

RECEIVED

AUG 14 2013

PUBLIC SERVICE
COMMISSION



a PPL company

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

August 14, 2013

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

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 Affairs
T 502-627-3780
F 502-627-3213
rick.lovekamp@lge-ku.com

Dear Mr. Cline:

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

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

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

Sincerely,

A handwritten signature in blue ink that reads "Rick E. Lovekamp".

Rick E. Lovekamp

Enclosures

cc: KPSC Division of Financial Analysis

KENTUCKY UTILITIES COMPANY
Balance Sheet on a Total Company and Jurisdictional Basis
At June 30, 2013

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
Utility Plant				
Utility Plant	101-106	\$ 6,784,509,244	\$ 5,925,683,026	\$ 858,826,218
Plus: Construction Work in Progress	107	704,073,657	611,424,507	92,649,150
Total Utility Plant		\$ 7,488,582,901	\$ 6,537,107,533	\$ 951,475,368
Less: Accumulated Provision for Depreciation	108,111	2,569,655,267	2,227,495,748	342,159,519
Net Utility Plant		\$ 4,918,927,634	\$ 4,309,611,785	\$ 609,315,849
Other Property and Investments				
Nonutility Property-Less reserve	121-122	\$ 971,720	\$ -	\$ 971,720
Investment in Subsidiary Companies	123.1	-	-	-
Non-Current Portion of Allowances	158.1	-	-	-
Other Investments	124	250,000	-	250,000
Special Funds	125-128	-	-	-
Total Other Property and Investments		\$ 1,221,720	\$ -	\$ 1,221,720
Current and Accrued Assets				
Cash	131	\$ 6,799,784	\$ 5,967,795	\$ 831,989
Special Deposits	132-134	-	-	-
Working Funds	135	38,530	33,816	4,714
Temporary Cash Investments	136	3,270,585	2,870,412	400,173
Customer Accounts Receivable	142	119,982,500	103,145,003	16,837,497
Other Accounts Receivable	143	13,351,571	11,717,937	1,633,634
Less: Accum Prov for Uncollectable Accts-Credit	144	4,926,122	4,323,385	602,737
Notes Receivable from Associated Companies	145	-	-	-
Accounts Receivable from Associated Companies	146	8,707,983	7,768,070	939,913
Fuel	151	87,333,633	76,239,893	11,093,740
Plant Materials and Operating Supplies	154	36,322,321	31,541,650	4,780,671
Allowances	158.1	276,988	240,619	36,369
Less: Non-Current Portion of Allowances	158.1	-	-	-
Stores Expense Undistributed	163	10,607,220	9,211,119	1,396,101
Prepayments	165	8,723,471	7,678,788	1,044,683
Interest, Dividends, and Rents Receivable	171-172	416,398	365,450	50,948
Accrued Utility Revenues	173	87,742,949	73,419,847	14,323,102
Miscellaneous Current Assets	174-175	35,686,874	31,320,398	4,366,476
Total Current and Accrued Assets		\$ 414,334,684	\$ 357,197,412	\$ 57,137,272
Deferred Debits				
Unamortized Debt Expense	181	\$ 18,110,580	\$ 15,894,656	\$ 2,215,924
Deferred Regulatory Assets	182	274,480,284	243,841,288	30,638,996
Preliminary Survey and Inventory	183	5,832,972	5,119,278	713,695
Clearing Accounts	184	985,750	879,351	106,399
Miscellaneous Deferred Debits	186	39,188,271	34,049,760	5,138,511
Unamortized Loss on Bonds	189	10,871,427	9,541,251	1,330,176
Accumulated Deferred Income Taxes	190	161,844,972	142,284,884	19,560,088
Total Deferred Debits		\$ 511,314,256	\$ 451,610,468	\$ 59,703,787
Total Assets		\$ 5,845,798,294	\$ 5,118,419,665	\$ 727,378,629

KENTUCKY UTILITIES COMPANY
Balance Sheet on a Total Company and Jurisdictional Basis
At June 30, 2013

