



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

April 16, 2026

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

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**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 February 2026, per order by the Commission in the above-referenced case.

If you have any questions regarding the financial statements, please contact Casey Reedy at casey-reedy@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 February 28, 2026
(Unaudited)

	<u>Total Company</u>
<u>Assets</u>	
Utility Plant in Service	3,686,556,911
Construction Work in Progress	101,550,067
Less: Accumulated Depreciation	<u>(1,213,192,344)</u>
Net Utility Plant	<u>2,574,914,634</u>
Nonutility Property	1,326,579
Other Investments	1,500
Other Special Funds	22,400,134
Long Term Portion of Derivative Instrument Assets	-
Total Other Property & Investments	<u>23,728,213</u>
Cash	2,123,965
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	94,931,484
Other Accounts Receivable	2,253,325
Less: Provision for Uncollectibles	(3,196,305)
Notes Receivable from Assoc. Co.	-
Accounts Receivable from Assoc. Co.	881,908
Fuel Stock	27,699,899
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	46,778,043
Other Materials & Supplies	-
Stores Expense Undistributed	1,519,529
Prepayments	1,706,806
Emission Allowances	17,231
Derivative Instrument Assets	473,269
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	8,678,621
Accrued Utility Revenue	27,708,241
Rents Receivable	8,781
Total Current & Accrued Assets	<u>211,584,797</u>
Unamortized Debt Expense	3,442,606
Other Regulatory Assets	98,793,577
Preliminary Survey & Investigation	2,477,757
Clearing Accounts	56,300
Temporary Facilities	10,265
Miscellaneous Deferred Debits	3,537,444
Unamortized Loss on Reacquired Debt	22,056
Accumulated Deferred Income Taxes	84,779,308
Unrecovered Purchased Gas Costs	17,692,890
Total Deferred Debits	<u>210,812,203</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>3,021,039,847</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of February 28, 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	474,372,495
Retained Earnings	682,495,253
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>1,184,486,689</u>
<u>Liabilities</u>	
Bonds	916,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(122,941)
Total Long-Term Debt	<u>941,597,059</u>
Obligations Under Capital Leases - Noncurrent	3,159,693
Asset Retirement Obligation	80,287,316
Long-Term Portion of Derivative Instrument Liabilities	654,674
Accum. Misc. Operating Provisions	27,386,237
Total Other Noncurrent Liabilities	<u>111,487,920</u>
Accounts Payable	47,419,462
Notes Payable to Assoc. Co.	95,143,000
Accounts Payable to Assoc. Co.	24,753,872
Customer Deposits	8,154,481
Taxes Accrued	30,863,614
Interest Accrued	14,271,436
Tax Collections Payable	6,787,309
Misc. Current & Accrued Liabilities	10,377,314
Obligations Under Capital Leases - Current	236,376
Derivative Instrument Liabilities	1,038,189
Less: Long-Term Portion of Derivative Instrument Liabilities	(654,674)
Total Current & Accrued Liabilities	<u>238,390,379</u>
Customer Advances for Construction	1,608,733
Accum. Deferred Investment Tax Credits	5,135,705
Other Deferred Credits	17,794,162
Other Regulatory Liabilities	106,037,077
Accumulated Deferred Income Taxes	414,502,123
Total Deferred Credits	<u>545,077,800</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u><u>3,021,039,847</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
As of February 28, 2026
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	221,603,295	115,245,839	336,849,134
Commercial Sales	189,855,281	44,728,568	234,583,849
Industrial Sales	71,860,701	2,382,285	74,242,986
Sales to Public Authorities	26,435,180	2,486,301	28,921,481
Public Street & Highway Lighting	473,672	-	473,672
Inter-Departmental Sales	44,125	32,730	76,855
Misc. Service Revenues	(3,807,307)	17,586	(3,789,721)
Revenues from Transportation	-	11,545,147	11,545,147
Sales for Resale	44,224,907	-	44,224,907
Rents from Property	1,792,931	-	1,792,931
Other Revenues	18,892,120	2,922,791	21,814,911
Total Revenues	<u>571,374,905</u>	<u>179,361,247</u>	<u>750,736,152</u>
<u>Operating Expenses</u>			
Operation Expense	307,233,473	89,344,998	396,578,471
Maintenance Expense	26,324,195	3,065,573	29,389,768
Depreciation Expense	87,817,120	23,772,567	111,589,687
Amortization and Depletion	(815,530)	2,557,298	1,741,768
Taxes Other than Income Taxes	15,742,122	5,036,670	20,778,792
Income Taxes - Federal & Other	21,211,650	1,645,170	22,856,820
Provision for Deferred Income Taxes - Net	1,215,282	8,538,842	9,754,124
Gains from Disposition of Environmental Credits	(136,462)	-	(136,462)
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>458,591,850</u>	<u>133,961,118</u>	<u>592,552,968</u>
NET OPERATING INCOME	112,783,055	45,400,129	158,183,184
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	3,220,415	-	3,220,415
Less: Expense of Merchandising, Jobbing and Contract Work	(187,098)	-	(187,098)
Revenues from Nonutility Operations	418,756	(1,049)	417,707
Interest & Dividend Income	1,333,980	604,690	1,938,670
Non Operating Rental Income	(3,049)	(2,995)	(6,044)
AFUDC	2,972,260	1,585,148	4,557,408
Gain on Disposition of Property	127,713	50,549	178,262
Loss on Disposition of Property	(83,505)	(32,706)	(116,211)
Misc. Income Deductions	(840,674)	(445,093)	(1,285,767)
Taxes Other than Income Taxes	-	-	-
Income Taxes - Federal & Other	(3,074,506)	1,311,519	(1,762,987)
Provision for Deferred Income Taxes - Net	1,483,119	(1,419,437)	63,682
Total Other Income & Deductions	<u>5,367,411</u>	<u>1,650,626</u>	<u>7,018,037</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(28,496,832)	(15,186,152)	(43,682,984)
Amortization of Debt Disc. And Expense	(402,433)	(209,335)	(611,768)
Amortization of Loss on Reacquired Debt	(25,445)	(13,923)	(39,368)
Interest on Debt to Assoc. Co.	(900,341)	(501,965)	(1,402,306)
Other Interest Expense	(2,412,696)	(116,121)	(2,528,817)
Less: Allowance for Borrowed Fund Used During Construction - Credit	1,291,083	676,121	1,967,204
Net interest Charges	<u>(30,946,664)</u>	<u>(15,351,375)</u>	<u>(46,298,039)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>87,203,802</u>	<u>31,699,380</u>	<u>118,903,182</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
As of February 28, 2026
(Unaudited)

	Actuals January-26	Activity	Actuals February-26
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	913,672,715	17,014	913,689,729
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	3,179,846	(20,152.00)	3,159,694
Total Long-term debt	941,852,561	(3,138)	941,849,423
	(0)		
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	642,031,891	(19,349)	642,012,542
Unappropriated Retained Earnings - Current Year Net Income	28,553,076	11,929,634	40,482,710
Total Common Stock Equity	1,172,576,404	11,910,285	1,184,486,689
TOTAL CAPITALIZATION	\$ 2,114,428,965	\$ 11,907,147	\$ 2,126,336,112
	-	-	-

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.