



139 East Fourth Street-1303-Main
Cincinnati, Ohio 45202
Tel: 513-287-4320
Fax: 513-370-5720
Rocco.D'Ascenzo@duke-energy.com

Rocco O. D'Ascenzo
Deputy General Counsel

VIA EMAIL DELIVERY

September 13, 2024

Ms. Linda Bridwell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

RECEIVED

SEP 13 2024

PUBLIC SERVICE
COMMISSION

Re: Case No. 2011-00124
In the Matter of the Joint Application of Duke Energy Corporation, Cinergy Corp., Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc., Diamond Acquisition Corporation, and Progress Energy, Inc. for Approval of the Indirect Transfer of Control of Duke Energy Kentucky, Inc.

Dear Ms. Bridwell:

Enclosed please find Duke Energy Kentucky's financial statements for the end of July 2024, per order by the Commission in the above-referenced case.

If you have any questions regarding the financial statements, please contact Danielle Weatherston at Danielle.Weatherston@duke-energy.com.

Very Truly Yours,

/s/Rocco O. D'Ascenzo

Rocco O. D'Ascenzo

Enclosures

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of July 31, 2024
(Unaudited)

	<u>Total Company</u>
<u>Assets</u>	
Utility Plant in Service	3,389,425,905
Construction Work in Progress	118,234,926
Less: Accumulated Depreciation	<u>(1,164,812,078)</u>
Net Utility Plant	<u>2,342,848,753</u>
Nonutility Property	1,325,252
Other Investments	1,500
Other Special Funds	19,783,304
Long Term Portion of Derivative Instrument Assets	-
Total Other Property & Investments	<u>21,110,056</u>
Cash	970,675
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	57,443,946
Other Accounts Receivable	3,318,243
Less: Provision for Uncollectibles	(4,028,063)
Notes Receivable from Assoc. Co.	175,825,000
Accounts Receivable from Assoc. Co.	45,185
Fuel Stock	38,130,771
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	28,602,459
Other Materials & Supplies	-
Stores Expense Undistributed	1,207,577
Prepayments	1,991,871
Emission Allowances	18,470
Derivative Instrument Assets	2,208,927
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	7,133,565
Accrued Utility Revenue	33,830,358
Rents Receivable	8,582
Total Current & Accrued Assets	<u>346,707,566</u>
Unamortized Debt Expense	3,287,849
Other Regulatory Assets	111,784,001
Preliminary Survey & Investigation	1,295,317
Clearing Accounts	125,481
Temporary Facilities	17,073
Miscellaneous Deferred Debits	2,709,952
Unamortized Loss on Reacquired Debt	107,802
Accumulated Deferred Income Taxes	80,343,463
Unrecovered Purchased Gas Costs	(2,745,256)
Total Deferred Debits	<u>196,925,682</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>2,907,592,057</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of July 31, 2024
(Unaudited)

