,946</u>	<u>447,120,065</u>
TOTAL CAPITALIZATION	807,785,277	671,615	808,456,892

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unmortized Discount, nor Unmortized Debt Expense.

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of March 31, 2017
(Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
<u>Assets</u>				
Utility Plant in Service	1,578,536,549	472,390,187	11,786,060	2,062,712,796
Construction Work in Progress	61,033,002	11,663,461	-	72,696,463
Less: Accumulated Depreciation	(842,431,850)	(160,436,148)	(7,256,545)	(1,010,124,543)
Net Utility Plant	<u>797,137,701</u>	<u>323,617,500</u>	<u>4,529,515</u>	<u>1,125,284,716</u>
Nonutility Property	-	-	94,886	94,886
Other Investments	-	-	1,500	1,500
Other Special Funds	-	-	1,803,323	1,803,323
Long Term Portion of Derivative Instrument Assets	-	-	955,550	955,550
Total Other Property & Investments	<u>-</u>	<u>-</u>	<u>2,855,259</u>	<u>2,855,259</u>
Cash	6,117,593	2,511,655	(458,076)	8,171,172
Working Funds	-	-	-	-
Temporary Cash Investments	-	-	-	-
Customer Accounts Receivable	1,629,339	437,993	-	2,067,332
Other Accounts Receivable	764,347	313,812	(57,233)	1,020,926
Less: Provision for Uncollectibles	(109,773)	(29,509)	-	(139,282)
Notes Receivable from Assoc. Co.	8,697,766	3,570,978	(651,275)	11,617,469
Accounts Receivable from Assoc. Co.	(195,122)	(80,110)	14,610	(260,622)
Fuel Stock	18,614,072	1,147,832	2,131,688	21,893,592
Gas Stored Underground Inventory	-	988,448	-	988,448
Plant Materials & Operating Supplies	20,098,809	439,857	-	20,538,666
Other Materials & Supplies	-	-	-	-
Stores Expense Undistributed	579,529	12,683	-	592,212
Prepayments	(3,713,595)	(1,758,034)	-	(5,471,629)
Emission Allowances	46,464	-	-	46,464
Derivative Instrument Assets	413,996	-	-	413,996
Interest & Dividends Receivable	-	-	-	-
Misc Current and Accrued Assets	14,541,678	-	-	14,541,678
Rents Receivable	2,500	-	-	2,500
Total Current & Accrued Assets	<u>67,487,603</u>	<u>7,555,605</u>	<u>979,714</u>	<u>76,022,922</u>
Unamortized Debt Expense	1,408,469	578,264	(105,464)	1,881,269
Other Regulatory Assets	92,168,548	11,168,785	-	103,337,333
Preliminary Survey & Investigation	162,858	66,863	(12,195)	217,526
Clearing Accounts	4,458	1,205	-	5,663
Temporary Facilities	-	-	-	-
Miscellaneous Deferred Debits	754,254	309,668	(56,477)	1,007,445
Unamortized Loss on Reacquired Debt	1,039,383	426,732	(77,828)	1,388,287
Accumulated Deferred Income Taxes	27,080,837	5,438,192	-	32,519,029
Unrecovered Purchased Gas Costs	-	(1,228,431)	-	(1,228,431)
Total Deferred Debits	<u>122,618,807</u>	<u>16,761,278</u>	<u>(251,964)</u>	<u>139,128,121</u>
TOTAL ASSETS AND OTHER DEBITS	<u>987,244,111</u>	<u>347,934,383</u>	<u>8,112,524</u>	<u>1,343,291,018</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of March 31, 2017
(Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
<u>Proprietary Capital</u>				
Common Stock Issued	6,573,407	2,698,795	(492,207)	8,779,995
Premium on Capital Stock	14,104,342	5,790,715	(1,056,111)	18,838,946
Other Paid-in Capital Stock	111,295,167	45,693,632	(8,333,610)	148,655,189
Retained Earnings	228,777,856	59,152,643	(14,775,262)	273,155,237
Accumulated Other Comprehensive Income	-	-	-	-
Total Proprietary Capital	<u>360,750,772</u>	<u>113,335,785</u>	<u>(24,657,190)</u>	<u>449,429,367</u>
<u>Liabilities</u>				
Bonds	252,095,530	103,500,994	(18,876,524)	336,720,000
Advances from Associated Companies	18,717,000	7,684,500	(1,401,500)	25,000,000
Less: Unamortized Discount on Long-Term Debt	(243,737)	(100,069)	18,250	(325,556)
Total Long-Term Debt	<u>270,568,793</u>	<u>111,085,425</u>	<u>(20,259,774)</u>	<u>361,394,444</u>
Obligations Under Capital Leases - Noncurrent	984,891	404,354	-	1,389,245
Asset Retirement Obligation	45,882,368	5,936,106	-	51,818,474
Long-Term Portion of Derivative Instrument Liabilities	3,676,868	993,594	-	4,670,462
Accum. Misc. Operating Provisions	11,627,795	3,142,160	-	14,769,955
Total Other Noncurrent Liabilities	<u>62,171,922</u>	<u>10,476,214</u>	<u>-</u>	<u>72,648,136</u>
Accounts Payable	18,609,670	7,640,434	(1,393,463)	24,856,641
Notes Payable to Assoc. Co.	6,908,070	2,836,195	(517,265)	9,227,000
Accounts Payable to Assoc. Co.	10,793,137	4,431,258	(808,173)	14,416,222
Customer Deposits	6,117,676	4,114,262	-	10,231,938
Taxes Accrued	644,905	(1,030,658)	(6,312)	(392,065)
Interest Accrued	2,593,223	1,064,680	(194,176)	3,463,727
Tax Collections Payable	1,071,829	491,654	4,705	1,568,188
Misc. Current & Accrued Liabilities	9,573,210	2,586,953	-	12,160,163
Obligations Under Capital Leases - Current	421,589	173,086	-	594,675
Derivative Instrument Liabilities	4,319,767	1,167,324	-	5,487,091
Less: Long-Term Portion of Derivative Instrument Liabilities	(3,676,868)	(993,594)	-	(4,670,462)
Total Current & Accrued Liabilities	<u>57,376,208</u>	<u>22,481,594</u>	<u>(2,914,684)</u>	<u>76,943,118</u>
Customer Advances for Construction	-	1,477,813	-	1,477,813
Accum. Deferred Investment Tax Credits	(2,800,894)	621,343	2,839,403	659,852
Other Deferred Credits	14,948,275	4,756,807	-	19,705,082
Other Regulatory Liabilities	3,893,059	1,928,599	-	5,821,658
Accumulated Deferred Income Taxes	220,335,976	81,770,803	53,104,769	355,211,548
Total Deferred Credits	<u>236,376,416</u>	<u>90,555,365</u>	<u>55,944,172</u>	<u>382,875,953</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u>987,244,111</u>	<u>347,934,383</u>	<u>8,112,524</u>	<u>1,343,291,018</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended March 31, 2017
(Unaudited)

	Electric	Gas	Non-Jurisdictional	Total Company
<u>Revenues</u>				
Residential Sales	127,517,885	61,142,737	-	188,660,622
Commercial Sales	114,300,761	20,721,206	-	135,021,967
Industrial Sales	52,980,079	1,480,476	-	54,460,555
Sales to Public Authorities	21,656,230	2,240,997	-	23,897,227
Public Street & Highway Lighting	1,659,934	951	-	1,660,885
Inter-Departmental Sales	85,159	21,670	-	106,829
Misc. Service Revenues	(1,308,818)	33,131	511,423	(764,264)
Revenues from Transportation	-	6,320,946	-	6,320,946
Sales for Resale	21,318,284	-	-	21,318,284
Rents from Property	1,040,663	276	-	1,040,939
Other Revenues	4,758,728	1,464	-	4,760,192
Total Revenues	<u>344,008,905</u>	<u>91,963,854</u>	<u>511,423</u>	<u>436,484,182</u>
<u>Operating Expenses</u>				
Operation Expense	215,979,816	57,009,436	203,958	273,193,210
Maintenance Expense	31,720,642	2,060,388	10,843	33,791,873
Depreciation Expense	30,485,825	12,632,943	-	43,118,768
Amortization and Depletion	1,843,664	918,082	-	2,761,746
Taxes Other than Income Taxes	9,914,454	4,547,824	43,526	14,505,804
Income Taxes - Federal & Other	(16,751,944)	6,379,543	23,398	(10,349,003)
Provision for Deferred Income Taxes - Net	30,377,545	(3,103,666)	820,670	28,094,549
Investment Tax Credit Adjustment	-	128	(128)	-
Total Operating Expenses	<u>303,570,002</u>	<u>80,444,678</u>	<u>1,102,267</u>	<u>385,116,947</u>
NET OPERATING INCOME	<u>40,438,903</u>	<u>11,519,176</u>	<u>(590,844)</u>	<u>51,367,235</u>
<u>Other Income & Deductions</u>				
Revenues from Merchandising, Jobbing and Contract Work	-	-	946,408	946,408
Less: Expense of Merchandising, Jobbing and Contract Work	-	-	(292,213)	(292,213)
Revenues from Nonutility Operations	-	-	(25,350)	(25,350)
Less Expenses from Nonutility Operations	-	-	-	-
Interest & Dividend Income	-	-	987,663	987,663
AFUDC	1,274,670	368,410	-	1,643,080
Gain on Disposition of Property	-	-	43,381	43,381
Loss on Disposition of Property	-	-	(15,685)	(15,685)
Misc. Income Deductions	-	-	(2,397,737)	(2,397,737)
Taxes Other than Income Taxes	-	-	(103,569)	(103,569)
Income Taxes - Federal & Other	-	-	(4,383,201)	(4,383,201)
Provision for Deferred Income Taxes - Net	-	-	3,713,141	3,713,141
Total Other Income & Deductions	<u>1,274,670</u>	<u>368,410</u>	<u>(1,527,162)</u>	<u>115,918</u>
<u>Interest Charges</u>				
Interest on Long Term Debt	(9,958,429)	(4,088,559)	745,672	(13,301,316)
Amortization of Debt Disc. And Expense	(445,784)	(183,022)	33,380	(595,426)
Amortization of Loss on Reacquired Debt	(199,504)	(81,909)	14,939	(266,474)
Interest on Debt to Assoc. Co.	(185,788)	(76,278)	13,912	(248,154)
Other Interest Expense	(1,092,554)	(448,562)	81,809	(1,459,307)
Less: Allowance for Borrowed Fund Used During Construction - Credit	528,950	118,779	-	647,729
Net interest Charges	<u>(11,353,109)</u>	<u>(4,759,551)</u>	<u>889,712</u>	<u>(15,222,948)</u>
Extraordinary Items after Taxes	-	-	-	-
NET INCOME	<u>30,360,464</u>	<u>7,128,035</u>	<u>(1,228,294)</u>	<u>36,260,205</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
March 31, 2017
(Unaudited)

