



139 East Fourth Street
1303-Main
Cincinnati, Ohio 45202

o: 513-287-4320
f: 513-370-5720

Rocco.D'Ascenzo@duke-energy.com
Rocco O. D'Ascenzo
Deputy General Counsel

VIA ELECTRONIC DELIVERY

August 15, 2025

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

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AUG 15 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, Inc.'s financial statements for the end of June 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 D'Ascenzo

Rocco O. D'Ascenzo

Enclosures: As stated

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 1
As of June 30, 2025
(Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
<u>Assets</u>				
Utility Plant in Service	2,481,496,270	991,626,548	70,039,916	3,543,162,734
Construction Work in Progress	57,069,522	60,134,145	-	117,203,667
Less: Accumulated Depreciation	(939,127,853)	(242,115,631)	(3,478,539)	(1,184,722,023)
Net Utility Plant	1,599,437,939	809,645,062	66,561,377	2,475,644,378
Nonutility Property	-	-	1,329,285	1,329,285
Other Investments	-	-	1,500	1,500
Other Special Funds	-	-	19,409,647	19,409,647
Long Term Portion of Derivative Instrument Assets	-	-	-	-
Total Other Property & Investments	-	-	20,740,432	20,740,432
Cash	1,224,524	502,744	(91,691)	1,635,577
Working Funds	-	-	-	-
Temporary Cash Investments	-	-	-	-
Customer Accounts Receivable	37,378,752	11,537,041	-	48,915,793
Other Accounts Receivable	1,274,143	523,116	(95,406)	1,701,853
Less: Provision for Uncollectibles	(2,763,747)	(853,037)	-	(3,616,784)
Notes Receivable from Assoc. Co.	8,916,030	3,660,588	(667,618)	11,909,000
Accounts Receivable from Assoc. Co.	25,147	10,324	(1,883)	33,588
Fuel Stock	33,324,424	-	-	33,324,424
Gas Stored Underground Inventory	-	-	-	-
Plant Materials & Operating Supplies	22,980,574	544,639	-	23,525,213
Other Materials & Supplies	-	-	-	-
Stores Expense Undistributed	815,880	19,335	-	835,215
Prepayments	531,584	251,655	-	783,239
Emission Allowances	17,457	-	-	17,457
Derivative Instrument Assets	1,321,624	-	-	1,321,624
Interest & Dividends Receivable	-	-	-	-
Accrued Utility Revenues	20,671,131	6,380,193	-	27,051,324
Misc Current and Accrued Assets	5,457,755	2,087,544	-	7,545,299
Rents Receivable	4,501	-	-	4,501
Total Current & Accrued Assets	131,179,779	24,664,142	(856,598)	154,987,323
Unamortized Debt Expense	2,295,180	942,315	(171,860)	3,065,635
Other Regulatory Assets	84,933,370	18,793,975	-	103,727,345
Preliminary Survey & Investigation	1,450,581	595,554	(108,617)	1,937,518
Clearing Accounts	121,264	58,088	-	179,352
Temporary Facilities	-	-	-	-
Miscellaneous Deferred Debits	2,568,565	1,054,557	(192,330)	3,430,792
Unamortized Loss on Reacquired Debt	26,145	10,734	(1,958)	34,921
Accumulated Deferred Income Taxes	67,157,353	21,291,090	-	88,448,443
Unrecovered Purchased Gas Costs	-	(1,495,102)	-	(1,495,102)
Unrecovered Purchased Gas - Unbilled Rev	-	-	-	-
Unrecovered Purchased Gas-Manual Reclass	-	-	-	-
Unrecovered Purchased Gas Costs	-	-	-	-
Total Deferred Debits	158,552,458	41,251,211	(474,765)	199,328,904
TOTAL ASSETS AND OTHER DEBITS	1,889,170,176	875,560,415	85,970,446	2,850,701,037

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of June 30, 2025
(Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
<u>Proprietary Capital</u>				
Common Stock Issued	6,573,407	2,698,795	(492,207)	8,779,995
Premium on Capital Stock	14,104,342	5,790,715	(1,056,111)	18,838,946
Other Paid-in Capital Stock	355,153,201	145,812,618	(26,593,323)	474,372,496
Retained Earnings	301,910,849	202,878,351	146,945,535	651,734,735
Accumulated Other Comprehensive Income	-	-	-	-
Total Proprietary Capital	677,741,799	357,180,479	118,803,894	1,153,726,172
<u>Liabilities</u>				
Bonds	678,843,130	278,707,593	(50,830,723)	906,720,000
Advances from Associated Companies	18,717,000	7,684,500	(1,401,500)	25,000,000
Unamortized Premium on Long-Term Debt	-	-	-	-
Less: Unamortized Discount on Long-Term Debt	(98,164)	(40,302)	7,350	(131,116)
Total Long-Term Debt	697,461,966	286,351,791	(52,224,873)	931,588,884
Obligations Under Capital Leases - Noncurrent	2,630,446	1,079,947	-	3,710,393
Asset Retirement Obligation	72,767,671	13,173,213	490,100	86,430,984
Long-Term Portion of Derivative Instrument Liabilities	546,494	261,785	-	808,279
Accum. Misc. Operating Provisions	19,013,910	9,108,183	-	28,122,093
Total Other Noncurrent Liabilities	94,958,521	23,623,128	490,100	119,071,749
Accounts Payable	29,487,459	12,106,448	(2,207,975)	39,385,932
Notes Payable to Assoc. Co.	-	-	-	-
Accounts Payable to Assoc. Co.	17,605,870	7,228,312	(1,318,301)	23,515,881
Customer Deposits	5,450,954	3,665,878	-	9,116,832
Taxes Accrued	8,582,116	3,511,764	(644,331)	11,449,549
Interest Accrued	10,478,595	4,302,119	(784,621)	13,996,093
Tax Collections Payable	3,011,517	1,055,482	-	4,066,999
Misc. Current & Accrued Liabilities	6,527,446	3,126,826	-	9,654,272
Obligations Under Capital Leases - Current	192,606	79,076	-	271,682
Derivative Instrument Liabilities	818,301	391,988	-	1,210,289
Less: Long-Term Portion of Derivative Instrument Liabilities	(546,494)	(261,785)	-	(808,279)
Total Current & Accrued Liabilities	81,608,370	35,206,108	(4,955,228)	111,859,250
Customer Advances for Construction	-	1,666,084	-	1,666,084
Accum. Deferred Investment Tax Credits	2,296,301	-	2,839,403	5,135,704
Other Deferred Credits	11,660,572	3,710,601	-	15,371,173
Other Regulatory Liabilities	67,880,113	41,258,977	-	109,139,090
Accumulated Deferred Income Taxes	255,562,534	126,563,247	21,017,150	403,142,931
Total Deferred Credits	337,399,520	173,198,909	23,856,553	534,454,982
 TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	 1,889,170,176	 875,560,415	 85,970,446	 2,850,701,037

