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Rocco O. D'Ascenzo
Deputy General Counsel

VIA EMAIL DELIVERY

March 14, 2025

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

RECEIVED

MAR 14 2025

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 January 2025, 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 January 31, 2025
(Unaudited)

	<u>Total Company</u>
<u>Assets</u>	
Utility Plant in Service	3,488,919,912
Construction Work in Progress	98,463,215
Less: Accumulated Depreciation	<u>(1,165,692,842)</u>
Net Utility Plant	<u>2,421,690,285</u>
Nonutility Property	1,346,125
Other Investments	1,500
Other Special Funds	18,463,892
Long Term Portion of Derivative Instrument Assets	-
Total Other Property & Investments	<u>19,811,517</u>
Cash	2,065,904
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	78,879,030
Other Accounts Receivable	1,220,988
Less: Provision for Uncollectibles	(3,532,634)
Notes Receivable from Assoc. Co.	20,057,000
Accounts Receivable from Assoc. Co.	34,283
Fuel Stock	31,302,977
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	22,725,812
Other Materials & Supplies	-
Stores Expense Undistributed	1,168,623
Prepayments	351,834
Emission Allowances	17,733
Derivative Instrument Assets	1,140,435
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	6,720,396
Accrued Utility Revenue	31,275,211
Rents Receivable	11,582
Total Current & Accrued Assets	<u>193,439,174</u>
Unamortized Debt Expense	3,085,959
Other Regulatory Assets	106,719,070
Preliminary Survey & Investigation	1,402,844
Clearing Accounts	99,197
Temporary Facilities	3,628
Miscellaneous Deferred Debits	2,700,661
Unamortized Loss on Reacquired Debt	68,049
Accumulated Deferred Income Taxes	84,756,085
Unrecovered Purchased Gas Costs	54,103
Total Deferred Debits	<u>198,889,596</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>2,833,830,572</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of January 31, 2025
(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	620,281,139
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>1,122,272,576</u>
<u>Liabilities</u>	
Bonds	906,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(136,226)
Total Long-Term Debt	<u>931,583,774</u>
Obligations Under Capital Leases - Noncurrent	3,826,117
Asset Retirement Obligation	87,114,789
Long-Term Portion of Derivative Instrument Liabilities	773,478
Accum. Misc. Operating Provisions	27,767,838
Total Other Noncurrent Liabilities	<u>119,482,222</u>
Accounts Payable	48,889,551
Notes Payable to Assoc. Co.	-
Accounts Payable to Assoc. Co.	24,058,726
Customer Deposits	8,542,174
Taxes Accrued	29,960,214
Interest Accrued	7,681,335
Tax Collections Payable	4,390,480
Misc. Current & Accrued Liabilities	2,338,008
Obligations Under Capital Leases - Current	263,219
Derivative Instrument Liabilities	1,190,434
Less: Long-Term Portion of Derivative Instrument Liabilities	(773,478)
Total Current & Accrued Liabilities	<u>126,540,663</u>
Customer Advances for Construction	1,801,940
Accum. Deferred Investment Tax Credits	5,135,705
Other Deferred Credits	15,982,005
Other Regulatory Liabilities	113,343,703
Accumulated Deferred Income Taxes	397,687,984
Total Deferred Credits	<u>533,951,337</u>
 TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	 <u><u>2,833,830,572</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
As of January 31, 2025
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	199,608,013	84,656,733	284,264,746
Commercial Sales	172,946,661	32,666,392	205,613,053
Industrial Sales	70,034,270	1,662,943	71,697,213
Sales to Public Authorities	24,953,941	1,746,716	26,700,657
Public Street & Highway Lighting	539,164	-	539,164
Inter-Departmental Sales	9,860	22,551	32,411
Misc. Service Revenues	3,755,355	24,189	3,779,544
Revenues from Transportation	-	11,805,542	11,805,542
Sales for Resale	24,897,070	-	24,897,070
Rents from Property	1,322,070	-	1,322,070
Other Revenues	13,172,309	1,830,210	15,002,519
Total Revenues	<u>511,238,713</u>	<u>134,415,276</u>	<u>645,653,989</u>
<u>Operating Expenses</u>			
Operation Expense	278,632,374	65,118,669	343,751,043
Maintenance Expense	17,892,428	2,223,458	20,115,886
Depreciation Expense	81,536,379	19,395,055	100,931,434
Amortization and Depletion	4,928,057	3,941,402	8,869,459
Taxes Other than Income Taxes	9,340,007	5,570,381	14,910,388
Income Taxes - Federal & Other	21,302,018	9,135,411	30,437,429
Provision for Deferred Income Taxes - Net	(2,907,057)	(4,359,191)	(7,266,248)
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>410,724,206</u>	<u>101,025,185</u>	<u>511,749,391</u>
NET OPERATING INCOME	<u>100,514,507</u>	<u>33,390,091</u>	<u>133,904,598</u>
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	2,990,274	-	2,990,274
Less: Expense of Merchandising, Jobbing and Contract Work	(209,271)	-	(209,271)
Revenues from Nonutility Operations	683,146	835	683,981
Interest & Dividend Income	2,609,563	1,080,951	3,690,514
Non Operating Rental Income	(1,436)	(1,726)	(3,162)
AFUDC	3,183,499	1,726,412	4,909,911
Gain on Disposition of Property	10,216	4,035	14,251
Loss on Disposition of Property	(54,841)	(2,899)	(57,740)
Misc. Income Deductions	(1,359,361)	(719,203)	(2,078,564)
Taxes Other than Income Taxes	1,642	-	1,642
Income Taxes - Federal & Other	(4,847,647)	7,646,348	2,798,701
Provision for Deferred Income Taxes - Net	3,357,105	(7,949,075)	(4,591,970)
Total Other Income & Deductions	<u>6,362,889</u>	<u>1,785,678</u>	<u>8,148,567</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(23,380,804)	(11,677,722)	(35,058,526)
Amortization of Debt Disc. And Expense	(335,015)	(166,746)	(501,761)
Amortization of Loss on Reacquired Debt	(52,304)	(27,202)	(79,506)
Interest on Debt to Assoc. Co.	(1,154,658)	(599,622)	(1,754,280)
Other Interest Expense	(2,050,240)	(125,894)	(2,176,134)
Less: Allowance for Borrowed Fund Used During Construction - Credit	1,508,955	864,481	2,373,436
Net interest Charges	<u>(25,464,066)</u>	<u>(11,732,705)</u>	<u>(37,196,771)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>81,413,330</u>	<u>23,443,064</u>	<u>104,856,394</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
As of January 31, 2025
(Unaudited)

	Actual December-24	Activity	Actual January-25
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	903,976,072	53,940	904,030,012
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	3,848,686	(22,568)	3,826,118
Total Long-term debt	<u>932,824,758</u>	<u>31,372</u>	<u>932,856,130</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	504,079,088	101,445,306	605,524,394
Unappropriated Retained Earnings - Current Year Net Income	101,445,305	(86,688,561)	14,756,744
Total Common Stock Equity	<u>1,107,515,830</u>	<u>14,756,745</u>	<u>1,122,272,575</u>
TOTAL CAPITALIZATION	\$ 2,040,340,588	\$ 14,788,117	\$ 2,055,128,705

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 \$3.8M of lease liabilities resulting from the implementation of ASC 842 in January 2019.