	<u>Actual Feb-17</u>	<u>Activity</u>	<u>Actual Mar-17</u>
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	334,923,231	16,668	334,939,899
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	1,413,596	(24,351)	1,389,245
Total Long-term debt	<u>361,336,827</u>	<u>(7,683)</u>	<u>361,329,144</u>
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	-	-	-
Unappropriated Retained Earnings Balance	260,741,369	-	260,741,369
Unappropriated Retained Earnings - Current Year Net Income	10,104,566	2,309,302	12,413,868
Total Common Stock Equity	<u>447,120,065</u>	<u>2,309,302</u>	<u>449,429,367</u>
TOTAL CAPITALIZATION	808,456,892	2,301,619	810,758,511

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unamortized Discount, nor Unamortized Debt Expense.

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of April 30, 2017
(Unaudited)

	<u>Total Company</u>
Assets	
Utility Plant in Service	2,067,214,722
Construction Work in Progress	84,031,228
Less: Accumulated Depreciation	<u>(1,017,291,593)</u>
Net Utility Plant	<u>1,133,954,357</u>
Nonutility Property	119,537
Other Investments	1,500
Other Special Funds	1,832,549
Long Term Portion of Derivative Instrument Assets	955,550
Total Other Property & Investments	<u>2,909,136</u>
Cash	2,432,860
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	944,849
Other Accounts Receivable	878,649
Less: Provision for Uncollectibles	(145,989)
Notes Receivable from Assoc. Co.	9,637,605
Accounts Receivable from Assoc. Co.	(61,910)
Fuel Stock	21,861,442
Gas Stored Underground Inventory	1,772,266
Plant Materials & Operating Supplies	19,700,232
Other Materials & Supplies	-
Stores Expense Undistributed	241,886
Prepayments	1,642,679
Emission Allowances	45,786
Derivative Instrument Assets	413,996
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	7,926,776
Rents Receivable	2,500
Total Current & Accrued Assets	<u>67,293,627</u>
Unamortized Debt Expense	1,861,543
Other Regulatory Assets	106,244,364
Preliminary Survey & Investigation	233,555
Clearing Accounts	7,446
Temporary Facilities	(3,519)
Miscellaneous Deferred Debits	863,577
Unamortized Loss on Reacquired Debt	1,366,081
Accumulated Deferred Income Taxes	32,519,029
Unrecovered Purchased Gas Costs	<u>(2,063,777)</u>
Total Deferred Debits	<u>141,028,299</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>1,345,185,419</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of April 30, 2017
(Unaudited)

	<u>Total Company</u>
<u>Proprietary Capital</u>	
Common Stock Issued	8,779,995
Premium on Capital Stock	18,838,946
Other Paid-in Capital Stock	148,655,189
Retained Earnings	275,882,630
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>452,156,760</u>
<u>Liabilities</u>	
Bonds	336,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(321,425)
Total Long-Term Debt	<u>361,398,575</u>
Obligations Under Capital Leases - Noncurrent	1,361,525
Asset Retirement Obligation	51,711,887
Long-Term Portion of Derivative Instrument Liabilities	4,670,462
Accum. Misc. Operating Provisions	14,789,318
Total Other Noncurrent Liabilities	<u>72,533,192</u>
Accounts Payable	22,258,060
Notes Payable to Assoc. Co.	10,801,000
Accounts Payable to Assoc. Co.	14,459,531
Customer Deposits	10,220,719
Taxes Accrued	2,255,148
Interest Accrued	2,189,144
Tax Collections Payable	1,257,339
Misc. Current & Accrued Liabilities	11,546,085
Obligations Under Capital Leases - Current	565,880
Derivative Instrument Liabilities	5,487,091
Less: Long-Term Portion of Derivative Instrument Liabilities	(4,670,462)
Total Current & Accrued Liabilities	<u>76,369,535</u>
Customer Advances for Construction	1,477,813
Accum. Deferred Investment Tax Credits	659,852
Other Deferred Credits	19,607,205
Other Regulatory Liabilities	5,770,939
Accumulated Deferred Income Taxes	355,211,548
Total Deferred Credits	<u>382,727,357</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u><u>1,345,185,419</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended April 30, 2017
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	126,932,064	60,944,310	187,876,374
Commercial Sales	113,832,373	20,928,319	134,760,692
Industrial Sales	52,633,558	1,514,977	54,148,535
Sales to Public Authorities	21,490,716	2,224,251	23,714,967
Public Street & Highway Lighting	1,619,073	960	1,620,033
Inter-Departmental Sales	56,683	23,676	80,359
Misc. Service Revenues	(527,066)	541,668	14,602
Revenues from Transportation	-	6,250,567	6,250,567
Sales for Resale	23,290,114		23,290,114
Rents from Property	1,060,218	240	1,060,458
Other Revenues	4,699,273	776	4,700,049
Total Revenues	<u>345,087,006</u>	<u>92,429,744</u>	<u>437,516,750</u>
<u>Operating Expenses</u>			
Operation Expense	218,431,178	57,332,562	275,763,740
Maintenance Expense	26,238,771	2,036,987	28,275,758
Depreciation Expense	29,221,240	12,286,627	41,507,867
Amortization and Depletion	1,854,338	943,681	2,798,019
Taxes Other than Income Taxes	9,981,587	4,502,373	14,483,960
Income Taxes - Federal & Other	(12,599,264)	6,641,818	(5,957,446)
Provision for Deferred Income Taxes - Net	26,765,209	(2,702,858)	24,062,351
Investment Tax Credit Adjustment			
Total Operating Expenses	<u>299,893,059</u>	<u>81,041,190</u>	<u>380,934,249</u>
NET OPERATING INCOME	<u>45,193,947</u>	<u>11,388,554</u>	<u>56,582,501</u>
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	854,064	156,767	1,010,831
Less: Expense of Merchandising, Jobbing and Contract Work	(279,836)	(108)	(279,944)
Revenues from Nonutility Operations	(93,206)	64,952	(28,254)
Interest & Dividend Income	748,160	248,201	996,361
AFUDC	1,386,634	399,241	1,785,875
Gain on Disposition of Property	38,552	4,828	43,380
Loss on Disposition of Property		(9,664)	(9,664)
Misc. Income Deductions	(1,888,091)	(640,395)	(2,528,486)
Taxes Other than Income Taxes	(76,351)	(26,170)	(102,521)
Income Taxes - Federal & Other	(5,540,922)	(343,770)	(5,884,692)
Provision for Deferred Income Taxes - Net	3,350,082	(49,392)	3,300,690
Total Other Income & Deductions	<u>(1,500,914)</u>	<u>(195,510)</u>	<u>(1,696,424)</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(9,538,433)	(3,783,018)	(13,321,451)
Amortization of Debt Disc. And Expense	(307,730)	(241,728)	(549,458)
Amortization of Loss on Reacquired Debt	(186,789)	(79,685)	(266,474)
Interest on Debt to Assoc. Co.	(181,479)	(77,333)	(258,812)
Other Interest Expense	(1,401,396)	(49,750)	(1,451,146)
Less: Allowance for Borrowed Fund Used During Construction - Credit	566,158	128,655	694,813
Net Interest Charges	<u>(11,049,669)</u>	<u>(4,102,859)</u>	<u>(15,152,528)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>32,643,364</u>	<u>7,090,185</u>	<u>39,733,549</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
April 30, 2017
(Unaudited)

	Actual March 2017	Activity	Actual April 2017
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	334,939,899	16,667	334,956,566
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	1,389,245	(27,719)	1,361,526
Total Long-term debt	<u>361,329,144</u>	<u>(11,052)</u>	<u>361,318,092</u>
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	-	-	-
Unappropriated Retained Earnings Balance	260,741,369	-	260,741,369
Unappropriated Retained Earnings - Current Year Net Income	<u>12,413,868</u>	<u>2,727,393</u>	<u>15,141,261</u>
Total Common Stock Equity	<u>449,429,367</u>	<u>2,727,393</u>	<u>452,156,760</u>
TOTAL CAPITALIZATION	810,758,511	2,716,341	813,474,852

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unamortized Discount, nor Unamortized Debt Expense.

