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Rocco O. D'Ascenzo
Deputy General Counsel

VIA EMAIL DELIVERY

December 13, 2024

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

RECEIVED

DEC 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 October 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 October 31, 2024
(Unaudited)

	Total Company
<u>Assets</u>	
Utility Plant in Service	3,393,876,109
Construction Work in Progress	164,474,846
Less: Accumulated Depreciation	<u>(1,164,334,820)</u>
Net Utility Plant	<u>2,394,016,135</u>
Nonutility Property	1,330,395
Other Investments	1,500
Other Special Funds	20,399,837
Long Term Portion of Derivative Instrument Assets	-
Total Other Property & Investments	<u>21,731,732</u>
Cash	2,820,926
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	41,192,203
Other Accounts Receivable	2,228,429
Less: Provision for Uncollectibles	(3,475,776)
Notes Receivable from Assoc. Co.	31,432,000
Accounts Receivable from Assoc. Co.	280,001
Fuel Stock	32,124,499
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	24,165,022
Other Materials & Supplies	-
Stores Expense Undistributed	(143,184)
Prepayments	2,274,187
Emission Allowances	18,470
Derivative Instrument Assets	1,731,913
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	7,597,968
Accrued Utility Revenue	26,767,335
Rents Receivable	4,378
Total Current & Accrued Assets	<u>169,018,371</u>
Unamortized Debt Expense	3,221,304
Other Regulatory Assets	107,690,848
Preliminary Survey & Investigation	1,332,319
Clearing Accounts	98,817
Temporary Facilities	5,631
Miscellaneous Deferred Debits	2,467,233
Unamortized Loss on Reacquired Debt	87,926
Accumulated Deferred Income Taxes	82,158,956
Unrecovered Purchased Gas Costs	214,519
Total Deferred Debits	<u>197,277,553</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>2,782,043,791</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of October 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	582,568,580
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>1,084,560,017</u>
<u>Liabilities</u>	
Bonds	811,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(139,292)
Total Long-Term Debt	<u>836,580,708</u>
Obligations Under Capital Leases - Noncurrent	3,668,120
Asset Retirement Obligation	87,520,936
Long-Term Portion of Derivative Instrument Liabilities	861,280
Accum. Misc. Operating Provisions	28,836,721
Total Other Noncurrent Liabilities	<u>120,887,057</u>
Accounts Payable	46,383,475
Notes Payable to Assoc. Co.	-
Accounts Payable to Assoc. Co.	15,993,664
Customer Deposits	8,507,645
Taxes Accrued	23,409,667
Interest Accrued	9,564,588
Tax Collections Payable	2,199,027
Misc. Current & Accrued Liabilities	100,398,020
Obligations Under Capital Leases - Current	202,968
Derivative Instrument Liabilities	1,177,626
Less: Long-Term Portion of Derivative Instrument Liabilities	(861,280)
Total Current & Accrued Liabilities	<u>206,975,400</u>
Customer Advances for Construction	2,528,681
Accum. Deferred Investment Tax Credits	5,135,705
Other Deferred Credits	14,242,211
Other Regulatory Liabilities	116,617,908
Accumulated Deferred Income Taxes	394,516,104
Total Deferred Credits	<u>533,040,609</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u><u>2,782,043,791</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ending October 31, 2024
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	201,554,030	82,291,180	283,845,210
Commercial Sales	175,391,821	32,640,038	208,031,859
Industrial Sales	72,457,746	1,670,287	74,128,033
Sales to Public Authorities	25,419,708	1,780,115	27,199,823
Public Street & Highway Lighting	598,333	-	598,333
Inter-Departmental Sales	15,961	19,141	35,102
Misc. Service Revenues	(1,713,261)	24,388	(1,688,873)
Revenues from Transportation	-	11,549,463	11,549,463
Sales for Resale	23,062,519	-	23,062,519
Rents from Property	1,723,281	-	1,723,281
Other Revenues	13,980,159	(340,994)	13,639,165
Total Revenues	<u>512,490,297</u>	<u>129,633,618</u>	<u>642,123,915</u>
<u>Operating Expenses</u>			
Operation Expense	272,275,495	65,069,090	337,344,585
Maintenance Expense	19,175,929	2,188,928	21,364,857
Depreciation Expense	85,523,530	19,015,008	104,538,538
Amortization and Depletion	4,863,083	3,966,351	8,829,434
Taxes Other than Income Taxes	13,165,066	6,900,745	20,065,811
Income Taxes - Federal & Other	16,014,567	(14,734,069)	1,280,498
Provision for Deferred Income Taxes - Net	(639,773)	21,570,818	20,931,045
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>410,377,897</u>	<u>103,976,871</u>	<u>514,354,768</u>
NET OPERATING INCOME	<u>102,112,400</u>	<u>25,656,747</u>	<u>127,769,147</u>
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	3,073,004	-	3,073,004
Less: Expense of Merchandising, Jobbing and Contract Work	(174,257)	-	(174,257)
Revenues from Nonutility Operations	704,790	1,168	705,958
Interest & Dividend Income	3,348,203	1,215,087	4,563,290
Non Operating Rental Income	(633)	(1,175)	(1,808)
AFUDC	2,342,384	1,559,049	3,901,433
Gain on Disposition of Property	1,749	84,516	86,265
Loss on Disposition of Property	(1,749)	(691)	(2,440)
Misc. Income Deductions	(2,897,984)	(1,183,511)	(4,081,495)
Taxes Other than Income Taxes	4,048	-	4,048
Income Taxes - Federal & Other	(4,495,485)	7,971,721	3,476,236
Provision for Deferred Income Taxes - Net	2,970,369	(8,077,872)	(5,107,503)
Total Other Income & Deductions	<u>4,874,439</u>	<u>1,568,292</u>	<u>6,442,731</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(21,773,054)	(10,609,364)	(32,382,418)
Amortization of Debt Disc. And Expense	(335,016)	(160,001)	(495,017)
Amortization of Loss on Reacquired Debt	(57,040)	(28,909)	(85,949)
Interest on Debt to Assoc. Co.	(2,096,286)	(1,059,213)	(3,155,499)
Other Interest Expense	(2,060,800)	(157,282)	(2,218,082)
Less: Allowance for Borrowed Fund Used During Construction - Credit	1,589,631	1,243,534	2,833,165
Net interest Charges	<u>(24,732,565)</u>	<u>(10,771,235)</u>	<u>(35,503,800)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>82,254,274</u>	<u>16,453,804</u>	<u>98,708,078</u>

Duke Energy Kentucky, Inc.

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

	Actual September-24	Activity	Actual October-24
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	903,881,913	(94,967,723)	808,914,190
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	4,260,866	(592,746)	3,668,120
Total Long-term debt	933,142,779	(95,560,469)	837,582,310
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	504,079,088	-	504,079,088
Unappropriated Retained Earnings - Current Year Net Income	73,578,349	4,911,143	78,489,492
Total Common Stock Equity	1,079,648,874	4,911,143	1,084,560,017
TOTAL CAPITALIZATION	\$ 2,012,791,653	\$ (90,649,326)	\$ 1,922,142,327

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.