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended June 30, 2025
(Unaudited)

	Electric	Gas	Non- Jurisdictional	Total Company
<u>Revenues</u>				
Residential Sales	199,871,254	99,794,629	-	299,665,883
Commercial Sales	168,375,908	38,246,807	-	206,622,715
Industrial Sales	67,851,596	1,809,526	-	69,661,122
Sales to Public Authorities	24,973,001	2,145,409	-	27,118,410
Public Street & Highway Lighting	453,623	-	-	453,623
Inter-Departmental Sales	18,463	26,861	-	45,324
Misc. Service Revenues	4,946,066	16,772	-	4,962,838
Revenues from Transportation	-	12,002,720	-	12,002,720
Sales for Resale	23,623,907	-	-	23,623,907
Rents from Property	1,621,014	-	-	1,621,014
Other Revenues	15,681,543	2,572,540	-	18,254,083
Total Revenues	507,416,375	156,615,264	-	664,031,639
<u>Operating Expenses</u>				
Operation Expense	290,379,749	78,568,944	-	368,948,693
Maintenance Expense	22,905,279	2,237,276	1,202	25,143,757
Depreciation Expense	81,029,406	20,394,450	-	101,423,856
Amortization and Depletion	2,408,752	3,686,684	-	6,095,436
Taxes Other than Income Taxes	9,048,601	3,171,371	-	12,219,972
Income Taxes - Federal & Other	15,035,339	10,821,222	-	25,856,561
Provision for Deferred Income Taxes - Net	(411,653)	(4,305,998)	313,026	(4,404,625)
Gains from Disposition of Environmental Credits	(88,159)	-	-	(88,159)
Investment Tax Credit Adjustment	-	(27,928)	27,928	-
Total Operating Expenses	420,307,314	114,546,021	342,156	535,195,491
NET OPERATING INCOME	87,109,061	42,069,243	(342,156)	128,836,148
<u>Other Income & Deductions</u>				
Revenues from Merchandising, Jobbing and Contract Work	-	-	2,926,029	2,926,029
Less: Expense of Merchandising, Jobbing and Contract Work	-	-	(209,256)	(209,256)
Revenues from Nonutility Operations	-	-	576,214	576,214
Interest & Dividend Income	2,627,433	1,211,387	-	3,838,820
Non Operating Rental Income	(2,442)	(2,412)	-	(4,854)
AFUDC	3,652,308	1,800,426	-	5,452,734
Gain on Disposition of Property	-	-	14,251	14,251
Loss on Disposition of Property	-	-	(57,740)	(57,740)
Misc. Income Deductions	-	-	(1,614,058)	(1,614,058)
Taxes Other than Income Taxes	-	-	-	-
Income Taxes - Federal & Other	-	-	2,281,849	2,281,849
Provision for Deferred Income Taxes - Net	-	-	(4,372,151)	(4,372,151)
Total Other Income & Deductions	6,277,299	3,009,401	(454,862)	8,831,838
<u>Interest Charges</u>				
Interest on Long Term Debt	(30,315,787)	(12,446,528)	2,269,999	(40,492,316)
Amortization of Debt Disc. And Expense	(427,088)	(175,346)	31,980	(570,454)
Amortization of Loss on Reacquired Debt	(59,525)	(24,438)	4,457	(79,506)
Interest on Debt to Assoc. Co.	(921,218)	(378,217)	68,979	(1,230,456)
Other Interest Expense	(1,602,411)	(657,890)	119,986	(2,140,315)
Less: Allowance for Borrowed Fund Used During Construction - Credit	1,435,245	744,799	-	2,180,044
Net interest Charges	(31,890,784)	(12,937,620)	2,495,401	(42,333,003)
Extraordinary Items after Taxes	-	-	-	-
NET INCOME	61,495,576	32,141,024	1,698,383	95,334,983

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
June 30, 2025
(Unaudited)

	Actual May 2025	Activity	Actual June 2025
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	904,146,607	29,148	904,175,755
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	3,733,866	(23,473)	3,710,393
Total Long-term debt	932,880,473	5,675	932,886,148
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	605,524,394	-	605,524,394
Unappropriated Retained Earnings - Current Year Net Income	40,310,795	5,899,546	46,210,341
Total Common Stock Equity	1,147,826,626	5,899,546	1,153,726,172
 TOTAL CAPITALIZATION	 2,080,707,099	 5,905,221	 2,086,612,320

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.