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of May 31, 2017
(Unaudited)

	Total Company
<u>Assets</u>	
Utility Plant in Service	2,077,437,568
Construction Work in Progress	81,213,592
Less: Accumulated Depreciation	(1,013,506,720)
Net Utility Plant	1,145,144,440
Nonutility Property	154,204
Other Investments	1,500
Other Special Funds	1,861,775
Long Term Portion of Derivative Instrument Assets	955,550
Total Other Property & Investments	2,973,029
Cash	8,059,329
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	1,466,307
Other Accounts Receivable	872,676
Less: Provision for Uncollectibles	(184,336)
Notes Receivable from Assoc. Co.	7,168,192
Accounts Receivable from Assoc. Co.	4,469,888
Fuel Stock	20,772,477
Gas Stored Underground Inventory	2,370,695
Plant Materials & Operating Supplies	19,672,994
Other Materials & Supplies	-
Stores Expense Undistributed	294,754
Prepayments	810,629
Emission Allowances	45,203
Derivative Instrument Assets	3,444,122
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	7,650,838
Rents Receivable	2,500
Total Current & Accrued Assets	76,916,268
Unamortized Debt Expense	1,843,186
Other Regulatory Assets	108,995,415
Preliminary Survey & Investigation	239,635
Clearing Accounts	8,861
Temporary Facilities	1,007
Miscellaneous Deferred Debits	756,135
Unamortized Loss on Reacquired Debt	1,343,875
Accumulated Deferred Income Taxes	31,162,282
Unrecovered Purchased Gas Costs	(2,281,330)
Total Deferred Debits	142,069,066
TOTAL ASSETS AND OTHER DEBITS	1,367,102,803

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of May 31, 2017
(Unaudited)

	<u>Total Company</u>
<u>Proprietary Capital</u>	
Common Stock Issued	8,779,995
Premium on Capital Stock	18,838,946
Other Paid-in Capital Stock	148,655,189
Retained Earnings	276,343,370
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>452,617,500</u>
<u>Liabilities</u>	
Bonds	336,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(317,294)
Total Long-Term Debt	<u>361,402,706</u>
Obligations Under Capital Leases - Noncurrent	1,335,454
Asset Retirement Obligation	51,246,822
Long-Term Portion of Derivative Instrument Liabilities	4,670,462
Accum. Misc. Operating Provisions	14,745,171
Total Other Noncurrent Liabilities	<u>71,997,909</u>
Accounts Payable	26,331,409
Notes Payable to Assoc. Co.	22,074,000
Accounts Payable to Assoc. Co.	17,120,167
Customer Deposits	10,223,206
Taxes Accrued	(1,878,614)
Interest Accrued	3,231,356
Tax Collections Payable	1,208,036
Misc. Current & Accrued Liabilities	10,917,914
Obligations Under Capital Leases - Current	535,169
Derivative Instrument Liabilities	5,487,091
Less: Long-Term Portion of Derivative Instrument Liabilities	(4,670,462)
Total Current & Accrued Liabilities	<u>90,579,272</u>
Customer Advances for Construction	1,492,412
Accum. Deferred Investment Tax Credits	642,857
Other Deferred Credits	19,150,554
Other Regulatory Liabilities	5,712,043
Accumulated Deferred Income Taxes	363,507,550
Total Deferred Credits	<u>390,505,416</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u><u>1,367,102,803</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended May 31, 2017
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	126,561,492	61,081,840	187,643,332
Commercial Sales	112,995,921	21,027,460	134,023,381
Industrial Sales	52,153,983	1,518,483	53,672,466
Sales to Public Authorities	21,266,601	2,235,898	23,502,499
Public Street & Highway Lighting	1,613,787	969	1,614,756
Inter-Departmental Sales	56,850	24,400	81,250
Misc. Service Revenues	335,260	539,796	875,056
Revenues from Transportation	-	6,236,603	6,236,603
Sales for Resale	23,166,361	-	23,166,361
Rents from Property	1,086,411	242	1,086,653
Other Revenues	5,083,613	751	5,084,364
Total Revenues	<u>344,320,279</u>	<u>92,666,442</u>	<u>436,986,721</u>
<u>Operating Expenses</u>			
Operation Expense	217,380,352	58,235,926	275,616,278
Maintenance Expense	28,189,054	2,089,168	30,278,222
Depreciation Expense	28,348,953	12,118,148	40,467,101
Amortization and Depletion	1,846,473	943,877	2,790,350
Taxes Other than Income Taxes	10,101,188	4,420,465	14,521,653
Income Taxes - Federal & Other	(18,788,342)	6,013,093	(12,775,249)
Provision for Deferred Income Taxes - Net	33,846,542	(1,946,601)	31,899,941
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>300,924,220</u>	<u>81,874,076</u>	<u>382,798,296</u>
NET OPERATING INCOME	<u>43,396,059</u>	<u>10,792,366</u>	<u>54,188,425</u>
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	728,744	156,817	885,561
Less: Expense of Merchandising, Jobbing and Contract Work	(354,051)	(108)	(354,159)
Revenues from Nonutility Operations	(102,344)	71,431	(30,913)
Interest & Dividend Income	754,364	249,822	1,004,186
AFUDC	1,755,703	425,660	2,181,363
Gain on Disposition of Property	38,553	(4)	38,549
Loss on Disposition of Property	(13,309)	(4,832)	(18,141)
Misc. Income Deductions	(3,207,859)	(685,314)	(3,893,173)
Taxes Other than Income Taxes	(75,450)	(25,993)	(101,443)
Income Taxes - Federal & Other	(4,406,087)	(7,563)	(4,413,650)
Provision for Deferred Income Taxes - Net	4,089,130	(58,444)	4,030,686
Total Other Income & Deductions	<u>(792,606)</u>	<u>121,472</u>	<u>(671,134)</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(9,564,870)	(3,761,850)	(13,326,720)
Amortization of Debt Disc. And Expense	(279,235)	(227,755)	(506,990)
Amortization of Loss on Reacquired Debt	(186,847)	(79,627)	(266,474)
Interest on Debt to Assoc. Co.	(194,150)	(82,626)	(276,776)
Other Interest Expense	(1,407,998)	(49,308)	(1,457,306)
Less: Allowance for Borrowed Fund Used During Construction - Credit	649,560	136,213	785,773
Net interest Charges	<u>(10,983,540)</u>	<u>(4,064,953)</u>	<u>(15,048,493)</u>
NET INCOME	<u>31,619,913</u>	<u>6,848,885</u>	<u>38,468,798</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
May 31, 2017
(Unaudited)

	Actual April 2017	Activity	Actual May 2017
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	334,956,566	15,300	334,971,866
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	1,361,526	(26,072)	1,335,454
Total Long-term debt	<u>361,318,092</u>	<u>(10,772)</u>	<u>361,307,320</u>
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	-	-	-
Unappropriated Retained Earnings Balance	260,741,369	-	260,741,369
Unappropriated Retained Earnings - Current Year Net Income	15,141,261	460,740	15,602,001
Total Common Stock Equity	<u>452,156,760</u>	<u>460,740</u>	<u>452,617,500</u>
 TOTAL CAPITALIZATION	 813,474,852	 449,968	 813,924,820

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unamortized Discount, nor Unamortized Debt Expense.

