



a PPL company

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

February 14, 2020

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

Dear Mr. Cline:

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

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

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

Sincerely,

A handwritten signature in blue ink that reads "Rick E. Lovekamp". The signature is written in a cursive, flowing style.

Rick E. Lovekamp

Enclosures

cc: KPSC Division of Financial Analysis

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FEB 14 2020

PUBLIC SERVICE
COMMISSION

Kentucky Utilities Company
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KENTUCKY UTILITIES COMPANY
Balance Sheet on a Total Company and Jurisdictional Basis
At December 31, 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	\$ 9,880,639,710	\$ 9,238,836,117	\$ 641,803,593
Plus: Construction Work in Progress	107	495,780,054	463,437,692	32,342,362
Total Utility Plant		\$ 10,376,419,764	\$ 9,702,273,809	\$ 674,145,955
Less: Accumulated Provision for Depreciation	108,111	3,464,339,891	3,219,274,202	245,065,689
Net Utility Plant		\$ 6,912,079,873	\$ 6,482,999,607	\$ 429,080,266
<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	30,690,208	28,875,431	1,814,777
Total Other Property and Investments		\$ 31,597,772	\$ 28,875,431	\$ 2,722,341
<u>Current and Accrued Assets</u>				
Cash	131	\$ 9,833,693	\$ 9,223,756	\$ 609,937
Special Deposits	132-134	-	-	-
Working Funds	135	58,730	55,087	3,643
Temporary Cash Investments	136	2,285,927	2,144,142	141,785
Customer Accounts Receivable	142	140,210,928	128,222,970	11,987,958
Other Accounts Receivable	143	25,791,511	24,191,788	1,599,723
Less: Accum Prov for Uncollectable Accts-Credit	144	1,450,900	1,360,908	89,992
Notes Receivable from Associated Companies	141,145	700,740	657,276	43,464
Accounts Receivable from Associated Companies	146	570	536	34
Fuel	151	63,279,741	59,598,488	3,681,253
Plant Materials and Operating Supplies	154	60,430,620	56,206,894	4,223,726
Allowances	158.1	125,578	117,806	7,772
Less: Non-Current Portion of Allowances	158.1	-	-	-
Stores Expense Undistributed	163	4,274,232	3,975,490	298,742
Prepayments	165	19,121,367	17,935,518	1,185,849
Interest, Dividends, and Rents Receivable	171-172	1,308,141	1,227,003	81,138
Accrued Utility Revenues	173	87,971,211	82,091,849	5,879,362
Miscellaneous Current Assets	174-176	-	-	-
Total Current and Accrued Assets		\$ 413,942,089	\$ 384,287,695	\$ 29,654,393
<u>Deferred Debits</u>				
Unamortized Debt Expense	181	\$ 18,127,140	\$ 17,002,801	\$ 1,124,339
Deferred Regulatory Assets	182	426,210,642	406,129,294	20,081,348
Preliminary Survey and Inventory	183	2,449,503	2,297,572	151,931
Clearing Accounts	184	(36,111)	(33,976)	(2,135)
Miscellaneous Deferred Debits	186-188	59,824,267	23,145,116	36,679,151
Unamortized Loss on Bonds	189	9,294,441	8,717,952	576,489
Accumulated Deferred Income Taxes	190	313,445,798	293,960,118	19,485,680
Total Deferred Debits		\$ 829,315,680	\$ 751,218,878	\$ 78,096,802
Total Assets		\$ 8,186,935,414	\$ 7,647,381,611	\$ 539,553,803

