



a PPL company

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Jeff Cline, Procedure Development Coordinator
Division of General Administration Filings Branch
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602-0615

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

Rick E. Lovekamp
Manager - Regulatory
Strategy/Policy
T 502-627-3780
rick.lovekamp@lge-ku.com

November 14, 2019

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

Dear Mr. Cline:

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

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

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

Sincerely,

Rick E. Lovekamp

Enclosures

cc: KPSC Division of Financial Analysis

KENTUCKY UTILITIES COMPANY

Balance Sheet on a Total Company and Jurisdictional Basis
At September 30, 2019

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<u>Utility Plant</u>				
Utility Plant	101-106	\$ 9,735,891,914	\$ 9,097,162,594	\$ 638,729,320
Plus: Construction Work in Progress	107	535,167,449	504,005,081	31,162,368
Total Utility Plant		<u>\$ 10,271,059,363</u>	<u>\$ 9,601,167,675</u>	<u>\$ 669,891,688</u>
Less: Accumulated Provision for Depreciation	108,111	3,443,561,743	3,199,659,030	243,902,713
Net Utility Plant		<u>\$ 6,827,497,620</u>	<u>\$ 6,401,508,645</u>	<u>\$ 425,988,975</u>
<u>Other Property and Investments</u>				
Nonutility Property-Less reserve	121-122	\$ 657,564	\$ -	\$ 657,564
Investment in Subsidiary Companies	123.1	-	-	-
Non-Current Portion of Allowances	158.1	-	-	-
Other Investments	124	250,000	-	250,000
Special Funds	125-128	(48,264)	(45,373)	(2,891)
Total Other Property and Investments		<u>\$ 859,300</u>	<u>\$ (45,373)</u>	<u>\$ 904,673</u>
<u>Current and Accrued Assets</u>				
Cash	131	\$ 17,966,856	\$ 16,856,019	\$ 1,110,837
Special Deposits	132-134	-	-	-
Working Funds	135	59,530	55,849	3,681
Temporary Cash Investments	136	166,678	156,373	10,305
Customer Accounts Receivable	142	132,223,385	121,321,782	10,901,602
Other Accounts Receivable	143	25,984,822	24,378,258	1,606,564
Less: Accum Prov for Uncollectable Accts-Credit	144	1,642,449	1,540,901	101,548
Notes Receivable from Associated Companies	145	-	-	-
Accounts Receivable from Associated Companies	146	171,866	161,572	10,294
Fuel	151	50,177,377	47,191,841	2,985,536
Plant Materials and Operating Supplies	154	57,920,545	53,851,991	4,068,554
Allowances	158.1	125,865	118,016	7,849
Less: Non-Current Portion of Allowances	158.1	-	-	-
Stores Expense Undistributed	163	5,295,494	4,923,519	371,975
Prepayments	165	19,074,632	17,877,526	1,197,106
Interest, Dividends, and Rents Receivable	171-172	1,451,551	1,361,806	89,745
Accrued Utility Revenues	173	91,216,431	85,814,710	5,401,721
Miscellaneous Current Assets	174-176	-	-	-
Total Current and Accrued Assets		<u>\$ 400,192,580</u>	<u>\$ 372,528,361</u>	<u>\$ 27,664,219</u>
<u>Deferred Debits</u>				
Unamortized Debt Expense	181	\$ 18,288,774	\$ 17,158,034	\$ 1,130,740
Deferred Regulatory Assets	182	456,625,202	433,511,402	23,113,800
Preliminary Survey and Inventory	183	3,588,106	3,366,264	221,842
Clearing Accounts	184	5,102,995	4,797,344	305,651
Miscellaneous Deferred Debits	186-188	57,849,566	21,763,672	36,085,894
Unamortized Loss on Bonds	189	9,456,473	8,871,807	584,666
Accumulated Deferred Income Taxes	190	321,158,494	300,847,990	20,310,504
Total Deferred Debits		<u>\$ 872,069,611</u>	<u>\$ 790,316,514</u>	<u>\$ 81,753,097</u>
Total Assets		<u>\$ 8,100,619,111</u>	<u>\$ 7,564,308,147</u>	<u>\$ 536,310,964</u>