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of June 30, 2017
(Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
Assets				
Utility Plant in Service	1,591,272,496	481,026,226	11,809,717	2,084,108,439
Construction Work in Progress	73,102,017	15,329,354	-	88,431,371
Less: Accumulated Depreciation	(846,689,355)	(162,453,573)	(7,288,722)	(1,016,431,650)
Net Utility Plant	<u>817,685,158</u>	<u>333,902,007</u>	<u>4,520,995</u>	<u>1,156,108,160</u>
Nonutility Property	-	-	203,642	203,642
Other Investments	-	-	1,500	1,500
Other Special Funds	-	-	1,891,001	1,891,001
Long Term Portion of Derivative Instrument Assets	-	-	333,598	333,598
Total Other Property & Investments	<u>-</u>	<u>-</u>	<u>2,429,741</u>	<u>2,429,741</u>
Cash	3,339,923	1,371,248	(250,088)	4,461,083
Working Funds	-	-	-	-
Temporary Cash Investments	-	-	-	-
Customer Accounts Receivable	1,005,781	271,823	-	1,277,604
Other Accounts Receivable	647,528	265,851	(48,486)	864,893
Less: Provision for Uncollectibles	(170,137)	(45,982)	-	(216,119)
Notes Receivable from Assoc. Co.	7,156,178	2,938,059	(535,844)	9,558,393
Accounts Receivable from Assoc. Co.	186,399	76,529	(13,957)	248,971
Fuel Stock	17,868,102	1,147,832	2,131,688	21,147,622
Gas Stored Underground Inventory	-	3,170,881	-	3,170,881
Plant Materials & Operating Supplies	18,873,324	449,789	-	19,323,113
Other Materials & Supplies	-	-	-	-
Stores Expense Undistributed	376,840	8,981	-	385,821
Prepayments	1,104,340	522,800	-	1,627,140
Emission Allowances	42,552	-	-	42,552
Derivative Instrument Assets	2,237,779	-	-	2,237,779
Interest & Dividends Receivable	-	-	-	-
Misc Current and Accrued Assets	1,942,449	-	-	1,942,449
Rents Receivable	2,500	-	-	2,500
Total Current & Accrued Assets	<u>54,613,558</u>	<u>10,177,811</u>	<u>1,283,313</u>	<u>66,074,682</u>
Unamortized Debt Expense	1,378,799	566,083	(103,242)	1,841,640
Other Regulatory Assets	98,582,808	11,699,159	-	110,281,967
Preliminary Survey & Investigation	313,787	128,829	(23,498)	419,120
Clearing Accounts	8,459	2,085	-	10,544
Temporary Facilities	-	-	-	-
Miscellaneous Deferred Debits	797,012	327,223	(59,679)	1,064,556
Unamortized Loss on Reacquired Debt	989,607	406,255	(74,093)	1,321,669
Accumulated Deferred Income Taxes	26,250,854	4,989,172	-	31,240,026
Unrecovered Purchased Gas Costs	-	(1,961,316)	-	(1,961,316)
Total Deferred Debits	<u>128,321,226</u>	<u>16,157,490</u>	<u>(260,510)</u>	<u>144,218,208</u>
TOTAL ASSETS AND OTHER DEBITS	<u>1,000,619,942</u>	<u>360,237,308</u>	<u>7,973,539</u>	<u>1,368,830,789</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of June 30, 2017
(Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
Proprietary Capital				
Common Stock Issued	6,573,407	2,698,795	(492,207)	8,779,995
Premium on Capital Stock	14,104,342	5,790,715	(1,056,111)	18,838,946
Other Paid-in Capital Stock	111,295,167	45,663,632	(8,333,610)	148,655,189
Retained Earnings	225,395,321	66,163,292	(12,670,453)	278,888,160
Accumulated Other Comprehensive Income	-	-	-	-
Total Proprietary Capital	357,368,237	120,346,434	(22,552,381)	455,162,290
Liabilities				
Bonds	252,095,529	103,500,994	(18,876,523)	336,720,000
Advances from Associated Companies	18,717,000	7,684,500	(1,401,500)	25,000,000
Less: Unamortized Discount on Long-Term Debt	(234,459)	(96,260)	17,556	(313,163)
Total Long-Term Debt	270,578,070	111,089,234	(20,280,467)	361,406,837
Obligations Under Capital Leases - Noncurrent	928,257	381,102	-	1,309,359
Asset Retirement Obligation	45,095,364	6,016,454	-	51,111,818
Long-Term Portion of Derivative Instrument Liabilities	4,027,690	992,489	-	5,020,179
Accum. Misc. Operating Provisions	11,814,249	2,911,226	-	14,725,475
Total Other Noncurrent Liabilities	61,865,560	10,301,271	-	72,166,831
Accounts Payable	21,512,954	8,832,414	(1,610,857)	28,734,511
Notes Payable to Assoc. Co.	18,375,602	7,544,335	(1,375,937)	24,544,000
Accounts Payable to Assoc. Co.	7,082,134	2,907,659	(530,299)	9,459,494
Customer Deposits	6,080,943	4,089,559	-	10,170,502
Taxes Accrued	(3,042,463)	(966,199)	32,478	(3,976,184)
Interest Accrued	3,199,942	1,313,776	(239,607)	4,274,111
Tax Collections Payable	932,569	390,713	4,044	1,327,326
Misc. Current & Accrued Liabilities	7,985,273	1,967,703	-	9,952,976
Obligations Under Capital Leases - Current	357,457	146,757	-	504,214
Derivative Instrument Liabilities	4,644,900	1,144,580	-	5,789,480
Less: Long-Term Portion of Derivative Instrument Liabilities	(4,027,690)	(992,489)	-	(5,020,179)
Total Current & Accrued Liabilities	63,101,621	26,378,808	(3,720,178)	85,760,251
Customer Advances for Construction	-	1,615,431	-	1,615,431
Accum. Deferred Investment Tax Credits	(2,809,549)	604,505	2,839,403	634,359
Other Deferred Credits	14,521,537	4,621,011	-	19,142,548
Other Regulatory Liabilities	3,779,353	1,877,884	-	5,657,237
Accumulated Deferred Income Taxes	232,215,113	83,402,730	51,687,162	367,285,005
Total Deferred Credits	247,706,454	92,121,581	54,508,565	394,334,580
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	1,000,619,942	360,237,308	7,973,539	1,368,830,789

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended June 30, 2017
(Unaudited)

	Electric	Gas	Non-Jurisdictional	Total Company
Revenues				
Residential Sales	125,088,770	61,005,931	-	186,094,701
Commercial Sales	111,690,563	21,023,894	-	132,714,457
Industrial Sales	51,528,855	1,501,885	-	53,030,740
Sales to Public Authorities	20,947,154	2,226,612	-	23,173,766
Public Street & Highway Lighting	1,590,514	977	-	1,591,491
Inter-Departmental Sales	56,795	24,387	-	81,182
Misc. Service Revenues	760,626	34,948	502,453	1,298,027
Revenues from Transportation	-	6,242,440	-	6,242,440
Sales for Resale	24,333,328	-	-	24,333,328
Rents from Property	1,110,635	247	-	1,110,882
Other Revenues	5,393,257	751	-	5,394,008
Total Revenues	342,500,497	92,062,072	502,453	435,065,022
Operating Expenses				
Operation Expense	216,150,285	58,230,412	184,578	274,565,275
Maintenance Expense	27,772,797	2,042,679	14,593	29,830,069
Depreciation Expense	27,838,800	12,128,612	-	39,967,412
Amortization and Depletion	1,860,698	958,795	-	2,829,493
Taxes Other than Income Taxes	10,020,465	4,198,214	43,456	14,282,135
Income Taxes - Federal & Other	(20,488,813)	5,660,475	(11,187)	(14,839,525)
Provision for Deferred Income Taxes - Net	35,851,374	(1,797,765)	183,568	34,237,177
Investment Tax Credit Adjustment	-	145	(145)	-
Total Operating Expenses	299,005,408	81,431,567	414,863	380,851,836
NET OPERATING INCOME	43,495,091	10,630,505	87,590	54,213,186
Other Income & Deductions				
Revenues from Merchandising, Jobbing and Contract Work	-	-	920,281	920,281
Less: Expense of Merchandising, Jobbing and Contract Work	-	-	(384,772)	(384,772)
Revenues from Nonutility Operations	-	-	(26,232)	(26,232)
Interest & Dividend Income	-	-	999,316	999,316
AFUDC	1,878,483	438,832	-	2,317,315
Gain on Disposition of Property	-	-	38,549	38,549
Loss on Disposition of Property	-	-	(18,899)	(18,899)
Misc. Income Deductions	-	-	(4,018,435)	(4,018,435)
Taxes Other than Income Taxes	-	-	(100,201)	(100,201)
Income Taxes - Federal & Other	-	-	(4,589,427)	(4,589,427)
Provision for Deferred Income Taxes - Net	-	-	4,202,826	4,202,828
Total Other Income & Deductions	1,878,483	438,832	(2,977,994)	(660,679)
Interest Charges				
Interest on Long Term Debt	(10,001,738)	(4,106,340)	748,915	(13,359,163)
Amortization of Debt Disc. And Expense	(347,778)	(142,785)	26,041	(464,522)
Amortization of Loss on Reacquired Debt	(199,504)	(81,909)	14,939	(266,474)
Interest on Debt to Assoc. Co.	(226,479)	(92,984)	16,958	(302,505)
Other Interest Expense	(1,076,859)	(442,118)	80,834	(1,438,143)
Less: Allowance for Borrowed Fund Used During Construction - Credit	694,380	139,509	-	833,889
Net Interest Charges	(11,157,978)	(4,726,627)	887,487	(14,997,118)
Extraordinary Items after Taxes	-	-	-	-
NET INCOME	34,215,596	6,342,710	(2,002,917)	38,555,389

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
June 30, 2017
(Unaudited)

	Actual May-17	Activity	Actual Jun-17
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	334,971,866	(1,511)	334,970,355
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	1,335,454	(26,095)	1,309,359
Total Long-term debt	381,307,320	(27,606)	381,279,714
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	-	-	-
Unappropriated Retained Earnings Balance	260,741,369	-	260,741,369
Unappropriated Retained Earnings - Current Year Net Income	15,602,001	2,544,790	18,146,791
Total Common Stock Equity	452,617,500	2,544,790	455,162,290
TOTAL CAPITALIZATION	813,924,820	2,517,184	816,442,004

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unmortized Discount, nor Unamortized Debt Expense.

**DUKE ENERGY KENTUCKY
CASE NO. 2017-00321
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(o)**

807 KAR 5:001, SECTION 16(7)(o)

Description of Filing Requirement:

Complete monthly budget variance reports, with narrative explanations, for the twelve (12) months immediately prior to the base period, each month of the base period, and any subsequent months, as they become available.

