



139 East Fourth Street-1303-Main
Cincinnati, Ohio 45202
Tel: 513-287-4320
Fax: 513-370-5720
Rocco.D'Ascenzo@duke-energy.com

Rocco O. D'Ascenzo
Deputy General Counsel

VIA EMAIL DELIVERY

October 21, 2024

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

RECEIVED

OCT 21 2024

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 August 2024, 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 August 31, 2024
(Unaudited)

	<u>Total Company</u>
<u>Assets</u>	
Utility Plant in Service	3,394,010,520
Construction Work in Progress	136,101,012
Less: Accumulated Depreciation	<u>(1,170,379,235)</u>
Net Utility Plant	<u>2,359,732,297</u>
Nonutility Property	1,325,102
Other Investments	1,500
Other Special Funds	19,988,814
Long Term Portion of Derivative Instrument Assets	-
Total Other Property & Investments	<u>21,315,416</u>
Cash	4,109,558
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	52,907,990
Other Accounts Receivable	3,209,848
Less: Provision for Uncollectibles	(4,046,282)
Notes Receivable from Assoc. Co.	178,619,000
Accounts Receivable from Assoc. Co.	247,766
Fuel Stock	33,821,860
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	20,537,936
Other Materials & Supplies	-
Stores Expense Undistributed	313,997
Prepayments	2,895,818
Emission Allowances	18,470
Derivative Instrument Assets	2,208,927
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	7,455,374
Accrued Utility Revenue	32,362,808
Rents Receivable	8,582
Total Current & Accrued Assets	<u>334,671,652</u>
Unamortized Debt Expense	3,243,255
Other Regulatory Assets	109,717,132
Preliminary Survey & Investigation	1,306,209
Clearing Accounts	124,469
Temporary Facilities	29,406
Miscellaneous Deferred Debits	2,858,653
Unamortized Loss on Reacquired Debt	101,177
Accumulated Deferred Income Taxes	80,343,463
Unrecovered Purchased Gas Costs	(1,375,863)
Total Deferred Debits	<u>196,347,901</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>2,912,067,266</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of August 31, 2024
(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	711,395,271
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>1,213,386,708</u>
<u>Liabilities</u>	
Bonds	906,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(141,336)
Total Long-Term Debt	<u>931,578,664</u>
Obligations Under Capital Leases - Noncurrent	5,733,405
Asset Retirement Obligation	85,990,643
Long-Term Portion of Derivative Instrument Liabilities	928,367
Accum. Misc. Operating Provisions	33,606,176
Total Other Noncurrent Liabilities	<u>126,258,591</u>
Accounts Payable	28,376,390
Notes Payable to Assoc. Co.	-
Accounts Payable to Assoc. Co.	27,268,849
Customer Deposits	8,386,728
Taxes Accrued	24,207,451
Interest Accrued	11,434,637
Tax Collections Payable	2,806,064
Misc. Current & Accrued Liabilities	9,460,422
Obligations Under Capital Leases - Current	302,124
Derivative Instrument Liabilities	1,270,865
Less: Long-Term Portion of Derivative Instrument Liabilities	(928,367)
Total Current & Accrued Liabilities	<u>112,585,163</u>
Customer Advances for Construction	2,528,681
Accum. Deferred Investment Tax Credits	5,120,973
Other Deferred Credits	14,265,813
Other Regulatory Liabilities	117,861,536
Accumulated Deferred Income Taxes	388,481,137
Total Deferred Credits	<u>528,258,140</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u><u>2,912,067,266</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
As of August 31, 2024
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	205,102,848	83,354,791	288,457,639
Commercial Sales	176,957,296	32,229,434	209,186,730
Industrial Sales	73,281,917	1,666,634	74,948,551
Sales to Public Authorities	26,024,897	1,657,585	27,682,482
Public Street & Highway Lighting	655,143	-	655,143
Inter-Departmental Sales	21,460	19,098	40,558
Misc. Service Revenues	(11,504,132)	24,014	(11,480,118)
Revenues from Transportation	-	11,335,791	11,335,791
Sales for Resale	22,003,962	-	22,003,962
Rents from Property	1,709,659	-	1,709,659
Other Revenues	13,934,554	(363,984)	13,570,570
Total Revenues	<u>508,187,604</u>	<u>129,923,363</u>	<u>638,110,967</u>
<u>Operating Expenses</u>			
Operation Expense	272,466,662	64,641,523	337,108,185
Maintenance Expense	26,353,526	2,268,026	28,621,552
Depreciation Expense	84,667,157	18,726,916	103,394,073
Amortization and Depletion	4,827,553	3,943,778	8,771,331
Taxes Other than Income Taxes	15,969,086	7,372,406	23,341,492
Income Taxes - Federal & Other	22,471,710	(11,398,014)	11,073,696
Provision for Deferred Income Taxes - Net	(8,130,931)	16,903,994	8,773,063
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>418,624,763</u>	<u>102,458,629</u>	<u>521,083,392</u>
NET OPERATING INCOME	<u>89,562,841</u>	<u>27,464,734</u>	<u>117,027,575</u>
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	3,009,039	-	3,009,039
Less: Expense of Merchandising, Jobbing and Contract Work	(138,304)	-	(138,304)
Revenues from Nonutility Operations	726,415	1,399	727,814
Interest & Dividend Income	3,443,998	1,136,187	4,580,185
Non Operating Rental Income	(632)	(1,176)	(1,808)
AFUDC	1,639,141	1,107,453	2,746,594
Gain on Disposition of Property	-	83,825	83,825
Loss on Disposition of Property	(4,301)	(1,676)	(5,977)
Misc. Income Deductions	(3,816,593)	(1,446,404)	(5,262,997)
Taxes Other than Income Taxes	4,716	-	4,716
Income Taxes - Federal & Other	(1,794,635)	12,903,228	11,108,593
Provision for Deferred Income Taxes - Net	371,359	(12,880,294)	(12,508,935)
Total Other Income & Deductions	<u>3,440,203</u>	<u>902,542</u>	<u>4,342,745</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(20,865,029)	(10,019,847)	(30,884,876)
Amortization of Debt Disc. And Expense	(325,331)	(149,529)	(474,860)
Amortization of Loss on Reacquired Debt	(61,569)	(30,822)	(92,391)
Interest on Debt to Assoc. Co.	(2,776,044)	(1,384,388)	(4,160,432)
Other Interest Expense	(1,173,855)	(173,987)	(1,347,842)
Less: Allowance for Borrowed Fund Used During Construction - Credit	1,828,000	1,543,216	3,371,216
Net interest Charges	<u>(23,373,828)</u>	<u>(10,215,357)</u>	<u>(33,589,185)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>69,629,216</u>	<u>18,151,919</u>	<u>87,781,135</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
As of August 31, 2024
(Unaudited)

	Actual July-24	Activity	Actual August-24
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	903,809,398	36,253	903,845,651
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	5,759,943	(26,539)	5,733,404
Total Long-term debt	934,569,341	9,714	934,579,055
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	644,079,088	-	644,079,088
Unappropriated Retained Earnings - Current Year Net Income	60,321,545	6,994,638	67,316,183
Total Common Stock Equity	1,206,392,070	6,994,638	1,213,386,708
 TOTAL CAPITALIZATION	 \$ 2,140,961,411	 \$ 7,004,352	 \$ 2,147,965,763

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 \$8.1M of lease liabilities resulting from the implementation of ASC 842 in January 2019.