KENTUCKY UTILITIES COMPANY
Balance Sheet on a Total Company and Jurisdictional Basis
At September 30, 2019

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
Proprietary Capital				
Common Stock Issued	201	\$ 308,139,978	\$ 289,088,604	\$ 19,051,374
Preferred Stock Issued	204	-	-	-
Premium on Capital Stock	207	-	-	-
Paid in Capital	208-211	696,858,083	653,773,430	43,084,653
Other Comprehensive Income	219	0	-	0
(Less) Common Stock Expense	214	321,289	301,425	19,864
Retained Earnings	215-216	1,968,027,448	1,846,350,193	121,677,255
Unappropriated Undistributed Subsidiary Earnings	216.1	-	-	-
Total Proprietary Capital		\$ 2,972,704,220	\$ 2,788,910,802	\$ 183,793,418
Long-Term Debt				
Bonds	221-222	\$ 2,641,852,405	\$ 2,478,514,566	\$ 163,337,839
Long-Term Debt Marked to Market	221.200	-	-	-
Long-Term Debt To Associated Companies	223	-	-	-
Other Long-Term Debt	224	-	-	-
Unamortized Premium on Long-Term Debt	225	5,430,361	5,094,618	335,743
Unamortized Discount on Long-Term Debt	226	(7,625,220)	(7,153,776)	(471,444)
Total Long-Term		\$ 2,639,657,546	\$ 2,476,455,408	\$ 163,202,138
Other Non-Current Liabilities				
Accumulated Provision for Property Insurance	228.1	\$ -	\$ -	\$ -
Accumulated Provision for Injuries and Damages	228.2	3,510,517	3,300,250	210,267
Accumulated Provision for Pensions and Benefits	228.3	21,176,731	19,908,321	1,268,410
Accumulated Miscellaneous Operating Provision	228.4	-	-	-
Total Other Non-Current Liabilities		\$ 24,687,248	\$ 23,208,571	\$ 1,478,677
Current and Accrued Liabilities				
Notes Payable	231	\$ 2,000,000	\$ 1,876,346	\$ 123,654
Accounts Payable	232	130,031,857	122,243,416	7,788,441
Notes Payable to Associated Companies	233	-	-	-
Accounts Payable to Associated Companies	234	40,428,720	-	40,428,720
Customer Deposits	235	31,628,556	30,342,476	1,286,080
Taxes Accrued	236	28,968,598	27,177,556	1,791,042
Interest Accrued	237	44,047,617	41,324,284	2,723,333
Dividends Declared	238	-	-	-
Matured Long-Term Bonds	239	-	-	-
Tax Collections Payable	241	4,277,143	4,039,499	237,644
Miscellaneous Current and Accrued Liabilities	242-245	30,111,305	28,656,653	1,454,652
Total Current and Accrued Liabilities		\$ 311,493,795	\$ 255,660,230	\$ 55,833,565
Deferred Credits				
Customer Advances for Construction	252	\$ 1,299,602	\$ 1,278,110	\$ 21,492
Accumulated Deferred Investment Tax Credits	255	90,113,046	84,326,543	5,786,503
Other Deferred Credits	253	425,360	399,850	25,510
Regulatory Liabilities	254	750,509,476	702,616,647	47,892,829
Asset Retirement Obligation	230	171,945,927	161,223,412	10,722,515
Miscellaneous Long-Term Liabilities	244	22,111,129	20,744,064	1,367,065
Accumulated Deferred Income Taxes	281-283	1,115,671,763	1,045,115,151	70,556,612
Total Deferred Credits		\$ 2,152,076,302	\$ 2,015,703,777	\$ 136,372,525
Total Liabilities and Stockholders Equity		\$ 8,100,619,111	\$ 7,559,938,788	\$ 540,680,323
Adjustment to Balance		-	\$ (4,369,359)	\$ 4,369,359

KENTUCKY UTILITIES COMPANY

Income Statement on a Total Company and Jurisdictional Basis
Twelve Months Ended September 30, 2019