KENTUCKY UTILITIES COMPANY
Balance Sheet on a Total Company and Jurisdictional Basis
At December 31, 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	\$ 289,027,538	\$ 19,112,440
Preferred Stock Issued	204	-	-	-
Premium on Capital Stock	207	-	-	-
Paid in Capital	208-211	696,858,083	653,635,331	43,222,752
Other Comprehensive Income	219	0	-	0
(Less) Common Stock Expense	214	321,289	301,361	19,928
Retained Earnings	215-216	1,962,485,402	1,840,761,881	121,723,521
Unappropriated Undistributed Subsidiary Earnings	216.1	-	-	-
Total Proprietary Capital		\$ 2,967,162,173	\$ 2,783,123,389	\$ 184,038,784
Long-Term Debt				
Bonds	221-222	\$ 2,641,852,405	\$ 2,477,991,020	\$ 163,861,385
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	5,377,756	5,044,199	333,557
Unamortized Discount on Long-Term Debt	226	(7,489,452)	(7,024,918)	(464,534)
Total Long-Term		\$ 2,639,740,708	\$ 2,476,010,301	\$ 163,730,407
Other Non-Current Liabilities				
Accumulated Provision for Property Insurance	228.1	-	-	-
Accumulated Provision for Injuries and Damages	228.2	3,336,648	3,139,344	197,304
Accumulated Provision for Pensions and Benefits	228.3	20,244,990	19,047,861	1,197,129
Accumulated Miscellaneous Operating Provision	228.4	-	-	-
Total Other Non-Current Liabilities		\$ 23,581,638	\$ 22,187,205	\$ 1,394,433
Current and Accrued Liabilities				
Notes Payable	231	\$ 149,934,887	\$ 140,635,148	\$ 9,299,739
Accounts Payable	232	133,050,065	125,182,532	7,867,533
Notes Payable to Associated Companies	233	-	-	-
Accounts Payable to Associated Companies	234	51,685,327	-	51,685,327
Customer Deposits	235	31,492,745	30,270,182	1,222,562
Taxes Accrued	236	26,106,354	24,487,102	1,619,252
Interest Accrued	237	19,982,288	18,742,883	1,239,405
Dividends Declared	238	-	-	-
Matured Long-Term Bonds	239	-	-	-
Tax Collections Payable	241	4,188,864	3,937,298	251,566
Miscellaneous Current and Accrued Liabilities	242-245	29,503,978	28,096,257	1,407,721
Total Current and Accrued Liabilities		\$ 445,944,507	\$ 371,351,402	\$ 74,593,105
Deferred Credits				
Customer Advances for Construction	252	\$ 4,891,559	\$ 4,870,067	\$ 21,492
Accumulated Deferred Investment Tax Credits	255	90,078,098	84,311,418	5,766,680
Other Deferred Credits	253	117,420	110,329	7,091
Regulatory Liabilities	254	745,640,720	697,283,143	48,357,577
Asset Retirement Obligation	230	141,909,343	133,126,997	8,782,346
Miscellaneous Long-Term Liabilities	244	22,733,605	21,323,549	1,410,056
Accumulated Deferred Income Taxes	281-283	1,105,135,642	1,036,433,752	68,701,890
Total Deferred Credits		\$ 2,110,506,387	\$ 1,977,459,255	\$ 133,047,132
Total Liabilities and Stockholders Equity		\$ 8,186,935,414	\$ 7,630,131,552	\$ 556,803,862
Adjustment to Balance		-	\$ (17,250,059)	\$ 17,250,059