	<u>Total Company</u>
<u>Proprietary Capital</u>	
Common Stock Issued	8,779,995
Premium on Capital Stock	18,838,946
Other Paid-in Capital Stock	474,372,496
Retained Earnings	704,400,633
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>1,206,392,070</u>
<u>Liabilities</u>	
Bonds	906,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(142,358)
Total Long-Term Debt	<u>931,577,642</u>
Obligations Under Capital Leases - Noncurrent	5,759,944
Asset Retirement Obligation	86,139,783
Long-Term Portion of Derivative Instrument Liabilities	928,367
Accum. Misc. Operating Provisions	32,761,062
Total Other Noncurrent Liabilities	<u>125,589,156</u>
Accounts Payable	39,926,284
Notes Payable to Assoc. Co.	-
Accounts Payable to Assoc. Co.	20,233,038
Customer Deposits	8,309,881
Taxes Accrued	23,819,838
Interest Accrued	8,323,249
Tax Collections Payable	3,393,956
Misc. Current & Accrued Liabilities	10,517,937
Obligations Under Capital Leases - Current	299,929
Derivative Instrument Liabilities	1,270,865
Less: Long-Term Portion of Derivative Instrument Liabilities	(928,367)
Total Current & Accrued Liabilities	<u>115,166,610</u>
Customer Advances for Construction	2,528,681
Accum. Deferred Investment Tax Credits	5,120,973
Other Deferred Credits	14,528,046
Other Regulatory Liabilities	118,207,742
Accumulated Deferred Income Taxes	388,481,137
Total Deferred Credits	<u>528,866,579</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u><u>2,907,592,057</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
As of July 31, 2024
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	200,354,210	83,567,979	283,922,189
Commercial Sales	174,898,972	32,552,946	207,451,918
Industrial Sales	73,101,054	1,684,438	74,785,492
Sales to Public Authorities	25,206,482	1,817,310	27,023,792
Public Street & Highway Lighting	648,157	-	648,157
Inter-Departmental Sales	22,401	33,994	56,395
Misc. Service Revenues	(10,628,400)	23,776	(10,604,624)
Revenues from Transportation	-	11,306,521	11,306,521
Sales for Resale	22,039,610	-	22,039,610
Rents from Property	1,703,718	-	1,703,718
Other Revenues	13,901,609	(377,005)	13,524,604
Total Revenues	<u>501,247,813</u>	<u>130,609,959</u>	<u>631,857,772</u>
<u>Operating Expenses</u>			
Operation Expense	269,001,381	64,927,519	333,928,900
Maintenance Expense	27,167,645	2,229,817	29,397,462
Depreciation Expense	84,389,001	18,575,728	102,964,729
Amortization and Depletion	4,777,370	3,922,539	8,699,909
Taxes Other than Income Taxes	16,081,652	7,158,101	23,239,753
Income Taxes - Federal & Other	21,480,510	(11,134,878)	10,345,632
Provision for Deferred Income Taxes - Net	(8,081,110)	16,900,552	8,819,442
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>414,816,449</u>	<u>102,579,378</u>	<u>517,395,827</u>
NET OPERATING INCOME	<u>86,431,364</u>	<u>28,030,581</u>	<u>114,461,945</u>
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	2,993,509	-	2,993,509
Less: Expense of Merchandising, Jobbing and Contract Work	(160,207)	-	(160,207)
Revenues from Nonutility Operations	737,059	1,672	738,731
Interest & Dividend Income	3,151,177	948,033	4,099,210
Non Operating Rental Income	(632)	(1,176)	(1,808)
AFUDC	1,325,574	925,374	2,250,948
Gain on Disposition of Property	-	83,825	83,825
Loss on Disposition of Property	(2,552)	(985)	(3,537)
Misc. Income Deductions	(4,179,838)	(1,546,084)	(5,725,922)
Taxes Other than Income Taxes	5,373	-	5,373
Income Taxes - Federal & Other	(1,572,807)	12,983,433	11,410,626
Provision for Deferred Income Taxes - Net	371,359	(12,880,293)	(12,508,934)
Total Other Income & Deductions	<u>2,668,015</u>	<u>513,799</u>	<u>3,181,814</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(20,370,928)	(9,709,926)	(30,080,854)
Amortization of Debt Disc. And Expense	(321,249)	(146,609)	(467,858)
Amortization of Loss on Reacquired Debt	(63,833)	(31,779)	(95,612)
Interest on Debt to Assoc. Co.	(3,165,982)	(1,571,079)	(4,737,061)
Other Interest Expense	(1,405,992)	(180,051)	(1,586,043)
Less: Allowance for Borrowed Fund Used During Construction - Credit	1,932,037	1,691,413	3,623,450
Net interest Charges	<u>(23,395,947)</u>	<u>(9,948,031)</u>	<u>(33,343,978)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>65,703,432</u>	<u>18,596,349</u>	<u>84,299,781</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
As of July 31, 2024
(Unaudited)

	Actual June-24	Activity	Actual July-24
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	903,779,999	29,399	903,809,398
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	5,785,942	(25,999)	5,759,943
Total Long-term debt	<u>934,565,941</u>	<u>3,400</u>	<u>934,569,341</u>
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	-	5,600,021
Other Miscellaneous PIC	(156,194)	-	(156,194)
Miscellaneous PIC	325,717,307	-	325,717,307
Unappropriated Retained Earnings Balance	644,079,088	-	644,079,088
Unappropriated Retained Earnings - Current Year Net Income	52,320,664	8,000,881	60,321,545
Total Common Stock Equity	<u>1,198,391,189</u>	<u>8,000,881</u>	<u>1,206,392,070</u>
 TOTAL CAPITALIZATION	 \$ 2,132,957,130	 \$ 8,004,281	 \$ 2,140,961,411

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, however it does include Unamortized Discount and Unamortized Debt Expense.

** "Obligations under Capital Lease Noncurrent includes \$8.1M of lease liabilities resulting from the implementation of ASC 842 in January 2019.