Response:

See attached. Monthly budget variance reports were not prepared for January 2017. The narrative explanations for those variances are included in the year-to-date explanations in the February 2017 report. The Company will provide this data for upcoming months as it becomes available.

Witness Responsible: David L. Doss, Jr. / Robert H. Pratt

REGULATED UTILITIES - DUKE ENERGY KENTUCKY

December 2015
(Dollars in millions)

	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Adjusted Pretax Segment Income	\$ 12.5	\$ 1.9	\$ 80.0	\$ (3.4)

Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Net Electric Revenue Margin-retail	\$ 19.3	\$ 1.4	\$ 205.1	\$ (1.2)
Weather		(1.7)		(2.8)
Volume		(0.4)		(2.2)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		-		(2.0)
Riders (operating income impact)		(0.1)		1.8
Purchased Power, Fuel and Other		3.6		4.0
Bulk Power Marketing (net of sharing)	0.7	0.5	5.2	3.3
Operation and Maintenance (net of recoverables)	(7.6)	0.7	(99.0)	(4.8)
AFUDC - Equity	0.1	0.1	0.6	0.2
General Taxes	(0.8)	(0.1)	(8.9)	0.1
Depreciation and Other	0.1	2.6	(31.9)	(0.7)
Electric Subtotal	11.8	5.2	71.1	(3.1)
Interest Expense	(1.1)	(0.2)	(10.5)	(0.2)
Adjusted Electric Pretax Segment Income	\$ 10.7	\$ 5.0	\$ 60.6	\$ (3.3)
Net Gas Revenue Margin-retail	\$ 5.7	\$ (2.3)	\$ 58.4	\$ (2.0)
Weather		(2.0)		(0.6)
Volume		(0.4)		(1.5)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		0.1		1.0
Riders (operating income impact)		(0.1)		(1.1)
Purchased Power, Fuel and Other		0.1		0.2
Operation and Maintenance (net of recoverables)	(2.3)	(0.9)	(20.3)	0.1
AFUDC - Equity	-	-	0.1	0.1
General Taxes	(0.4)	(0.1)	(4.1)	-
Depreciation and Other	(0.9)	0.2	(11.1)	1.4
Gas Subtotal	2.1	(3.1)	23.0	(0.4)
Interest Expense	(0.3)	-	(3.6)	0.3
Adjusted Gas Pretax Segment Income	\$ 1.8	\$ (3.1)	\$ 19.4	\$ (0.1)
Total Adjusted Pretax Segment Income	\$ 12.5	\$ 1.9	\$ 80.0	\$ (3.4)

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Heating Degree Days	590	(339)	4,647	(174)
Cooling Degree Days	-	-	1,109	(95)

REGULATED UTILITIES - DUKE ENERGY KENTUCKY
January 2016
(Dollars in millions)

	CURRENT MONTH	
	Actual	Plan Variance F(U)
Adjusted Pretax Segment Income	\$ 12.9	\$ 1.1

Key Adjusted Segment Income Drivers	CURRENT MONTH	
	Actual	Plan Variance F(U)
Net Electric Revenue Margin-retail	\$ 17.6	\$ (0.9)
Weather		0.2
Volume		(1.0)
Pricing - regulatory activity		-
Pricing - all other (primarily weather/volume)		(0.3)
Riders (operating income impact)		0.3
Purchased Power, Fuel and Other		(0.1)
Bulk Power Marketing (net of sharing)	0.1	0.1
Operation and Maintenance (net of recoverables)	(6.4)	0.9
AFUDC - Equity	0.1	(0.1)
General Taxes	(0.9)	(0.1)
Depreciation and Other	(2.1)	-
Electric Subtotal	8.4	(0.1)
Interest Expense	(0.9)	0.2
Adjusted Electric Pretax Segment Income	\$ 7.5	\$ 0.1
Net Gas Revenue Margin-retail	\$ 8.8	\$ 0.7
Weather		0.4
Volume		(1.6)
Pricing - regulatory activity		-
Pricing - all other (primarily weather/volume)		1.7
Riders (operating income impact)		-
Purchased Power, Fuel and Other		0.2
Operation and Maintenance (net of recoverables)	(1.6)	0.4
AFUDC - Equity	-	-
General Taxes	(0.4)	-
Depreciation and Other	(1.0)	(0.1)
Gas Subtotal	5.8	1.0
Interest Expense	(0.4)	-
Adjusted Gas Pretax Segment Income	\$ 5.4	\$ 1.0
Total Adjusted Pretax Segment Income	\$ 12.9	\$ 1.1

Key Operational Drivers	CURRENT MONTH	
	Actual	Plan Variance F(U)
Heating Degree Days	1,068	19
Cooling Degree Days	-	-

REGULATED UTILITIES - DUKE ENERGY KENTUCKY
February 2016
(Dollars in millions)

	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Adjusted Segment Income	\$ 1.4	\$ (5.3)	\$ 14.2	\$ -

Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Net Electric Revenue Margin-retail	\$ 17.5	\$ (0.6)	\$ 35.5	\$ (1.6)
Weather		(0.3)		(0.1)
Volume		(0.9)		(1.9)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		(0.1)		(0.4)
Riders (operating income impact)		(0.1)		0.1
Purchased Power, Fuel and Other		0.8		0.7
Bulk Power Marketing (net of sharing)	-	-	0.1	0.1
Operation and Maintenance (net of recoverables)	(7.7)	(0.0)	(14.1)	0.9
AFUDC - Equity	0.1	(0.1)	0.2	(0.1)
General Taxes	(0.8)	(0.0)	(1.7)	(0.1)
Depreciation and Other	(2.4)	0.1	(5.0)	-
Electric Subtotal	6.7	(0.6)	15.0	(0.8)
Interest Expense	(1.5)	(0.5)	(2.4)	(0.3)
Income Tax Expense	(4.6)	(0.5)	(4.6)	3.9
Adjusted Electric Segment Income	\$ 0.6	\$ (1.6)	\$ 8.0	\$ 2.8
Net Gas Revenue Margin-retail	\$ 7.9	\$ -	\$ 16.7	\$ 0.6
Weather		(0.3)		0.1
Volume		0.1		(1.5)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		-		1.7
Riders (operating income impact)		0.1		0.1
Purchased Power, Fuel and Other		0.1		0.2
Operation and Maintenance (net of recoverables)	(1.6)	0.1	(3.2)	0.5
AFUDC - Equity	-	-	-	-
General Taxes	(0.4)	(0.1)	(0.8)	(0.1)
Depreciation and Other	(0.7)	0.3	(1.7)	0.2
Gas Subtotal	5.2	0.3	11.0	1.2
Interest Expense	(0.5)	(0.1)	(0.9)	(0.1)
Income Tax Expense	(3.9)	(3.9)	(3.9)	(3.9)
Adjusted Gas Segment Income	\$ 0.8	\$ (3.7)	\$ 6.2	\$ (2.8)
Total Adjusted Segment Income	\$ 1.4	\$ (5.3)	\$ 14.2	\$ -

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Heating Degree Days	822	(64)	1,890	(45)
Cooling Degree Days	-	-	-	-

REGULATED UTILITIES - DUKE ENERGY KENTUCKY
March 2016
(Dollars in millions)

	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Adjusted Segment Income	\$ 5.7	\$ 1.7	\$ 19.9	\$ 1.7

Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Net Electric Revenue Margin-retail	\$ 15.1	\$ (1.5)	\$ 50.6	\$ (3.0)
Weather		(0.7)		(0.8)
Volume		(0.8)		(2.6)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		(0.2)		(0.6)
Riders (operating income impact)		0.8		1.1
Purchased Power, Fuel and Other		(0.6)		(0.1)
Bulk Power Marketing (net of sharing)	0.5	0.5	0.6	0.6
Operation and Maintenance (net of recoverables)	(9.6)	(0.8)	(23.6)	-
AFUDC - Equity	0.1	-	0.3	(0.1)
General Taxes	(0.7)	0.1	(2.4)	-
Depreciation and Other	(2.7)	(0.1)	(7.8)	(0.3)
Electric Subtotal	2.7	(1.8)	17.7	(2.8)
Interest Expense	(0.7)	0.3	(3.0)	0.1
Adjusted Electric Pretax Segment Income	2.0	(1.5)	14.7	(2.7)
Net Gas Revenue Margin-retail	\$ 4.5	\$ (2.0)	\$ 21.2	\$ (1.5)
Weather		(0.4)		(0.3)
Volume		(1.0)		(2.4)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		-		1.8
Riders (operating income impact)		(0.7)		(0.7)
Purchased Power, Fuel and Other		0.1		0.1
Operation and Maintenance (net of recoverables)	(1.4)	0.5	(4.6)	1.1
AFUDC - Equity	-	-	-	-
General Taxes	(0.3)	0.1	(1.1)	-
Depreciation and Other	(0.9)	(0.2)	(2.8)	(0.0)
Gas Subtotal	1.9	(1.6)	12.7	(0.4)
Interest Expense	(0.3)	0.1	(1.2)	-
Adjusted Electric Pretax Segment Income	\$ 1.6	\$ (1.5)	\$ 11.5	\$ (0.4)
Total Adjusted Pretax Segment Income	\$ 3.6	\$ (3.0)	\$ 26.2	\$ (3.1)
Income Tax Expense	\$ 2.1	\$ 4.7	\$ (6.3)	\$ 4.8
Total Adjusted Segment Income	\$ 5.7	\$ 1.7	\$ 19.9	\$ 1.7

