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VIA ELECTRONIC DELIVERY

May 18, 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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MAY 18 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 Ms. Bridwell:

Enclosed please find Duke Energy Kentucky, Inc.'s financial statements for the end of March 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 March 31, 2026
(Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
Assets				
Utility Plant in Service	2,552,086,892	1,048,648,346	89,584,367	3,690,319,605
Construction Work in Progress	81,299,271	31,240,046		112,539,317
Less: Accumulated Depreciation	(967,758,932)	(243,735,475)	(4,312,598)	(1,215,807,005)
Net Utility Plant	<u>1,665,627,231</u>	<u>836,152,917</u>	<u>85,271,769</u>	<u>2,587,051,917</u>
Nonutility Property	-	-	1,326,090	1,326,090
Other Investments	-	-	1,500	1,500
Other Special Funds	-	-	22,585,740	22,585,740
Long Term Portion of Derivative Instrument Assets	-	-	-	-
Total Other Property & Investments	<u>-</u>	<u>-</u>	<u>23,913,330</u>	<u>23,913,330</u>
Cash	3,455,116	1,418,541	(258,714)	4,614,943
Working Funds	-	-	-	-
Temporary Cash Investments	-	-	-	-
Customer Accounts Receivable	53,574,655	16,710,529	-	70,285,184
Other Accounts Receivable	1,584,461	650,520	(118,642)	2,116,339
Less: Provision for Uncollectibles	(2,821,968)	(880,204)	-	(3,702,172)
Notes Receivable from Assoc. Co.	-	-	-	-
Accounts Receivable from Assoc. Co.	-	-	-	-
Fuel Stock	26,929,189	-	-	26,929,189
Gas Stored Underground Inventory	-	-	-	-
Plant Materials & Operating Supplies	45,336,328	502,365	-	45,838,693
Other Materials & Supplies	-	-	-	-
Stores Expense Undistributed	1,433,690	15,887	-	1,449,577
Prepayments	1,016,587	481,257	-	1,497,844
Emission Allowances	17,191	-	-	17,191
Derivative Instrument Assets	227,463	-	-	227,463
Interest & Dividends Receivable	-	-	-	-
Accrued Utility Revenues	19,650,943	6,129,347	-	25,780,290
Misc Current and Accrued Assets	5,258,126	1,961,537	-	7,219,663
Rents Receivable	8,904	-	-	8,904
Total Current & Accrued Assets	<u>155,670,685</u>	<u>26,989,779</u>	<u>(377,356)</u>	<u>182,283,108</u>
Unamortized Debt Expense	2,665,110	1,094,195	(199,559)	3,559,746
Other Regulatory Assets	77,866,663	24,264,489	-	102,131,152
Preliminary Survey & Investigation	1,857,155	762,479	(139,061)	2,480,573
Clearing Accounts	43,961	17,555	-	61,516
Temporary Facilities	-	-	-	-
Miscellaneous Deferred Debits	2,639,315	1,083,604	(197,628)	3,525,291
Unamortized Loss on Reacquired Debt	15,541	6,381	(1,164)	20,758
Accumulated Deferred Income Taxes	66,795,610	16,345,104	-	83,140,714
Unrecovered Purchased Gas Costs	-	14,281,264	-	14,281,264
Unrecovered Purchased Gas - Unbilled Rev	-	-	-	-
Unrecovered Purchased Gas-Manual Reclass	-	-	-	-
Unrecovered Purchased Gas Costs	-	-	-	-
Total Deferred Debits	<u>151,883,355</u>	<u>57,855,071</u>	<u>(537,412)</u>	<u>209,201,014</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>1,973,181,271</u></u>	<u><u>920,997,767</u></u>	<u><u>108,270,331</u></u>	<u><u>3,002,449,369</u></u>

Duke Energy Kentucky, Inc.