KENTUCKY UTILITIES COMPANY
Income Statement on a Total Company and Jurisdictional Basis
Twelve Months Ended December 31, 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	\$ 657,183,974	\$ 620,788,769	\$ 36,395,205
Commercial and Industrial Sales:	442			
Small (or Comm) - Rural Comm & Comm L&P		443,870,883	426,018,351	17,852,531
Large (or Ind) - Industrial & Mine Power		384,263,591	374,890,531	9,373,061
Public Street and Highway Lighting	444	11,866,826	11,513,760	353,066
Other Sales to Public Authorities	445	138,341,525	131,341,776	6,999,749
Total Sales to Ultimate Consumers		<u>\$ 1,635,526,799</u>	<u>\$ 1,564,553,188</u>	<u>\$ 70,973,612</u>
Sales for Resale	447	60,167,160	10,216,987	49,950,173
Total Sales of Electricity		<u>\$ 1,695,693,959</u>	<u>\$ 1,574,770,175</u>	<u>\$ 120,923,784</u>
Less: Provision for Refund	449.1	-	-	-
Total Revenues Net of Provision for Refund		<u>\$ 1,695,693,959</u>	<u>\$ 1,574,770,175</u>	<u>\$ 120,923,784</u>
Other Operating Revenues:				
Late Payment Charges	450	4,153,151	3,984,715	168,436
Miscellaneous Service Revenues	451	2,103,305	1,960,881	142,424
Rent from Electric Property	454	12,248,650	10,974,614	1,274,037
Other Electric Revenues	456	25,602,036	24,434,858	1,167,177
Total Other Operating Revenues		<u>\$ 44,107,143</u>	<u>\$ 41,355,068</u>	<u>\$ 2,752,075</u>
Total Operating Revenue		<u>\$ 1,739,801,102</u>	<u>\$ 1,616,125,243</u>	<u>\$ 123,675,859</u>
Operating Expenses:				
Operation Expenses	401	\$ 749,617,770	\$ 705,141,678	\$ 44,476,092
Maintenance Expenses	402	142,961,244	132,537,166	10,424,078
Depreciation Expense	403	288,636,282	269,714,919	18,921,363
Amortization of Limited-Term Electric Plant	404	17,183,580	16,067,534	1,116,046
Regulatory Debits	407	9,336,712	7,418,230	1,918,482
Taxes Other than Income Taxes	408.1	45,459,729	42,877,928	2,581,801
Income Taxes - Federal	409.1	36,049,104	Total Income Taxes	8,971,947
Income Taxes - State	409.1	4,938,881		
Deferred Federal Income Taxes - Net	410-1.1	28,517,925		
Deferred State Income Taxes - Net	410-1.1	13,108,026		
Accretion Expense	411.1	-	-	-
Investment Tax Credit Adjustment - Net	411.4	432,019	385,101	46,918
Losses/(Gains) from Disposition of Allowances	411.8	(111,111)	(104,647)	(6,464)
Total Utility Operating Expenses		<u>\$ 1,336,130,160</u>	<u>\$ 1,247,679,897</u>	<u>\$ 88,450,263</u>
Net Utility Operating Income		<u>\$ 403,670,943</u>	<u>\$ 368,445,346</u>	<u>\$ 35,225,596</u>

KENTUCKY UTILITIES COMPANY
Income Statement on a Total Company and Jurisdictional Basis
Twelve Months Ended December 31, 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.				
<u>Other Income and Deductions</u>				
Total Other Income		<u>\$ 1,792,914</u>		
Total Other Income Deductions		<u>6,950,672</u>		
Total Taxes on Other Income and Deductions		<u>(3,981,763)</u>		
Net Other Income and Deductions		<u>\$ (1,175,995)</u>		
<u>Interest Charges</u>				
Interest on Long Term Debt	427	\$ 101,614,350		
Amortization of Debt Discount and Expense	428	2,926,192		
Amortization of Loss on Re-Acquired Debt	428.1	572,941		
Amortization of Premium on Debt - Credit	429	-		
Amortization of Gain on Re-Acquired Debt - Credit	429.1	-		
Interest on Debt to Associated Companies	430	19,222		
Other Interest Expense	431	4,637,710		
Allowance for Borrowed Funds Used During Construction	432	<u>(310,965)</u>		
Net Interest Charges		<u>\$ 109,459,450</u>	<u>\$ 102,670,207</u>	<u>\$ 6,789,243</u>
Cumulative Effect of Accounting Change, Net of Tax		<u>\$ -</u>		
Net Income		<u>\$ 293,035,497</u>		