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Heating Degree Days	459	(201)	2,349	(246)
Cooling Degree Days	-	(4)	-	(4)

REGULATED UTILITIES - DUKE ENERGY KENTUCKY
April 2016
(Dollars in millions)

	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Adjusted Segment Income	\$ (0.4)	\$ (2.7)	\$ 19.6	\$ (0.9)

Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Net Electric Revenue Margin-retail	\$ 15.1	\$ (0.3)	\$ 65.7	\$ (3.3)
Weather		-		(0.8)
Volume		(0.9)		(3.5)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		0.1		(0.5)
Riders (operating income impact)		0.1		1.2
Purchased Power, Fuel and Other		0.4		0.3
Bulk Power Marketing (net of sharing)	-	(0.1)	0.6	0.5
Operation and Maintenance (net of recoverables)	(12.3)	(1.5)	(35.9)	(1.5)
AFUDC - Equity	0.1	0.1	0.4	(0.1)
General Taxes	(0.8)	0.0	(3.2)	-
Depreciation and Other	(2.7)	(0.0)	(10.5)	(0.3)
Electric Subtotal	(0.6)	(1.8)	17.1	(4.7)
Interest Expense	(0.7)	0.2	(3.8)	0.2
Adjusted Electric Pretax Segment Income	(1.3)	(1.6)	13.3	(4.5)
Net Gas Revenue Margin-retail	\$ 4.0	\$ (3.0)	\$ 25.2	\$ (4.5)
Weather		(0.2)		(0.5)
Volume		(2.2)		(4.7)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		-		1.7
Riders (operating income impact)		(0.5)		(1.2)
Purchased Power, Fuel and Other		(0.1)		0.2
Operation and Maintenance (net of recoverables)	(1.9)	(0.1)	(6.5)	1.0
AFUDC - Equity	-	-	0.1	0.1
General Taxes	(0.4)	(0.0)	(1.5)	-
Depreciation and Other	(0.8)	0.1	(3.6)	0.2
Gas Subtotal	0.9	(3.0)	13.7	(3.2)
Interest Expense	(0.4)	-	(1.5)	-
Adjusted Electric Pretax Segment Income	\$ 0.5	\$ (3.0)	\$ 12.2	\$ (3.2)
Total Adjusted Pretax Segment Income	\$ (0.8)	\$ (4.6)	\$ 25.5	\$ (7.7)
Income Tax Expense	\$ 0.4	\$ 1.9	\$ (5.9)	\$ 6.8
Total Adjusted Segment Income	\$ (0.4)	\$ (2.7)	\$ 19.6	\$ (0.9)

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Heating Degree Days	310	(14)	2,659	(260)
Cooling Degree Days	22	6	22	2

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REGULATED UTILITIES - DUKE ENERGY KENTUCKY FR 16(7)(o) Attachment - May 2016

May 2016

(Dollars in millions)

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	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Adjusted Segment Income	\$ 2.1	\$ 1.1	\$ 21.6	\$ -

Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Net Electric Revenue Margin-retail	\$ 15.2	\$ (0.8)	\$ 81.0	\$ (4.0)
Weather		(0.2)		(1.0)
Volume		(0.8)		(4.3)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		(0.1)		(0.6)
Riders (operating income impact)		0.2		1.4
Purchased Power, Fuel and Other		0.1		0.5
Bulk Power Marketing (net of sharing)	0.1	-	0.7	0.5
Operation and Maintenance (net of recoverables)	(7.4)	0.1	(43.5)	(1.7)
AFUDC - Equity	(0.1)	(0.2)	0.2	(0.3)
General Taxes	(0.8)	(0.0)	(4.0)	-
Depreciation and Other	(2.8)	0.0	(13.2)	(0.2)
Electric Subtotal	4.2	(0.9)	21.2	(5.7)
Interest Expense	(0.8)	0.1	(4.5)	0.4
Adjusted Electric Pretax Segment Income	3.4	(0.8)	16.7	(5.3)
Net Gas Revenue Margin-retail	\$ 3.1	\$ 2.0	\$ 28.4	\$ (2.5)
Weather		0.1		(0.4)
Volume		1.5		(3.2)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		-		1.7
Riders (operating income impact)		0.5		(0.8)
Purchased Power, Fuel and Other		(0.1)		0.2
Operation and Maintenance (net of recoverables)	(1.7)	0.3	(8.2)	1.5
AFUDC - Equity	-	-	0.1	-
General Taxes	(0.4)	(0.0)	(1.8)	-
Depreciation and Other	(0.8)	0.2	(4.6)	0.1
Gas Subtotal	0.2	2.5	13.9	(0.9)
Interest Expense	(0.4)	(0.1)	(2.0)	(0.1)
Adjusted Electric Pretax Segment Income	\$ (0.2)	\$ 2.4	\$ 11.9	\$ (1.0)
Total Adjusted Pretax Segment Income	\$ 3.2	\$ 1.6	\$ 28.6	\$ (6.3)
Income Tax Expense	\$ (1.1)	\$ (0.5)	\$ (7.0)	\$ 6.3
Total Adjusted Segment Income	\$ 2.1	\$ 1.1	\$ 21.6	\$ -

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Heating Degree Days	163	50	2,822	(210)
Cooling Degree Days	66	(17)	88	(15)

KyPSC Case No. 2017-00321

REGULATED UTILITIES - DUKE ENERGY KENTUCKY FR 16(7)(o) Attachment - June 2016

June 2016 Page 1 of 1

(Dollars in millions)

	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Adjusted Segment Income	\$ 3.1	\$ (1.1)	\$ 24.7	\$ (1.0)

Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Net Electric Revenue Margin-retail	\$ 18.3	\$ (0.4)	\$ 99.3	\$ (4.4)
Weather		0.7		(0.3)
Volume		(0.9)		(5.2)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		(0.3)		(1.0)
Riders (operating income impact)		(0.1)		1.3
Purchased Power, Fuel and Other		0.2		0.8
Bulk Power Marketing (net of sharing)	(0.1)	(0.2)	0.5	0.3
Operation and Maintenance (net of recoverables)	(8.3)	(1.2)	(51.9)	(3.0)
AFUDC - Equity	0.1	-	0.3	(0.3)
General Taxes	(1.0)	(0.2)	(5.0)	(0.3)
Depreciation and Other	(2.5)	0.2	(15.6)	0.1
Electric Subtotal	6.5	(1.8)	27.6	(7.6)
Interest Expense	(1.1)	(0.2)	(5.6)	0.2
Adjusted Electric Pretax Segment Income	5.4	(2.0)	22.0	(7.4)
Net Gas Revenue Margin-retail	\$ 2.8	\$ (0.2)	\$ 31.2	\$ (2.6)
Weather		-		(0.4)
Volume		(0.2)		(3.4)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		-		1.8
Riders (operating income impact)		-		(0.8)
Purchased Power, Fuel and Other		-		0.2
Operation and Maintenance (net of recoverables)	(1.7)	0.3	(9.9)	1.8
AFUDC - Equity	-	-	0.1	-
General Taxes	(0.5)	(0.1)	(2.3)	(0.1)
Depreciation and Other	(0.8)	0.3	(5.4)	0.4
Gas Subtotal	(0.2)	0.2	13.7	(0.5)
Interest Expense	(0.4)	(0.1)	(2.3)	(0.2)
Adjusted Electric Pretax Segment Income	\$ (0.6)	\$ 0.1	\$ 11.4	\$ (0.7)
Total Adjusted Pretax Segment Income	\$ 4.8	\$ (1.9)	\$ 33.4	\$ (8.1)
Income Tax Expense	\$ (1.7)	\$ 0.8	\$ (8.7)	\$ 7.1
Total Adjusted Segment Income	\$ 3.1	\$ (1.1)	\$ 24.7	\$ (1.0)

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Heating Degree Days	2	(10)	2,824	(220)
Cooling Degree Days	284	59	372	44

July 2016

(Dollars in millions)

	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Adjusted Segment Income	\$ 5.6	\$ 1.1	\$ 30.3	\$ -

Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Net Electric Revenue Margin-retail	\$ 20.4	\$ 0.6	\$ 119.6	\$ (3.8)
Weather		0.5		0.2
Volume		0.2		(5.0)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		(0.2)		(1.2)
Riders (operating income impact)		0.1		1.5
Purchased Power, Fuel and Other		(0.0)		0.7
Bulk Power Marketing (net of sharing)	(0.1)	(0.2)	0.4	-
Operation and Maintenance (net of recoverables)	(7.4)	0.1	(59.1)	(2.8)
AFUDC - Equity	0.1	-	0.4	(0.3)
General Taxes	(0.8)	(0.0)	(5.8)	(0.3)
Depreciation and Other	(2.6)	0.2	(18.3)	0.5
Electric Subtotal	9.6	0.7	37.2	(6.7)
Interest Expense	(0.8)	0.1	(6.4)	0.3
Adjusted Electric Pretax Segment Income	8.8	0.8	30.8	(6.4)
Net Gas Revenue Margin-retail	\$ 2.9	\$ (0.1)	\$ 34.0	\$ (2.8)
Weather		-		(0.4)
Volume		(0.1)		(3.4)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		-		1.8
Riders (operating income impact)		0.1		(0.8)
Purchased Power, Fuel and Other		(0.1)		-
Operation and Maintenance (net of recoverables)	(1.3)	0.7	(11.0)	2.7
AFUDC - Equity	-	-	0.2	0.1
General Taxes	(0.4)	(0.0)	(2.6)	-
Depreciation and Other	(0.7)	0.3	(6.4)	0.0
Gas Subtotal	0.5	0.9	14.2	0.0
Interest Expense	(0.4)	(0.1)	(2.7)	(0.1)
Adjusted Gas Pretax Segment Income	\$ 0.1	\$ 0.8	\$ 11.5	\$ (0.1)
Total Adjusted Pretax Segment Income	\$ 8.9	\$ 1.6	\$ 42.3	\$ (6.5)
Income Tax Expense	\$ (3.3)	\$ (0.5)	\$ (12.0)	\$ 6.5
Total Adjusted Segment Income	\$ 5.6	\$ 1.1	\$ 30.3	\$ -

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Heating Degree Days	-	(1)	2,824	(221)
Cooling Degree Days	366	37	738	81

REGULATED UTILITIES - DUKE ENERGY KENTUCKY
August 2016
(Dollars in millions)

	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Adjusted Segment Income	\$ 4.2	\$ 0.2	\$ 34.4	\$ 0.2

Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Net Electric Revenue Margin-retail	\$ 20.5	\$ 1.1	\$ 140.0	\$ (2.7)
Weather		1.0		1.2
Volume		0.3		(4.7)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		(0.4)		(1.6)
Riders (operating income impact)		0.1		1.6
Purchased Power, Fuel and Other		0.1		0.8
Bulk Power Marketing (net of sharing)	(0.4)	(0.5)	-	(0.5)
Operation and Maintenance (net of recoverables)	(7.9)	0.2	(67.0)	(2.6)
AFUDC - Equity	0.1	-	0.5	(0.3)
General Taxes	(0.8)	(0.0)	(6.6)	(0.3)
Depreciation and Other	(2.6)	(0.1)	(20.8)	0.4
Electric Subtotal	8.9	0.7	46.1	(6.0)
Interest Expense	(1.2)	(0.3)	(7.6)	-
Adjusted Electric Pretax Segment Income	7.7	0.4	38.5	(6.0)
Net Gas Revenue Margin-retail	\$ 2.8	\$ (0.3)	\$ 36.7	\$ (3.2)
Weather		-		(0.4)
Volume		(0.1)		(3.5)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		-		1.8
Riders (operating income impact)		(0.1)		(0.9)
Purchased Power, Fuel and Other		(0.1)		(0.2)
Operation and Maintenance (net of recoverables)	(2.0)	0.2	(12.9)	2.9
AFUDC - Equity	-	-	0.2	0.1
General Taxes	(0.4)	0.1	(3.0)	(0.1)
Depreciation and Other	(1.0)	0.1	(7.5)	0.2
Gas Subtotal	(0.6)	-	13.5	(0.1)
Interest Expense	(0.4)	(0.1)	(3.0)	(0.1)
Adjusted Gas Pretax Segment Income	\$ (1.0)	\$ (0.1)	\$ 10.5	\$ (0.2)
Total Adjusted Pretax Segment Income	\$ 6.7	\$ 0.3	\$ 49.0	\$ (6.2)
Income Tax Expense	\$ (2.5)	\$ (0.1)	\$ (14.6)	\$ 6.4
Total Adjusted Segment Income	\$ 4.2	\$ 0.2	\$ 34.4	\$ 0.2

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Heating Degree Days	-	(2)	2,824	(223)
Cooling Degree Days	386	91	1,124	172

REGULATED UTILITIES - DUKE ENERGY KENTUCKY
September 2016
(Dollars in millions)

	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Adjusted Segment Income	\$ 4.3	\$ 2.1	\$ 38.7	\$ 2.3

Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Net Electric Revenue Margin-retail	\$ 18.9	\$ 2.7	\$ 159.0	\$ (0.1)
Weather		1.3		2.5
Volume		1.6		(3.1)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		(0.5)		(2.0)
Riders (operating income impact)		0.2		1.7
Purchased Power, Fuel and Other		0.2		0.8
Bulk Power Marketing (net of sharing)	0.9	0.8	0.9	0.4
Operation and Maintenance (net of recoverables)	(8.9)	(1.1)	(75.9)	(3.5)
AFUDC - Equity	0.1	-	0.6	(0.3)
General Taxes	(0.8)	0.0	(7.4)	(0.3)
Depreciation and Other	(2.5)	0.2	(23.4)	0.5
Electric Subtotal	7.7	2.6	53.8	(3.3)
Interest Expense	(0.6)	0.3	(8.2)	0.3
Adjusted Electric Pretax Segment Income	7.1	2.9	45.6	(3.0)
Net Gas Revenue Margin-retail	\$ 3.0	\$ (0.1)	\$ 39.6	\$ (3.4)
Weather		-		(0.4)
Volume		-		(3.6)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		-		1.7
Riders (operating income impact)		(0.1)		(1.2)
Purchased Power, Fuel and Other		-		0.1
Operation and Maintenance (net of recoverables)	(2.5)	(0.4)	(15.4)	2.6
AFUDC - Equity	-	-	0.2	0.1
General Taxes	(0.4)	(0.0)	(3.4)	(0.1)
Depreciation and Other	(0.9)	0.1	(8.3)	0.3
Gas Subtotal	(0.8)	(0.4)	12.7	(0.5)
Interest Expense	(0.3)	-	(3.3)	(0.1)
Adjusted Gas Pretax Segment Income	\$ (1.1)	\$ (0.4)	\$ 9.4	\$ (0.6)
Total Adjusted Pretax Segment Income	\$ 6.0	\$ 2.5	\$ 55.0	\$ (3.6)
Income Tax Expense	\$ (1.7)	\$ (0.4)	\$ (16.3)	\$ 5.9
Total Adjusted Segment Income	\$ 4.3	\$ 2.1	\$ 38.7	\$ 2.3

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Heating Degree Days	24	(33)	2,848	(256)
Cooling Degree Days	221	96	1,345	268

DUKE ENERGY KENTUCKY ELECTRIC
October 2016
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Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Net Revenue Margin-retail	\$ 15.4	\$ 0.3	\$ 174.4	\$ 0.4
Weather		0.1		2.6
Volume		(0.2)		(3.3)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		(0.3)		(2.3)
Riders (operating income impact)		0.3		2.0
Purchased Power, Fuel and Other		0.4		1.4
Bulk Power Marketing (net of sharing)	0.5	0.4	1.5	0.8
Operation and Maintenance (net of recoverables)	(7.7)	0.4	(83.7)	(3.3)
AFUDC - Equity	0.1	-	0.8	(0.3)
General Taxes	(0.7)	-	(8.1)	(0.3)
Depreciation and Other	(2.7)	0.1	(26.1)	0.6
Subtotal	4.9	1.2	58.8	(2.1)
Interest Expense	(0.7)	0.2	(8.9)	0.5
Income Tax Expense	(1.4)	(0.4)	(15.0)	4.3
Adjusted Segment Income	\$ 2.8	\$ 1.0	\$ 34.9	\$ 2.7

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Heating Degree Days	152	(165)	3,000	(421)
Cooling Degree Days	49	33	1,394	301
Total capital expenditures (cash basis)	\$ 5.0	\$ 1.7	\$ 51.1	\$ 7.6

DUKE ENERGY KENTUCKY ELECTRIC
November 2016
(Dollars in millions)

Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Variance F(U)	Actual	Variance F(U)
Net Revenue Margin-retail	\$ 11.6	\$ (3.5)	\$ 185.9	\$ (3.2)
Weather		(0.1)		2.4
Volume		-		(3.3)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		(0.1)		(2.4)
Riders (operating income impact)		0.4		2.3
Purchased Power, Fuel and Other		(3.7)		(2.2)
Bulk Power Marketing (net of sharing)	0.6	0.5	2.0	1.3
Operation and Maintenance (net of recoverables)	(7.6)	0.5	(91.2)	(2.8)
AFUDC - Equity	0.1	-	0.9	(0.3)
General Taxes	(0.7)	0.1	(8.8)	(0.1)
Depreciation and Other	(2.6)	0.1	(28.6)	0.5
Interest Expense	(0.6)	0.3	(9.6)	0.9
Pre-Tax Income	0.8	(2.0)	50.6	(3.7)
Income Tax Expense	2.2	3.2	(12.7)	7.5
Adjusted Segment Income	\$ 3.0	\$ 1.2	\$ 37.9	\$ 3.8

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Heating Degree Days	513	(94)	3,513	(515)
Cooling Degree Days	6	5	1,400	306
Total capital expenditures (cash basis)	\$ 9.3	\$ (4.2)	\$ 60.4	\$ 3.4

