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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, 2015

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

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
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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, 2015

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	\$ 8,556,204,773	\$ 7,588,931,884	\$ 967,272,889
Plus: Construction Work in Progress	107	390,314,897	343,199,730	47,115,167
Total Utility Plant		\$ 8,946,519,669	\$ 7,932,131,614	\$ 1,014,388,055
Less: Accumulated Provision for Depreciation	108,111	2,838,963,551	2,506,226,680	332,736,871
Net Utility Plant		\$ 6,107,556,119	\$ 5,425,904,934	\$ 681,651,185
Other Property and Investments				
Nonutility Property-Less reserve	121-122	\$ 971,313	\$ -	\$ 971,313
Investment in Subsidiary Companies	123.1	-	-	-
Non-Current Portion of Allowances	158.1	-	-	-
Other Investments	124	250,000	-	250,000
Special Funds	125-128	-	-	-
Total Other Property and Investments		\$ 1,221,313	\$ -	\$ 1,221,313
Current and Accrued Assets				
Cash	131	\$ 4,946,387	\$ 4,397,292	\$ 549,095
Special Deposits	132-134	-	-	-
Working Funds	135	61,030	54,255	6,775
Temporary Cash Investments	136	1,029,503	915,218	114,285
Customer Accounts Receivable	142	124,098,304	107,944,519	16,153,785
Other Accounts Receivable	143	6,679,813	5,938,292	741,521
Less: Accum Prov for Uncollectable Accts-Credit	144	2,146,979	1,908,644	238,335
Notes Receivable from Associated Companies	145	-	-	-
Accounts Receivable from Associated Companies	146	2,475	2,233	242
Fuel	151	96,160,683	84,549,390	11,611,293
Plant Materials and Operating Supplies	154	40,306,886	35,576,229	4,730,657
Allowances	158.1	148,115	129,782	18,333
Less: Non-Current Portion of Allowances	158.1	-	-	-
Stores Expense Undistributed	163	10,102,106	8,921,750	1,180,356
Prepayments	165	11,365,370	10,354,222	1,011,148
Interest, Dividends, and Rents Receivable	171-172	772,122	686,410	85,712
Accrued Utility Revenues	173	87,739,514	73,560,000	14,179,514
Miscellaneous Current Assets	174-176	132,969	118,209	14,760
Total Current and Accrued Assets		\$ 381,398,297	\$ 331,239,157	\$ 50,159,140
Deferred Debits				
Unamortized Debt Expense	181	\$ 17,528,295	\$ 15,582,491	\$ 1,945,804
Deferred Regulatory Assets	182	323,925,740	285,686,031	38,239,709
Preliminary Survey and Inventory	183	6,919,834	6,151,668	768,166
Clearing Accounts	184	1,253,163	1,130,453	122,710
Miscellaneous Deferred Debits	186	39,513,438	34,626,964	4,886,474
Unamortized Loss on Bonds	189	9,251,790	8,224,755	1,027,035
Accumulated Deferred Income Taxes	190	274,105,539	244,461,571	29,643,968
Total Deferred Debits		\$ 672,497,800	\$ 595,863,933	\$ 76,633,868
Total Assets		\$ 7,162,673,529	\$ 6,353,008,024	\$ 809,665,505

KENTUCKY UTILITIES COMPANY
Balance Sheet on a Total Company and Jurisdictional Basis
At June 30, 2015

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	\$ 273,933,567	\$ 34,206,411
Preferred Stock Issued	204	-	-	-
Premium on Capital Stock	207	-	-	-
Paid in Capital	208-211	563,858,083	501,264,579	62,593,504
Other Comprehensive Income	219	(2,136,545)	-	(2,136,545)
(Less) Common Stock Expense	214	321,289	285,623	35,666
Retained Earnings	215-216	1,765,169,748	1,569,219,449	195,950,299
Unappropriated Undistributed Subsidiary Earnings	216.1	-	-	-
Total Proprietary Capital		\$ 2,634,709,975	\$ 2,344,131,972	\$ 290,578,003
Long-Term Debt				
Bonds	221-222	\$ 2,100,779,405	\$ 1,867,573,305	\$ 233,206,100
Long-Term Debt Marked to Market	221.200	-	-	-
Long-Term Debt To Associated Companies	223	-	-	-
Other Long-Term Debt	224	-	-	-
Unamortized Discount on Long-Term Debt	226	(9,665,442)	(8,592,487)	(1,072,955)
Total Long-Term		\$ 2,091,113,963	\$ 1,858,980,818	\$ 232,133,145
Other Non-Current Liabilities				
Accumulated Provision for Property Insurance	228.1	-	-	-
Accumulated Provision for Injuries and Damages	228.2	2,316,686	2,089,835	226,851
Accumulated Provision for Pensions and Benefits	228.3	92,127,863	83,106,677	9,021,186
Accumulated Miscellaneous Operating Provision	228.4	-	-	-
Total Other Non-Current Liabilities		\$ 94,444,548	\$ 85,196,512	\$ 9,248,036
Current and Accrued Liabilities				
Notes Payable	231	\$ 226,951,047	\$ 201,757,365	\$ 25,193,682
Accounts Payable	232	132,208,798	119,262,876	12,945,922
Notes Payable to Associated Companies	233	-	-	-
Accounts Payable to Associated Companies	234	35,866,269	-	35,866,269
Customer Deposits	235	26,798,082	25,409,906	1,388,176
Taxes Accrued	236	28,167,428	25,040,581	3,126,847
Interest Accrued	237	11,749,581	10,445,268	1,304,313
Dividends Declared	238	-	-	-
Matured Long-Term Bonds	239	-	-	-
Tax Collections Payable	241	4,617,620	4,016,848	600,772
Miscellaneous Current and Accrued Liabilities	242-245	45,741,088	41,370,515	4,370,573
Total Current and Accrued Liabilities		\$ 512,099,913	\$ 427,303,359	\$ 84,796,554
Deferred Credits				
Customer Advances for Construction	252	\$ 2,087,427	\$ 2,059,310	\$ 28,117
Accumulated Deferred Investment Tax Credits	255	93,942,040	81,656,874	12,285,166
Other Deferred Credits	253	11,329,448	9,981,871	1,347,577
Regulatory Liabilities	254	147,086,308	131,945,570	15,140,738
Asset Retirement Obligation	230	333,687,599	292,386,937	41,300,662
Miscellaneous Long-Term Liabilities	244	-	-	-
Accumulated Deferred Income Taxes	281-283	1,242,172,309	1,107,833,847	134,338,462
Total Deferred Credits		\$ 1,830,305,130	\$ 1,625,864,409	\$ 204,440,720
Total Liabilities and Stockholders Equity		\$ 7,162,673,529	\$ 6,341,477,070	\$ 821,196,459
Adjustment to Balance		-	\$ (11,530,954)	\$ 11,530,954