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E	
<u>Utility Operating Income</u>					
Operating Revenues:					
Residential Sales	440	\$ 656,192,921	\$ 618,799,190	\$ 37,393,730	
Commercial and Industrial Sales:	442				
Small (or Comm) - Rural Comm & Comm L&P		435,784,678	417,618,062	18,166,616	
Large (or Ind) - Industrial & Mine Power		384,401,136	374,805,409	9,595,727	
Public Street and Highway Lighting	444	12,038,782	11,686,270	352,512	
Other Sales to Public Authorities	445	135,330,269	128,392,182	6,938,086	
Total Sales to Ultimate Consumers		<u>\$ 1,623,747,786</u>	<u>\$ 1,551,301,114</u>	<u>\$ 72,446,672</u>	
Sales for Resale	447	81,708,223	12,871,439	68,836,784	
Total Sales of Electricity		<u>\$ 1,705,456,009</u>	<u>\$ 1,564,172,552</u>	<u>\$ 141,283,456</u>	
Less: Provision for Refund	449.1	-	-	-	
Total Revenues Net of Provision for Refund		<u>\$ 1,705,456,009</u>	<u>\$ 1,564,172,552</u>	<u>\$ 141,283,456</u>	
Other Operating Revenues:					
Late Payment Charges	450	4,018,172	3,848,423	169,749	
Miscellaneous Service Revenues	451	2,151,874	2,005,059	146,815	
Rent from Electric Property	454	11,839,154	10,877,915	961,239	
Other Electric Revenues	456	26,262,265	25,052,344	1,209,921	
Total Other Operating Revenues		<u>\$ 44,271,464</u>	<u>\$ 41,783,741</u>	<u>\$ 2,487,723</u>	
Total Operating Revenue		<u>\$ 1,749,727,473</u>	<u>\$ 1,605,956,293</u>	<u>\$ 143,771,180</u>	
Operating Expenses:					
Operation Expenses	401	\$ 777,228,777	\$ 730,549,161	\$ 46,679,616	
Maintenance Expenses	402	137,712,477	128,581,162	9,131,316	
Depreciation Expense	403	276,773,818	258,739,215	18,034,604	
Amortization of Limited-Term Electric Plant	404	17,781,243	16,614,816	1,166,428	
Regulatory Debits	407	8,670,895	6,289,966	2,380,930	
Taxes Other than Income Taxes	408.1	44,296,589	41,759,838	2,536,751	
Income Taxes - Federal	409.1	21,955,340	Total Income Taxes		
Income Taxes - State	409.1	3,505,899		75,073,852	7,431,396
Deferred Federal Income Taxes - Net	410-1.1	42,410,372			
Deferred State Income Taxes - Net	410-1.1	14,633,637			
Accretion Expense	411.1	-	-	-	
Investment Tax Credit Adjustment - Net	411.4	-	-	-	
Losses/(Gains) from Disposition of Allowances	411.8	(119,036)	(111,612)	(7,424)	
Total Utility Operating Expenses		<u>\$ 1,344,850,013</u>	<u>\$ 1,257,496,396</u>	<u>\$ 87,353,617</u>	
Net Utility Operating Income		<u>\$ 404,877,460</u>	<u>\$ 348,459,897</u>	<u>\$ 56,417,563</u>	

KENTUCKY UTILITIES COMPANY
Income Statement on a Total Company and Jurisdictional Basis
Twelve Months Ended September 30, 2019

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
Other Income and Deductions are not separated on a jurisdictional basis.				
Other Income and Deductions				
Total Other Income		\$ 1,437,781		
Total Other Income Deductions		5,535,203		
Total Taxes on Other income and Deductions		(3,901,677)		
Net Other Income and Deductions		\$ (195,745)		
Interest Charges				
Interest on Long Term Debt	427	\$ 98,426,927		
Amortization of Debt Discount and Expense	428	2,996,259		
Amortization of Loss on Re-Acquired Debt	428.1	547,590		
Amortization of Premium on Debt - Credit	429	-		
Amortization of Gain on Re-Acquired Debt - Credit	429.1	-		
Interest on Debt to Associated Companies	430	17,609		
Other Interest Expense	431	5,667,421		
Allowance for Borrowed Funds Used During Construction	432	(424,714)		
Net Interest Charges		\$ 107,231,091	\$ 100,670,585	\$ 6,560,506
Cumulative Effect of Accounting Change, Net of Tax		\$ -		
Net Income		\$ 297,450,624		