



Ms. Joyce Spear  
Rates and Tariffs Division  
Kentucky Public Service Commission  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, KY 40602-0615

RECEIVED

AUG 14 2009

PUBLIC SERVICE  
COMMISSION

**E.ON U.S. LLC**

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August 14, 2009

**Re: Kentucky Utilities Company - Kentucky Jurisdictional 12-Months Ended June 30, 2009 Income Statement and Balance Sheet as of June 30, 2009 (Case Nos. 97-300, 2000-095, and 2001-104)**

Dear Ms. Spear:

Enclosed is Kentucky Utilities Company's ("KU") response to the Commission's Order, dated September 12, 1997, in the Case No. 97-300, wherein the Commission directed KU to submit quarterly Twelve-Month Ended Income Statements and Balance Sheets on a Kentucky Jurisdictional and Other Jurisdictional operations basis. This information is also filed in response to the Commission's Order dated May 15, 2000, in Case No. 2000-095, *Summary of Findings, No. 8 and Appendix B, Reporting Requirements to be filed Quarterly, No. 3*. These commitments were repeated in the Commission's Order dated August 6, 2001, in Case No. 2001-104, *Appendix A, Operations and Financial, 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  
At June 30, 2009  
Assets and Other Debits

Title of Account Column A	No. Col B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<b>Utility Plant</b>				
Utility Plant	101-106	\$ 4,724,950,104	\$ 4,132,948,567	\$ 592,001,537
Plus: Construction Work in Progress	107	1,127,606,340	974,928,437	152,677,903
Total Utility Plant		<u>\$ 5,852,556,444</u>	<u>\$ 5,107,877,004</u>	<u>\$ 744,679,440</u>
Less: Accumulated Provision for Depreciation	108,111	2,077,571,983	1,801,873,212	275,698,771
Net Utility Plant		<u>\$ 3,774,984,461</u>	<u>\$ 3,306,003,792</u>	<u>\$ 468,980,669</u>
<b>Other Property and Investments</b>				
Non-Utility Property	121	\$ 179,121	\$ -	\$ 179,121
Less: Accum Prov for Depr and Amortization	122	-	-	-
Investment in Subsidiary Companies	123.1	12,880,644	-	12,880,644
Non-Current Portion of Allowances	158.1	-	-	-
Other Investments	124	411,140	-	411,140
Special Funds	125-128	-	-	-
Total Other Property and Investments		<u>\$ 13,470,905</u>	<u>\$ -</u>	<u>\$ 13,470,905</u>
<b>Current and Accrued Assets</b>				
Cash	131	\$ 3,216,640	\$ 2,822,023	\$ 394,617
Special Deposits	132-134	-	-	-
Working Funds	135	39,367	34,538	4,829
Temporary Cash Investments	136	269	236	33
Customer Accounts Receivable	142	97,272,547	79,527,144	17,745,403
Other Accounts Receivable	143	25,431,387	22,563,235	2,868,152
Less: Accum Prov for Uncollectable Accts-Credit	144	900,433	798,882	101,551
Notes Receivable from Associated Companies	145	-	-	-
Accounts Receivable from Associated Companies	146	844,527	753,309	91,218
Fuel	151	98,117,467	85,239,550	12,877,917
Plant Materials and Operating Supplies	154	30,153,891	26,004,112	4,149,779
Allowances	158.1	1,819,611	1,579,059	240,552
Less: Non-Current Portion of Allowances	158.1	-	-	-
Stores Expense Undistributed	163	6,597,946	5,689,937	908,009
Prepayments	165	2,353,099	2,064,421	288,678
Interest and Dividends Receivable	171	16,666	14,622	2,044
Accrued Utility Revenues	173	43,270,011	40,626,378	2,643,633
Miscellaneous Current Assets -- Mark to Market	174-175	3,167,868	2,779,234	388,634
Total Current and Accrued Assets		<u>\$ 311,400,864</u>	<u>\$ 268,898,916</u>	<u>\$ 42,501,948</u>
<b>Deferred Debits</b>				
Unamortized Debt Expense	181	\$ 4,931,662	\$ 4,326,646	\$ 605,016
Unrecovered Plant and Regulatory Costs	182	-	-	-
Other Regulatory Assets	182.3	225,140,247	199,389,012	25,751,235
Preliminary Survey and Inventory	183	4,760,025	4,176,065	583,960
Clearing Accounts	184	-	-	-
Miscellaneous Deferred Debits	186	37,585,420	32,620,247	4,965,173
Unamortized Loss on Re-Acquired Debt	189	13,281,561	11,652,179	1,629,382
Accumulated Deferred Income Taxes	190	50,525,590	48,685,284	1,840,306
Total Deferred Debits		<u>\$ 336,224,506</u>	<u>\$ 300,849,433</u>	<u>\$ 35,375,073</u>
Total Assets and Other Debits		<u>\$ 4,436,080,736</u>	<u>\$ 3,875,752,141</u>	<u>\$ 560,328,595</u>