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Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan	Actual	Plan
		Variance F(U)		Variance F(U)
Net Revenue Margin-retail	\$ 17.5	\$ 0.2	\$ 203.6	\$ (3.0)
Weather		0.1		2.1
Volume		-		(3.0)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		(0.1)		(2.4)
Riders (operating income impact)		0.5		2.8
Purchased Power, Fuel and Other		(0.3)		(2.5)
Bulk Power Marketing (net of sharing)	(0.5)	(0.6)	1.5	0.7
Operation and Maintenance (net of recoverables)	(11.9)	(3.7)	(103.2)	(6.5)
AFUDC - Equity	0.2	-	1.0	(0.2)
General Taxes	(0.9)	(0.1)	(9.6)	(0.1)
Depreciation and Other	(2.2)	0.5	(30.9)	0.8
Interest Expense	(1.0)	-	(10.5)	0.9
Pre-Tax Income	1.2	(3.7)	51.9	(7.4)
Income Tax Expense	(0.8)	1.0	(13.6)	8.5
Adjusted Segment Income	\$ 0.4	\$ (2.7)	\$ 38.3	\$ 1.1

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan	Actual	Plan
		Variance F(U)		Variance F(U)
Heating Degree Days	970	24	4,483	(491)
Cooling Degree Days	-	-	1,400	306
Total capital expenditures (cash basis)	\$ 10.5	\$ 11.2	\$ 70.8	\$ 14.7

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February 2017
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Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Net Revenue Margin-retail	\$ 15.8	\$ (0.8)	\$ 33.6	\$ (0.8)
Weather		(1.1)		(2.1)
Volume		(0.6)		(0.7)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		-		0.1
Riders (operating income impact)		0.2		0.7
Purchased Power, Fuel and Other		0.7		1.2
Bulk Power Marketing (net of sharing)	0.2	0.2	0.2	0.2
Operation and Maintenance (net of recoverables)	(7.2)	0.8	(15.1)	1.3
AFUDC - Equity	0.2	-	0.3	-
General Taxes	(0.9)	-	(1.9)	(0.1)
Depreciation and Other	(2.7)	0.3	(5.3)	0.4
Interest Expense	(1.2)	(0.5)	(1.8)	(0.4)
Pre-Tax Income	4.2	-	10.0	0.6
Income Tax Expense	(3.5)	(2.0)	(3.5)	-
Adjusted Segment Income	\$ 0.7	\$ (2.0)	\$ 6.5	\$ 0.6

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Heating Degree Days	581	(288)	1,421	(491)
Cooling Degree Days	-	-	-	-
Total capital expenditures (cash basis)	\$ 4.8	\$ 4.3	\$ 11.5	\$ 3.9

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Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE		
	Actual	Plan	Actual	Plan	Prior Year
		Variance		Variance	
		F(U)		F(U)	F(U)
Net Revenue Margin-retail	\$ 16.1	\$ (0.4)	\$ 49.6	\$ (1.2)	\$ (1.0)
Weather		(0.1)		(2.2)	(1.3)
Volume		(1.3)		(2.0)	(0.7)
Pricing - regulatory activity		-		-	-
Pricing - all other (primarily weather/volume)		-		0.1	-
Riders (operating income impact)		0.3		1.0	(0.3)
Purchased Power, Fuel and Other		0.7		1.9	1.3
Bulk Power Marketing (net of sharing)	(0.3)	(0.3)	(0.1)	(0.1)	(0.7)
Operation and Maintenance (net of recoverables)	(10.0)	(0.6)	(25.0)	0.7	(1.4)
AFUDC - Equity	0.2	0.1	0.5	-	0.2
General Taxes	(0.8)	0.2	(2.6)	0.1	(0.2)
Depreciation and Other	(2.5)	1.6	(7.9)	2.2	(0.1)
Interest Expense	(0.5)	0.3	(2.4)	(0.1)	0.7
Pre-Tax Income	2.2	0.9	12.1	1.6	(2.5)
Income Tax Expense	(0.7)	(0.2)	(4.2)	(0.3)	(1.6)
Adjusted Segment Income	\$ 1.5	\$ 0.7	\$ 7.9	\$ 1.3	\$ (4.1)

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE		
	Actual	Plan	Actual	Plan	Prior Year
		Variance		Variance	
		F(U)		F(U)	F(U)
Heating Degree Days	623	(42)	2,044	(533)	(305)
Cooling Degree Days	1	(3)	1	(2)	1
Total capital expenditures (cash basis)	\$ 5.8	\$ 7.5	\$ 17.3	\$ 11.4	N/A

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April 2017
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Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan	Actual	Plan
		Variance		Variance
		F(U)		F(U)
Net Revenue Margin-retail	\$ 15.5	\$ (3.0)	\$ 65.1	\$ (4.3)
Weather		(0.2)		(2.4)
Volume		(0.1)		(2.1)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		-		-
Riders (operating income impact)		0.5		1.5
Purchased Power, Fuel and Other		(3.2)		(1.3)
Bulk Power Marketing (net of sharing)	0.5	0.5	0.4	0.4
Operation and Maintenance (net of recoverables)	(7.9)	1.1	(32.9)	1.8
AFUDC - Equity	0.2	0.2	0.7	0.2
General Taxes	(0.9)	-	(3.5)	0.1
Depreciation and Other	(2.6)	0.3	(10.5)	2.6
Interest Expense	(0.7)	0.2	(3.0)	0.1
Pre-Tax Income	4.1	(0.7)	16.3	0.9
Income Tax Expense	(1.5)	0.4	(5.7)	0.1
Adjusted Segment Income	\$ 2.6	\$ (0.3)	\$ 10.6	\$ 1.0

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan	Actual	Plan
		Variance		Variance
		F(U)		F(U)
Heating Degree Days	175	(151)	2,218	(684)
Cooling Degree Days	42	26	43	24
Total capital expenditures (cash basis)	\$ 12.3	\$ 0.6	\$ 29.6	\$ 12.0

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May 2017
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Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan	Actual	Plan
		Variance		Variance
		F(U)		F(U)
Net Revenue Margin-retail	\$ 16.0	\$ 0.5	\$ 81.1	\$ (3.8)
Weather		-		(2.5)
Volume		0.1		(2.0)
Pricing - regulatory activity		-		-
Pricing - all other (primarily weather/volume)		(0.2)		(0.2)
Riders (operating income impact)		0.1		1.6
Purchased Power, Fuel and Other		0.5		(0.7)
Bulk Power Marketing (net of sharing)	0.4	0.4	0.8	0.8
Operation and Maintenance (net of recoverables)	(9.8)	(1.7)	(42.7)	0.1
AFUDC - Equity	0.2	0.1	0.9	0.3
General Taxes	(0.9)	-	(4.4)	0.1
Depreciation and Other	(3.8)	(0.8)	(14.3)	1.8
Interest Expense	(0.7)	0.2	(3.7)	0.3
Pre-Tax Income	1.4	(1.3)	17.7	(0.4)
Income Tax Expense	(0.3)	0.7	(6.0)	0.8
Adjusted Segment Income	\$ 1.1	\$ (0.6)	\$ 11.7	\$ 0.4

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan	Actual	Plan
		Variance		Variance
		F(U)		F(U)
Heating Degree Days	134	22	2,352	(662)
Cooling Degree Days	81	(3)	124	21
Total capital expenditures (cash basis)	\$ 6.8	\$ 3.2	\$ 36.4	\$ 15.2

DUKE ENERGY KENTUCKY ELECTRIC

June 2017

(Dollars in millions)

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Key Adjusted Segment Income Drivers	CURRENT MONTH		YEAR TO DATE		
	Actual	Plan	Actual	Plan	Prior Year
		Variance		Variance	Variance
	F(U)	F(U)	F(U)	F(U)	
Net Revenue Margin-retail	\$ 18.4	\$ 0.5	\$ 99.5	\$ (3.2)	\$ 0.3
Weather		(0.3)		(2.7)	(2.4)
Volume		-		(2.0)	(0.4)
Pricing - regulatory activity		-		-	-
Pricing - all other (primarily weather/volume)		(0.2)		(0.4)	0.2
Riders (operating income impact)		0.2		1.9	0.5
Purchased Power, Fuel and Other		0.8		-	2.4
Bulk Power Marketing (net of sharing)		-	0.8	0.8	0.3
Operation and Maintenance (net of recoverables)	(8.3)	(0.9)	(51.0)	(0.9)	0.8
AFUDC - Equity	0.2	0.1	1.2	0.5	0.8
General Taxes	(0.9)	-	(5.3)	0.1	(0.3)
Depreciation and Other	(2.7)	0.5	(17.1)	2.3	(1.6)
Interest Expense	(1.0)	-	(4.7)	0.2	0.9
Pre-Tax Income	5.7	0.2	23.4	(0.2)	1.2
Income Tax Expense	(2.2)	(0.2)	(8.2)	0.6	(3.0)
Adjusted Segment Income	\$ 3.5	\$ -	\$ 15.2	\$ 0.4	\$ (1.8)

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE		
	Actual	Plan	Actual	Plan	Prior Year
		Variance		Variance	Variance
	F(U)	F(U)	F(U)	F(U)	
Heating Degree Days	4	(8)	2,357	(670)	(467)
Cooling Degree Days	209	(19)	333	2	(39)
Total capital expenditures (cash basis)	\$ 10.2	\$ (0.4)	\$ 46.6	\$ 14.7	N/A