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	\$ 270,437,441	\$ 37,702,537
Preferred Stock Issued	204	-	-	-
Premium on Capital Stock	207	-	-	-
Paid in Capital	208-211	407,858,083	357,954,515	49,903,568
Other Comprehensive Income	219	(858,439)	-	(858,439)
(Less) Common Stock Expense	214	321,289	281,977	39,312
Retained Earnings	215-216	1,606,083,290	1,409,570,606	196,512,684
Unappropriated Undistributed Subsidiary Earnings	216.1	-	-	-
Total Proprietary Capital		\$ 2,320,901,623	\$ 2,037,680,585	\$ 283,221,038
Long-Term Debt				
Bonds	221-222	\$ 1,850,779,405	\$ 1,624,326,873	\$ 226,452,532
Long-Term Debt Marked to Market	221.200	-	-	-
Long-Term Debt To Associated Companies	223	-	-	-
Other Long-Term Debt	224	-	-	-
Unamortized Discount on Long-Term Debt	226	(9,234,969)	(8,105,022)	(1,129,947)
Total Long-Term		\$ 1,841,544,436	\$ 1,616,221,851	\$ 225,322,585
Other Non-Current Liabilities				
Accumulated Provision for Property Insurance	228.1	-	-	-
Accumulated Provision for Injuries and Damages	228.2	2,184,535	1,948,743	235,792
Accumulated Provision for Pensions and Benefits	228.3	103,315,388	92,163,847	11,151,541
Accumulated Miscellaneous Operating Provision	228.4	-	-	-
Total Other Non-Current Liabilities		\$ 105,499,923	\$ 94,112,590	\$ 11,387,333
Current and Accrued Liabilities				
Notes Payable	231	\$ 171,973,989	\$ 150,932,073	\$ 21,041,916
Accounts Payable	232	159,762,673	142,518,388	17,244,285
Notes Payable to Associated Companies	233	-	-	-
Accounts Payable to Associated Companies	234	25,833,987	-	25,833,987
Customer Deposits	235	25,454,843	24,436,510	1,018,333
Taxes Accrued	236	16,114,176	14,142,523	1,971,653
Interest Accrued	237	10,017,839	8,792,104	1,225,735
Dividends Declared	238	-	-	-
Matured Long-Term Bonds/LTD Due in 1 Year	239	-	-	-
Tax Collections Payable	241	4,316,489	3,837,018	479,471
Miscellaneous Current and Accrued Liabilities	242-244	17,431,192	16,044,537	1,386,656
Total Current and Accrued Liabilities		\$ 430,905,191	\$ 360,703,153	\$ 70,202,038
Deferred Credits				
Customer Advances for Construction	252	\$ 2,899,694	\$ 2,899,694	\$ -
Accumulated Deferred Investment Tax Credits	255	97,672,031	84,043,861	13,628,170
Other Deferred Credits	253	20,295,182	17,635,657	2,659,525
Regulatory Liabilities	254	136,778,501	120,382,162	16,396,339
Asset Retirement Obligation	230	71,064,697	61,733,739	9,330,958
Miscellaneous Long-Term Liabilities	244	-	-	-
Accumulated Deferred Income Taxes	281-283	818,237,017	719,347,396	98,889,621
Total Deferred Credits		\$ 1,146,947,122	\$ 1,006,042,509	\$ 140,904,613
Total Liabilities and Stockholders Equity		\$ 5,845,798,294	\$ 5,114,760,688	\$ 731,037,606
Adjustment to Balance		-	\$ (3,658,977)	\$ 3,658,977

KENTUCKY UTILITIES COMPANY
Income Statement on a Total Company and Jurisdictional Basis
Twelve Months Ended June 30, 2013