**KENTUCKY UTILITIES COMPANY**

Balance Sheet

At June 30, 2009

Liabilities and Other Credits

Title of Account Column A	No. Col B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<b>Proprietary Capital</b>				
Common Stock Issued	201	\$ 308,139,978	\$ 270,337,365	\$ 37,802,613
Preferred Stock Issued	204	-	-	-
Premium on Capital Stock	207	-	-	-
Paid in Capital	208-211	315,711,597	276,980,098	38,731,499
Other Comprehensive Income		-	-	-
Capital Stock Expense	214	(321,289)	(281,873)	(39,416)
Retained Earnings	215-216	1,216,199,359	1,066,996,022	149,203,337
Unappropriated Undistributed Subsidiary Earnings	216 1	11,334,844	-	11,334,844
<b>Total Proprietary Capital</b>		<b>\$ 1,851,064,489</b>	<b>\$ 1,614,031,612</b>	<b>\$ 237,032,877</b>
<b>Long Term Debt</b>				
Bonds	221	\$ 350,779,405	\$ 307,745,788	\$ 43,033,617
Long Term Debt Marked to Market	221200	-	-	-
Long Term Debt To Associated Companies	233006	1,231,000,000	1,079,980,920	151,019,080
Other Long Term Debt	224	-	-	-
Unamortized Premium on Long Term Debt	225	-	-	-
<b>Total Long Term</b>		<b>\$ 1,581,779,405</b>	<b>\$ 1,387,726,708</b>	<b>\$ 194,052,697</b>
<b>Other Non-Current Liabilities</b>				
Accumulated Provision for Property Insurance	228 1	-	-	-
Accumulated Provision for Injuries and Damages	228 2	2,670,860	2,382,381	288,479
Accumulated Provision for Pensions and Benefits	228 3	176,697,900	157,612,760	19,085,140
Accumulated Miscellaneous Operating Provision	228 4	-	-	-
<b>Total Other Non-Current Liabilities</b>		<b>\$ 179,368,761</b>	<b>\$ 159,995,141</b>	<b>\$ 19,373,620</b>
<b>Current and Accrued Liabilities</b>				
Notes Payable	231	-	-	-
Accounts Payable	232	144,813,434	129,172,135	15,641,299
Notes Payable to Associated Companies	233	60,555,954	53,126,950	7,429,004
Accounts Payable to Associated Companies	234	16,673,861	-	16,673,861
Customer Deposits	235	21,813,261	21,395,683	417,579
Taxes Accrued	236	9,088,935	7,973,905	1,115,030
Interest Accrued	237	14,840,846	13,020,171	1,820,675
Dividends Declared	238	-	-	-
Matured Long Term Bonds/LTD Due in 1 Year	239	-	-	-
Tax Collections Payable	241	4,586,251	3,956,249	630,002
Miscellaneous Current and Accrued Liabilities	242	15,289,133	14,054,731	1,234,402
<b>Total Current and Accrued Liabilities</b>		<b>\$ 287,661,676</b>	<b>\$ 242,699,823</b>	<b>\$ 44,961,853</b>
<b>Deferred Credits</b>				
Customer Advances for Construction	252	\$ 2,424,841	\$ 2,416,126	\$ 8,715
Accumulated Deferred Investment Tax Credits	255	90,600,852	77,793,897	12,806,955
Other Deferred Credits	253	29,926,675	26,397,686	3,528,989
Other Regulatory Liabilities	254	43,578,072	40,584,282	2,993,790
Asset Retirement Obligation	230	33,604,804	29,162,249	4,442,555
Miscellaneous Long Term Liability Due to Associated Companies	234	-	-	-
Accumulated Deferred Income Taxes	281-283	336,071,160	323,830,356	12,240,804
<b>Total Deferred Credits</b>		<b>\$ 536,206,405</b>	<b>\$ 500,184,596</b>	<b>\$ 36,021,809</b>
<b>Total Liabilities and Other Credits</b>		<b>\$ 4,436,080,736</b>	<b>\$ 3,904,637,880</b>	<b>\$ 531,442,856</b>

