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**MAR 17 2026**

**PUBLIC SERVICE  
COMMISSION**

March 17, 2026

Ms. Linda C. Bridwell  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602-0615  
[PSCED@ky.gov](mailto:PSCED@ky.gov)

**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 January 2026, 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](mailto: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 January 31, 2026  
(Unaudited)

	<u>Total Company</u>
<u>Assets</u>	
Utility Plant in Service	3,680,438,551
Construction Work in Progress	93,901,126
Less: Accumulated Depreciation	<u>(1,207,680,395)</u>
Net Utility Plant	<u>2,566,659,282</u>
Nonutility Property	1,327,068
Other Investments	1,500
Other Special Funds	22,214,528
Long Term Portion of Derivative Instrument Assets	-
Total Other Property & Investments	<u>23,543,096</u>
Cash	3,386,102
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	88,497,641
Other Accounts Receivable	2,236,601
Less: Provision for Uncollectibles	(3,175,756)
Notes Receivable from Assoc. Co.	-
Accounts Receivable from Assoc. Co.	966,681
Fuel Stock	28,295,469
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	46,803,617
Other Materials & Supplies	-
Stores Expense Undistributed	1,488,308
Prepayments	386,020
Emission Allowances	17,266
Derivative Instrument Assets	473,269
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	9,817,848
Accrued Utility Revenue	33,562,657
Rents Receivable	8,657
Total Current & Accrued Assets	<u>212,764,380</u>
Unamortized Debt Expense	3,469,635
Other Regulatory Assets	102,100,488
Preliminary Survey & Investigation	2,472,232
Clearing Accounts	65,631
Temporary Facilities	2,710
Miscellaneous Deferred Debits	3,411,945
Unamortized Loss on Reacquired Debt	23,353
Accumulated Deferred Income Taxes	84,779,308
Unrecovered Purchased Gas Costs	22,787,906
Total Deferred Debits	<u>219,113,208</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>3,022,079,966</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements  
Balance Sheet - Page 2  
As of January 31, 2026  
(Unaudited)

	Total Company
<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	670,584,967
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	1,172,576,404
<u>Liabilities</u>	
Bonds	916,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(123,963)
Total Long-Term Debt	941,596,037
Obligations Under Capital Leases - Noncurrent	3,179,846
Asset Retirement Obligation	80,007,243
Long-Term Portion of Derivative Instrument Liabilities	654,674
Accum. Misc. Operating Provisions	27,227,654
Total Other Noncurrent Liabilities	111,069,417
Accounts Payable	98,162,914
Notes Payable to Assoc. Co.	75,591,000
Accounts Payable to Assoc. Co.	19,811,928
Customer Deposits	8,319,902
Taxes Accrued	20,893,241
Interest Accrued	10,606,260
Tax Collections Payable	6,655,103
Misc. Current & Accrued Liabilities	11,137,888
Obligations Under Capital Leases - Current	234,987
Derivative Instrument Liabilities	1,038,189
Less: Long-Term Portion of Derivative Instrument Liabilities	(654,674)
Total Current & Accrued Liabilities	251,796,738
Customer Advances for Construction	1,608,733
Accum. Deferred Investment Tax Credits	5,135,705
Other Deferred Credits	17,772,390
Other Regulatory Liabilities	106,022,419
Accumulated Deferred Income Taxes	414,502,123
Total Deferred Credits	545,041,370
 TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	 3,022,079,966

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements  
Income Statement  
As of January 31, 2026  
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	221,777,713	109,338,799	331,116,512
Commercial Sales	189,654,744	42,483,294	232,138,038
Industrial Sales	72,228,887	2,502,653	74,731,540
Sales to Public Authorities	26,744,133	2,457,181	29,201,314
Public Street & Highway Lighting	479,621	-	479,621
Inter-Departmental Sales	40,992	32,660	73,652
Misc. Service Revenues	(4,469,268)	18,106	(4,451,162)
Revenues from Transportation	-	11,466,765	11,466,765
Sales for Resale	34,469,781	-	34,469,781
Rents from Property	2,030,773	-	2,030,773
Other Revenues	19,135,985	3,029,663	22,165,648
Total Revenues	<u>562,093,361</u>	<u>171,329,121</u>	<u>733,422,482</u>
<u>Operating Expenses</u>			
Operation Expense	306,882,402	85,068,431	391,950,833
Maintenance Expense	26,940,910	3,112,682	30,053,592
Depreciation Expense	86,162,958	23,112,500	109,275,458
Amortization and Depletion	(353,384)	2,657,512	2,304,128
Taxes Other than Income Taxes	15,704,040	4,727,695	20,431,735
Income Taxes - Federal & Other	17,084,073	(425,657)	16,658,416
Provision for Deferred Income Taxes - Net	879,282	8,508,842	9,388,124
Gains from Disposition of Environmental Credits	(274,557)	-	(274,557)
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>453,025,724</u>	<u>126,762,005</u>	<u>579,787,729</u>
NET OPERATING INCOME	109,067,637	44,567,116	153,634,753
<u>Other Income &amp; Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	3,202,323	-	3,202,323
Less: Expense of Merchandising, Jobbing and Contract Work	(180,313)	-	(180,313)
Revenues from Nonutility Operations	432,190	(1,054)	431,136
Interest & Dividend Income	1,413,434	647,129	2,060,563
Non Operating Rental Income	(3,049)	(2,994)	(6,043)
AFUDC	3,086,714	1,637,440	4,724,154
Gain on Disposition of Property	82,609	32,355	114,964
Loss on Disposition of Property	(83,505)	(32,706)	(116,211)
Misc. Income Deductions	(893,527)	(486,897)	(1,380,424)
Taxes Other than Income Taxes	-	-	-
Income Taxes - Federal & Other	(3,120,812)	1,283,732	(1,837,080)
Provision for Deferred Income Taxes - Net	1,483,119	(1,419,437)	63,682
Total Other Income & Deductions	<u>5,419,183</u>	<u>1,657,568</u>	<u>7,076,751</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(28,338,042)	(15,016,083)	(43,354,125)
Amortization of Debt Disc. And Expense	(407,260)	(210,947)	(618,207)
Amortization of Loss on Reacquired Debt	(28,907)	(15,789)	(44,696)
Interest on Debt to Assoc. Co.	(802,732)	(443,282)	(1,246,014)
Other Interest Expense	(1,980,090)	(114,209)	(2,094,299)
Less: Allowance for Borrowed Fund Used During Construction - Credit	1,270,371	679,295	1,949,666
Net interest Charges	<u>(30,286,660)</u>	<u>(15,121,015)</u>	<u>(45,407,675)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>84,200,160</u>	<u>31,103,669</u>	<u>115,303,829</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements  
Capital Structure  
As of January 31, 2026  
(Unaudited)

	Actuals December-25	Activity	Actuals January-26
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	958,635,188	(44,962,473)	913,672,715
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	3,199,919	(20,073)	3,179,846
Total Long-term debt	<u>986,835,107</u>	<u>(44,982,546)</u>	<u>941,852,561</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	540,524,394	101,507,497	642,031,891
Unappropriated Retained Earnings - Current Year Net Income	101,507,496	(72,954,420)	28,553,076
Total Common Stock Equity	<u>1,144,023,327</u>	<u>28,553,077</u>	<u>1,172,576,404</u>
TOTAL CAPITALIZATION	<b>\$ 2,130,858,434</b>	<b>\$ (16,429,469)</b>	<b>\$ 2,114,428,965</b>
	-	-	-

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.