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	\$ 568,097,170	533,396,217	\$ 34,700,954
Commercial and Industrial Sales:	442			
Small (or Comm) - Rural Comm & Comm L&P		354,759,000	338,415,342	16,343,658
Large (or Ind) - Industrial & Mine Power		388,854,823	373,839,921	15,014,902
Public Street and Highway Lighting	444	10,579,867	10,245,808	334,059
Other Sales to Public Authorities	445	115,450,651	108,857,355	6,593,296
Total Sales to Ultimate Consumers		<u>\$ 1,437,741,511</u>	<u>\$ 1,364,754,642</u>	<u>\$ 72,986,869</u>
Sales for Resale	447	116,865,640	10,871,953	105,993,687
Total Sales of Electricity		<u>\$ 1,554,607,152</u>	<u>\$ 1,375,626,596</u>	<u>\$ 178,980,556</u>
Less: Provision for Refund	449.1	-	-	-
Total Revenues Net of Provision for Refund		<u>\$ 1,554,607,152</u>	<u>\$ 1,375,626,596</u>	<u>\$ 178,980,556</u>
Other Operating Revenues:				
Late Payment Charges	450	5,521,412	5,329,087	192,326
Miscellaneous Service Revenues	451	2,038,905	1,895,560	143,345
Rent from Electric Property	454	2,952,994	2,742,292	210,702
Other Electric Revenues	456	20,317,630	15,926,131	4,391,499
Total Other Operating Revenues		<u>\$ 30,830,941</u>	<u>\$ 25,893,070</u>	<u>\$ 4,937,871</u>
Total Operating Revenue		<u>\$ 1,585,438,093</u>	<u>\$ 1,401,519,666</u>	<u>\$ 183,918,427</u>
Operating Expenses:				
Operation Expenses	401	\$ 861,212,478	\$ 757,556,348	103,656,130
Maintenance Expenses	402	128,262,505	112,372,543	15,889,962
Depreciation Expense	403	186,183,455	162,643,184	23,540,271
Amortization of Limited-Term Electric Plant	404	7,705,458	6,730,045	975,414
Regulatory Credits	407	(7,451,155)	(6,483,411)	(967,744)
Taxes Other than Income Taxes	408.1	31,961,742	28,442,431	3,519,311
Income Taxes - Federal	409.1	(17,296,620)		
Income Taxes - State	409.1	2,771,754		
Deferred Federal Income Taxes - Net	410-1.1	119,281,919	103,061,776	13,229,719
Deferred State Income Taxes - Net	410-1.1	11,534,442		
Accretion Expense	411.1	3,182,951	2,770,507	412,444
Investment Tax Credit Adjustment - Net	411.4	-	-	-
Losses/(Gains) from Disposition of Allowances	411.8	(360)	(313)	(47)
Total Utility Operating Expenses		<u>\$ 1,327,348,570</u>	<u>\$ 1,167,093,109</u>	<u>\$ 160,255,460</u>
Net Utility Operating Income		<u>\$ 258,089,523</u>	<u>\$ 234,426,557</u>	<u>\$ 23,662,967</u>

KENTUCKY UTILITIES COMPANY
Income Statement on a Total Company and Jurisdictional Basis
Twelve Months Ended June 30, 2013

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.				
<u>Other Income and Deductions</u>				
Total Other Income		\$ (15,261)		
Total Other Income Deductions		11,570,028		
Total Taxes on Other income and Deductions		(7,706,315)		
Net Other Income and Deductions		\$ (3,878,975)		
<u>Interest Charges</u>				
Interest on Long Term Debt	427	\$ 60,997,608		
Amortization of Debt Discount and Expense	428	3,326,851		
Amortization of Loss on Re-Acquired Debt	428.1	605,204		
Amortization of Premium on Debt - Credit	429	-		
Amortization of Gain on Re-Acquired Debt - Credit	429.1	-		
Interest on Debt to Associated Companies	430	8,018		
Other Interest Expense	431	3,495,822		
Allowance for Borrowed Funds Used During Construction	432	(62,670)		
Net Interest Charges		\$ 68,370,834	\$ 59,308,718	\$ 9,062,116
Cumulative Effect of Accounting Change, Net of Tax		\$ -		
Net Income		\$ 185,839,715		