**KENTUCKY UTILITIES COMPANY**

## Statement of Income

Twelve Months Ended June 30, 2009

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E		
<b>Utility Operating Income</b>						
<b>Operating Revenues:</b>						
Residential Sales	440	\$ 478,293,483	449,969,702	\$ 28,323,781		
Commercial and Industrial Sales:	442					
Small (or Comm) - Rural Comm & Comm L&P		326,022,594	312,598,915	13,423,680		
Large (or Ind) - Industrial & Mine Power		306,022,079	294,060,229	11,961,850		
Public Street and Highway Lighting	444	9,863,407	9,589,891	273,517		
Other Sales to Public Authorities	445	100,804,675	95,633,026	5,171,649		
Total Sales to Ultimate Consumers		\$ 1,221,006,238	\$ 1,161,851,762	\$ 59,154,476		
Sales for Resale	447	169,975,024	69,599,799	100,375,225		
Total Sales of Electricity		\$ 1,390,981,263	\$ 1,231,451,562	\$ 159,529,701		
Less: Provision for Refund	449.1	-	-	-		
Total Revenues Net of Provision for Refund		\$ 1,390,981,263	\$ 1,231,451,562	\$ 159,529,701		
<b>Other Operating Revenues:</b>						
Forfeited Discount/Late Payments	450	1,519,920	1,519,920	-		
Miscellaneous Service Revenues	451	1,206,624	1,178,984	27,640		
Rent from Electric Property	454	1,770,400	1,640,208	130,193		
Other Electric Revenues	456	6,362,879	5,370,931	991,948		
Total Other Operating Revenues		\$ 10,859,824	\$ 9,710,044	\$ 1,149,781		
<b>Total Operating Revenue</b>		<b>\$ 1,401,841,087</b>	<b>\$ 1,241,161,605</b>	<b>\$ 160,679,482</b>		
<b>Operating Expenses:</b>						
Operation Expenses	401	\$ 888,125,821	\$ 774,520,139	113,605,682		
Maintenance Expenses	402	144,648,320	127,182,968	17,465,352		
Depreciation Expense	403	134,091,600	117,498,049	16,593,551		
Amortization of Limited-Term Electric Plant	404	5,497,291	4,808,755	688,536		
Regulatory Credits	407	(2,342,207)	(2,033,548)	(308,658)		
Taxes Other than Income Taxes	408.1	22,259,722	19,915,647	2,344,074		
Income Taxes - Federal	409.1	13,320,855	Total Income Taxes			
Income Taxes - State	409.1	5,225,335			23,371,445	(553,322)
Provision for Deferred Income Taxes	410.1	55,546,286				
Provision for Deferred Income Taxes - Credit	411.1	(51,274,353)				
Accretion Expense	411.1	2,045,224	1,775,810	269,414		
Investment Tax Credit Adjustment - Net	411.4	23,050,125	20,002,899	3,047,227		
Losses/(Gains) from Disposition of Allowances	411.8	(84,708)	(73,509)	(11,199)		
Total Utility Operating Expenses		\$ 1,240,109,313	\$ 1,086,968,654	\$ 153,140,657		
<b>Net Utility Operating Income</b>		<b>\$ 161,731,774</b>	<b>\$ 154,192,951</b>	<b>\$ 7,538,825</b>		

**KENTUCKY UTILITIES COMPANY**

## Statement of Income

Twelve Months Ended June 30, 2009

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	Other Jurisdictional Column E
<b>Other Income and Deductions are not separated on a jurisdictional basis.</b>			
<u>Other Income and Deductions</u>			
Total Other Income		\$ 27,858,593	
Total Other Income Deductions		(933,146)	
Total Taxes on Other income and Deductions		(70,507)	
Net Other Income and Deductions		\$ 28,862,245	
<u>Interest Charges</u>			
Interest on Long Term Debt	427	\$ 70,829,160	
Amortization of Debt Discount and Expense	428	215,994	
Amortization of Loss on Re-Acquired Debt	428.1	567,000	
Amortization of Premium on Debt - Credit	429	-	
Amortization of Gain on Re-Acquired Debt - Credit	429.1	-	
Interest on Debt to Associated Companies	430	1,626,474	
Other Interest Expense	431	3,308,033	
Allowance for Borrowed Funds Used During Construction	432	(1,861,529)	
Net Interest Charges		\$ 74,685,131	\$ 67,512,542
			\$ 7,172,589
Cumulative Effect of Accounting Change, Net of Tax		\$ -	
Net Income		\$ 115,908,888	