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VIA ELECTRONIC DELIVERY

September 15, 2026

Mr. Justin McNeil
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615
PSCED@ky.gov

RECEIVED

SEP 15 2026

**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 Mr. McNeil:

Enclosed please find Duke Energy Kentucky, Inc.'s financial statements for the end of July 2026, per order by the Commission in the above-referenced case.

If you have any questions regarding the financial statements, please contact Tina Riebesell at tina.riebesell@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 July 31, 2026

(Unaudited)

	Total Company
<u>Assets</u>	
Utility Plant in Service	3,745,139,353
Construction Work in Progress	128,842,844
Less: Accumulated Depreciation	(1,245,339,170)
Net Utility Plant	<u>2,628,643,027</u>
Nonutility Property	1,335,773
Other Investments	1,500
Other Special Funds	23,328,164
Long Term Portion of Derivative Instrument Assets	-
Total Other Property & Investments	<u>24,665,437</u>
Cash	1,592,046
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	57,940,651
Other Accounts Receivable	13,243,185
Less: Provision for Uncollectibles	(3,730,243)
Notes Receivable from Assoc. Co.	-
Accounts Receivable from Assoc. Co.	(3,848)
Fuel Stock	29,866,423
Gas Stored Underground Inventory	3,528,821
Plant Materials & Operating Supplies	46,908,882
Other Materials & Supplies	-
Stores Expense Undistributed	1,474,595
Prepayments	1,608,841
Emission Allowances	17,123
Derivative Instrument Assets	5,037,784
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	5,046,985
Accrued Utility Revenue	26,178,271
Rents Receivable	4,489
Total Current & Accrued Assets	<u>188,714,005</u>
Unamortized Debt Expense	3,391,877
Other Regulatory Assets	94,748,345
Preliminary Survey & Investigation	2,493,786
Clearing Accounts	113,239
Temporary Facilities	7,742
Miscellaneous Deferred Debits	7,854,091
Unamortized Loss on Reacquired Debt	15,569
Accumulated Deferred Income Taxes	83,159,518
Unrecovered Purchased Gas Costs	14,076,371
Total Deferred Debits	<u>205,860,538</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>3,047,883,007</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements

Balance Sheet - Page 2

As of July 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	724,160,880
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>1,226,152,317</u>
<u>Liabilities</u>	
Bonds	916,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(117,831)
Total Long-Term Debt	<u>941,602,169</u>
Obligations Under Capital Leases - Noncurrent	3,055,623
Asset Retirement Obligation	79,501,112
Long-Term Portion of Derivative Instrument Liabilities	345,313
Accum. Misc. Operating Provisions	29,182,199
Total Other Noncurrent Liabilities	<u>112,084,247</u>
Accounts Payable	45,598,771
Notes Payable to Assoc. Co.	71,224,000
Accounts Payable to Assoc. Co.	13,434,584
Customer Deposits	8,428,366
Taxes Accrued	22,350,947
Interest Accrued	9,946,087
Tax Collections Payable	5,206,930
Misc. Current & Accrued Liabilities	26,858,939
Obligations Under Capital Leases - Current	243,481
Derivative Instrument Liabilities	722,522
Less: Long-Term Portion of Derivative Instrument Liabilities	(345,313)
Total Current & Accrued Liabilities	<u>203,669,314</u>
Customer Advances for Construction	9,224,811
Accum. Deferred Investment Tax Credits	5,135,704
Other Deferred Credits	26,854,966
Other Regulatory Liabilities	106,227,715
Accumulated Deferred Income Taxes	416,931,764
Total Deferred Credits	<u>564,374,960</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u><u>3,047,883,007</u></u>

Duke Energy Kentucky, Inc.

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

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	217,547,812	119,045,794	336,593,606
Commercial Sales	187,658,451	46,314,141	233,972,592
Industrial Sales	68,747,877	2,207,086	70,954,963
Sales to Public Authorities	27,154,828	2,401,014	29,555,842
Public Street & Highway Lighting	395,504	-	395,504
Inter-Departmental Sales	47,911	34,900	82,811
Misc. Service Revenues	(2,990,691)	21,387	(2,969,304)
Revenues from Transportation	-	11,798,403	11,798,403
Sales for Resale	77,284,680	-	77,284,680
Rents from Property	2,300,246	-	2,300,246
Other Revenues	17,756,715	3,592,631	21,349,346
Total Revenues	<u>595,903,333</u>	<u>185,415,356</u>	<u>781,318,689</u>
<u>Operating Expenses</u>			
Operation Expense	319,441,457	90,166,636	409,608,093
Maintenance Expense	24,683,380	2,899,963	27,583,343
Depreciation Expense	90,718,457	26,126,117	116,844,574
Amortization and Depletion	83,944	2,409,041	2,492,985
Taxes Other than Income Taxes	15,876,637	5,731,007	21,607,644
Income Taxes - Federal & Other	21,708,752	1,225,781	22,934,533
Provision for Deferred Income Taxes - Net	3,108,158	9,886,754	12,994,912
Gains from Disposition of Environmental Credits	(319,142)	-	(319,142)
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>475,301,643</u>	<u>138,445,299</u>	<u>613,746,942</u>
NET OPERATING INCOME	120,601,690	46,970,057	167,571,747
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	3,289,607	-	3,289,607
Less: Expense of Merchandising, Jobbing and Contract Work	(159,529)	-	(159,529)
Revenues from Nonutility Operations	363,522	(1,757)	361,765
Interest & Dividend Income	849,464	355,082	1,204,546
Non Operating Rental Income	(3,052)	(2,992)	(6,044)
AFUDC	2,331,835	1,112,160	3,443,995
Gain on Disposition of Property	127,713	50,549	178,262
Loss on Disposition of Property	(84,156)	(33,162)	(117,318)
Misc. Income Deductions	(680,126)	(318,697)	(998,823)
Taxes Other than Income Taxes	-	-	-
Income Taxes - Federal & Other	(3,101,518)	1,340,499	(1,761,019)
Provision for Deferred Income Taxes - Net	1,298,428	(1,441,793)	(143,365)
Total Other Income & Deductions	<u>4,232,188</u>	<u>1,059,889</u>	<u>5,292,077</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(29,298,578)	(16,036,497)	(45,335,075)
Amortization of Debt Disc. And Expense	(401,403)	(213,935)	(615,338)
Amortization of Loss on Reacquired Debt	(9,970)	(5,599)	(15,569)
Interest on Debt to Assoc. Co.	(1,446,206)	(830,047)	(2,276,253)
Other Interest Expense	(2,040,504)	(138,334)	(2,178,838)
Less: Allowance for Borrowed Fund Used During Construction - Credit	1,613,686	757,110	2,370,796
Net interest Charges	<u>(31,582,975)</u>	<u>(16,467,302)</u>	<u>(48,050,277)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>93,250,903</u>	<u>31,562,644</u>	<u>124,813,547</u>

Duke Energy Kentucky, Inc.

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

	Actuals June-26	Activity	Actuals July-26
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	913,820,828	32,626	913,853,454
Advances from Associated Companies	25,000,000	-	25,000,000
Obligations under Capital Lease-Noncurrent	3,076,661	(21,038)	3,055,623
Total Long-term debt	941,897,489	11,588	941,909,077
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	642,012,542	-	642,012,542
Unappropriated Retained Earnings - Current Year Net Income	72,459,583	9,688,755	82,148,338
Total Common Stock Equity	1,216,463,562	9,688,755	1,226,152,317
 TOTAL CAPITALIZATION	 \$ 2,158,361,051	 \$ 9,700,343	 \$ 2,168,061,394
	-	-	-

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.