KENTUCKY UTILITIES COMPANY
Income Statement on a Total Company and Jurisdictional Basis
Twelve Months Ended June 30, 2015

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<u>Utility Operating Income</u>				
Operating Revenues:				
Residential Sales	440	\$ 621,399,257	\$ 582,699,452	\$ 38,699,805
Commercial and Industrial Sales:	442			
Small (or Comm) - Rural Comm & Comm L&P		373,988,160	355,672,905	18,315,255
Large (or Ind) - Industrial & Mine Power		428,578,310	416,440,288	12,138,022
Public Street and Highway Lighting	444	11,512,907	11,181,954	330,953
Other Sales to Public Authorities	445	126,031,712	119,179,312	6,852,400
Total Sales to Ultimate Consumers		<u>\$ 1,561,510,347</u>	<u>\$ 1,485,173,912</u>	<u>\$ 76,336,435</u>
Sales for Resale	447	132,153,363	16,465,841	115,687,522
Total Sales of Electricity		<u>\$ 1,693,663,710</u>	<u>\$ 1,501,639,753</u>	<u>\$ 192,023,957</u>
Less: Provision for Refund	449.1	6,519,126	-	6,519,126
Total Revenues Net of Provision for Refund		<u>\$ 1,687,144,584</u>	<u>\$ 1,501,639,753</u>	<u>\$ 185,504,832</u>
Other Operating Revenues:				
Late Payment Charges	450	3,949,093	3,785,335	163,758
Miscellaneous Service Revenues	451	2,101,817	1,972,282	129,535
Rent from Electric Property	454	3,803,499	3,565,998	237,501
Other Electric Revenues	456	18,310,592	17,407,758	902,834
Total Other Operating Revenues		<u>\$ 28,165,001</u>	<u>\$ 26,731,374</u>	<u>\$ 1,433,628</u>
Total Operating Revenue		<u>\$ 1,715,309,586</u>	<u>\$ 1,528,371,126</u>	<u>\$ 186,938,459</u>
Operating Expenses:				
Operation Expenses	401	\$ 909,284,491	\$ 806,368,365	\$ 102,916,126
Maintenance Expenses	402	132,603,832	117,597,960	15,005,873
Depreciation Expense	403	197,657,965	175,530,376	22,127,590
Amortization of Limited-Term Electric Plant	404	10,387,567	9,214,558	1,173,009
Regulatory Credits	407	-	-	-
Taxes Other than Income Taxes	408.1	36,763,925	33,115,936	3,647,989
Income Taxes - Federal	409.1	(86,920,110)	Total Income Taxes	
Income Taxes - State	409.1	3,944,736		
Deferred Federal Income Taxes - Net	410-1.1	203,449,330		
Deferred State Income Taxes - Net	410-1.1	15,775,827		
Accretion Expense	411.1	-	-	-
Investment Tax Credit Adjustment - Net	411.4	-	-	-
Losses/(Gains) from Disposition of Allowances	411.8	(157)	(137)	(19)
Total Utility Operating Expenses		<u>\$ 1,422,947,408</u>	<u>\$ 1,264,686,966</u>	<u>\$ 158,260,443</u>
Net Utility Operating Income		<u>\$ 292,362,177</u>	<u>\$ 263,684,160</u>	<u>\$ 28,678,016</u>

KENTUCKY UTILITIES COMPANY
Income Statement on a Total Company and Jurisdictional Basis
Twelve Months Ended June 30, 2015

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		\$ 5,279,318		
Total Other Income Deductions		2,596,536		
Total Taxes on Other income and Deductions		(2,106,466)		
Net Other Income, and Deductions		\$ 4,789,247		
<u>Interest Charges</u>				
Interest on Long Term Debt	427	\$ 70,876,397		
Amortization of Debt Discount and Expense	428	2,877,257		
Amortization of Loss on Re-Acquired Debt	428.1	653,359		
Amortization of Premium on Debt - Credit	429	-		
Amortization of Gain on Re-Acquired Debt - Credit	429.1	-		
Interest on Debt to Associated Companies	430	2,184		
Other Interest Expense	431	3,811,861		
Allowance for Borrowed Funds Used During Construction	432	(797,464)		
Net Interest Charges		\$ 77,423,594	\$ 69,196,130	\$ 8,227,464
Cumulative Effect of Accounting Change, Net of Tax		\$ -		
Net Income		\$ 219,727,830		