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VIA ELECTRONIC DELIVERY

April 14, 2025

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

RECEIVED

APR 14 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 February 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 February 28, 2025
(Unaudited)

	Total Company
<u>Assets</u>	
Utility Plant in Service	3,491,728,081
Construction Work in Progress	104,854,728
Less: Accumulated Depreciation	<u>(1,171,329,298)</u>
Net Utility Plant	<u>2,425,253,511</u>
Nonutility Property	1,348,062
Other Investments	1,500
Other Special Funds	18,653,043
Long Term Portion of Derivative Instrument Assets	-
Total Other Property & Investments	<u>20,002,605</u>
Cash	1,317,788
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	79,099,621
Other Accounts Receivable	1,184,652
Less: Provision for Uncollectibles	(3,548,981)
Notes Receivable from Assoc. Co.	18,796,000
Accounts Receivable from Assoc. Co.	4,375,578
Fuel Stock	28,692,695
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	23,703,483
Other Materials & Supplies	-
Stores Expense Undistributed	1,239,919
Prepayments	1,562,803
Emission Allowances	17,604
Derivative Instrument Assets	1,140,435
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	6,366,158
Accrued Utility Revenue	33,445,079
Rents Receivable	10,929
Total Current & Accrued Assets	<u>197,403,763</u>
Unamortized Debt Expense	3,040,843
Other Regulatory Assets	105,884,262
Preliminary Survey & Investigation	1,457,277
Clearing Accounts	102,511
Temporary Facilities	12,754
Miscellaneous Deferred Debits	2,773,674
Unamortized Loss on Reacquired Debt	61,423
Accumulated Deferred Income Taxes	84,756,085
Unrecovered Purchased Gas Costs	(3,073,862)
Total Deferred Debits	<u>195,014,967</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>2,837,674,846</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of February 28, 2025
(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	628,611,419
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>1,130,602,856</u>
<u>Liabilities</u>	
Bonds	906,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(135,204)
Total Long-Term Debt	<u>931,584,796</u>
Obligations Under Capital Leases - Noncurrent	3,803,462
Asset Retirement Obligation	87,377,302
Long-Term Portion of Derivative Instrument Liabilities	773,478
Accum. Misc. Operating Provisions	27,907,364
Total Other Noncurrent Liabilities	<u>119,861,606</u>
Accounts Payable	40,301,656
Notes Payable to Assoc. Co.	-
Accounts Payable to Assoc. Co.	24,631,152
Customer Deposits	8,667,932
Taxes Accrued	30,146,174
Interest Accrued	11,003,422
Tax Collections Payable	3,894,499
Misc. Current & Accrued Liabilities	3,338,464
Obligations Under Capital Leases - Current	264,887
Derivative Instrument Liabilities	1,190,434
Less: Long-Term Portion of Derivative Instrument Liabilities	(773,478)
Total Current & Accrued Liabilities	<u>122,665,142</u>
Customer Advances for Construction	1,801,940
Accum. Deferred Investment Tax Credits	5,135,705
Other Deferred Credits	15,644,967
Other Regulatory Liabilities	112,689,850
Accumulated Deferred Income Taxes	397,687,984
Total Deferred Credits	<u>532,960,446</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u><u>2,837,674,846</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
As of February 28, 2025
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	202,547,763	89,967,815	292,515,578
Commercial Sales	171,234,812	34,451,679	205,686,491
Industrial Sales	69,203,762	1,714,745	70,918,507
Sales to Public Authorities	24,752,277	1,866,910	26,619,187
Public Street & Highway Lighting	526,583	-	526,583
Inter-Departmental Sales	11,517	22,800	34,317
Misc. Service Revenues	5,433,555	27,720	5,461,275
Revenues from Transportation	-	11,947,726	11,947,726
Sales for Resale	21,079,539	-	21,079,539
Rents from Property	1,627,881	-	1,627,881
Other Revenues	14,019,372	1,906,839	15,926,211
Total Revenues	510,437,061	141,906,234	652,343,295
<u>Operating Expenses</u>			
Operation Expense	283,131,061	69,844,551	352,975,612
Maintenance Expense	18,088,226	2,304,021	20,392,247
Depreciation Expense	81,264,115	19,506,959	100,771,074
Amortization and Depletion	4,980,480	3,921,750	8,902,230
Taxes Other than Income Taxes	9,456,768	4,986,295	14,443,063
Income Taxes - Federal & Other	20,013,641	10,334,143	30,347,784
Provision for Deferred Income Taxes - Net	(2,921,844)	(4,382,786)	(7,304,630)
Gains from Disposition of Environmental Credits	(132,268)	-	(132,268)
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	413,880,179	106,514,933	520,395,112
NET OPERATING INCOME	96,556,882	35,391,301	131,948,183
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	3,064,324	-	3,064,324
Less: Expense of Merchandising, Jobbing and Contract Work	(205,796)	-	(205,796)
Revenues from Nonutility Operations	672,262	853	673,115
Interest & Dividend Income	2,289,840	1,010,561	3,300,401
Non Operating Rental Income	(1,637)	(1,863)	(3,500)
AFUDC	3,443,419	1,831,375	5,274,794
Gain on Disposition of Property	10,216	4,035	14,251
Loss on Disposition of Property	(54,841)	(2,899)	(57,740)
Misc. Income Deductions	(798,378)	(576,098)	(1,374,476)
Taxes Other than Income Taxes	834	-	834
Income Taxes - Federal & Other	(5,098,047)	7,588,334	2,490,287
Provision for Deferred Income Taxes - Net	3,357,105	(7,949,075)	(4,591,970)
Total Other Income & Deductions	6,679,301	1,905,223	8,584,524
<u>Interest Charges</u>			
Interest on Long Term Debt	(24,061,975)	(12,102,883)	(36,164,858)
Amortization of Debt Disc. And Expense	(346,920)	(173,962)	(520,882)
Amortization of Loss on Reacquired Debt	(52,221)	(27,285)	(79,506)
Interest on Debt to Assoc. Co.	(1,092,049)	(568,877)	(1,660,926)
Other Interest Expense	(1,680,570)	(129,444)	(1,810,014)
Less: Allowance for Borrowed Fund Used During Construction - Credit	1,435,075	806,536	2,241,611
Net interest Charges	(25,798,660)	(12,195,915)	(37,994,575)
Extraordinary Items after Taxes	-	-	-
NET INCOME	77,437,523	25,100,609	102,538,132

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
As of February 28, 2025
(Unaudited)

	Actual January-25	Activity	Actual February-25
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	904,030,012	29,040	904,059,052
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	3,826,118	(22,656)	3,803,462
Total Long-term debt	932,856,130	6,384	932,862,514
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	14,756,744	8,330,281	23,087,025
Total Common Stock Equity	1,122,272,575	8,330,281	1,130,602,856
 TOTAL CAPITALIZATION	 \$ 2,055,128,705	 \$ 8,336,665	 \$ 2,063,465,370

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.