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

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
<u>Proprietary Capital</u>				
Common Stock Issued	6,573,407	2,698,795	(492,207)	8,779,995
Premium on Capital Stock	14,104,342	5,790,715	(1,056,111)	18,838,946
Other Paid-in Capital Stock	355,153,200	145,812,618	(26,593,322)	474,372,496
Retained Earnings	307,857,820	213,428,680	175,646,149	696,932,649
Accumulated Other Comprehensive Income	-	-	-	-
Total Proprietary Capital	<u>683,688,769</u>	<u>367,730,808</u>	<u>147,504,509</u>	<u>1,198,924,086</u>
<u>Liabilities</u>				
Bonds	686,329,930	281,781,393	(51,391,323)	916,720,000
Advances from Associated Companies	18,717,000	7,684,500	(1,401,500)	25,000,000
Unamortized Premium on Long-Term Debt	-	-	-	-
Less: Unamortized Discount on Long-Term Debt	(91,278)	(37,475)	6,834	(121,919)
Total Long-Term Debt	<u>704,955,652</u>	<u>289,428,418</u>	<u>(52,785,989)</u>	<u>941,598,081</u>
Obligations Under Capital Leases - Noncurrent	2,225,560	913,719	-	3,139,279
Asset Retirement Obligation	65,560,583	13,841,157	514,219	79,915,959
Long-Term Portion of Derivative Instrument Liabilities	160,742	64,191	-	224,933
Accum. Misc. Operating Provisions	19,689,143	7,862,762	-	27,551,905
Total Other Noncurrent Liabilities	<u>87,636,028</u>	<u>22,681,829</u>	<u>514,219</u>	<u>110,832,076</u>
Accounts Payable	29,182,222	11,981,129	(2,185,120)	38,978,231
Notes Payable to Assoc. Co.	54,905,945	22,542,327	(4,111,272)	73,337,000
Accounts Payable to Assoc. Co.	19,695,602	8,086,278	(1,474,776)	26,307,104
Customer Deposits	4,864,248	3,271,306	-	8,135,554
Taxes Accrued	21,816,148	9,199,191	(1,197,509)	29,817,830
Interest Accrued	5,944,432	2,440,561	(445,110)	7,939,883
Tax Collections Payable	3,833,381	1,199,966	1,000	5,034,347
Misc. Current & Accrued Liabilities	6,490,704	2,592,031	-	9,082,735
Obligations Under Capital Leases - Current	168,570	69,208	-	237,778
Derivative Instrument Liabilities	422,629	168,775	-	591,404
Less: Long-Term Portion of Derivative Instrument Liabilities	(160,742)	(64,191)	-	(224,933)
Total Current & Accrued Liabilities	<u>147,163,139</u>	<u>61,486,581</u>	<u>(9,412,787)</u>	<u>199,236,933</u>
Customer Advances for Construction	-	1,406,441	-	1,406,441
Accum. Deferred Investment Tax Credits	2,296,301	-	2,839,403	5,135,704
Other Deferred Credits	13,546,137	4,310,622	-	17,856,759
Other Regulatory Liabilities	69,764,391	39,748,389	-	109,512,780
Accumulated Deferred Income Taxes	264,130,854	134,204,679	19,610,976	417,946,509
Total Deferred Credits	<u>349,737,683</u>	<u>179,670,131</u>	<u>22,450,379</u>	<u>551,858,193</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u>1,973,181,271</u>	<u>920,997,767</u>	<u>108,270,331</u>	<u>3,002,449,369</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
For the 12 Months Ended March 31, 2026
(Unaudited)

	Electric	Gas	Non- Jurisdictional	Total Company
<u>Revenues</u>				
Residential Sales	221,339,333	117,226,405		338,565,738
Commercial Sales	189,918,448	45,545,920		235,464,368
Industrial Sales	71,809,335	2,436,293		74,245,628
Sales to Public Authorities	26,546,280	2,482,009		29,028,289
Public Street & Highway Lighting	447,563	-		447,563
Inter-Departmental Sales	46,868	33,933		80,801
Misc. Service Revenues	(3,325,719)	16,539	-	(3,309,180)
Revenues from Transportation	-	11,563,387		11,563,387
Sales for Resale	57,062,733	-		57,062,733
Rents from Property	1,894,394	-		1,894,394
Other Revenues	18,890,902	3,048,137		21,939,039
Total Revenues	<u>584,630,137</u>	<u>182,352,623</u>	<u>-</u>	<u>766,982,760</u>
<u>Operating Expenses</u>				
Operation Expense	317,894,402	90,303,885	51,582	408,249,869
Maintenance Expense	25,177,221	2,907,651	29,857	28,114,729
Depreciation Expense	87,178,915	24,282,806	-	111,461,721
Amortization and Depletion	117,022	2,461,314	-	2,578,336
Taxes Other than Income Taxes	14,040,356	4,395,064	3,663	18,439,083
Income Taxes - Federal & Other	18,921,339	(1,099,321)	(135,419)	17,686,599
Provision for Deferred Income Taxes - Net	4,466,091	12,486,390	(50,396)	16,902,085
Gains from Disposition of Environmental Credits	(143,731)	-	-	(143,731)
Investment Tax Credit Adjustment	-	(227)	227	-
Total Operating Expenses	<u>467,651,615</u>	<u>135,737,562</u>	<u>(100,486)</u>	<u>603,288,691</u>
NET OPERATING INCOME	<u>116,978,522</u>	<u>46,615,061</u>	<u>100,486</u>	<u>163,694,069</u>
<u>Other Income & Deductions</u>				
Revenues from Merchandising, Jobbing and Contract Work	-	-	3,234,251	3,234,251
Less: Expense of Merchandising, Jobbing and Contract Work	-	-	(162,393)	(162,393)
Revenues from Nonutility Operations	-	-	409,382	409,382
Interest & Dividend Income	1,250,803	563,799	-	1,814,602
Non Operating Rental Income	(3,050)	(2,994)	-	(6,044)
AFUDC	2,811,896	1,514,653	-	4,326,549
Gain on Disposition of Property	-	-	178,262	178,262
Loss on Disposition of Property	-	-	(117,318)	(117,318)
Misc. Income Deductions	-	-	(1,125,983)	(1,125,983)
Taxes Other than Income Taxes	-	-	-	-
Income Taxes - Federal & Other	-	-	(1,843,902)	(1,843,902)
Provision for Deferred Income Taxes - Net	-	-	(28,393)	(28,393)
Total Other Income & Deductions	<u>4,059,649</u>	<u>2,075,458</u>	<u>543,906</u>	<u>6,679,013</u>
<u>Interest Charges</u>				
Interest on Long Term Debt	(32,945,634)	(13,526,245)	2,466,918	(44,004,961)
Amortization of Debt Disc. And Expense	(457,863)	(187,982)	34,284	(611,561)
Amortization of Loss on Reacquired Debt	(25,485)	(10,463)	1,908	(34,040)
Interest on Debt to Assoc. Co.	(1,204,008)	(494,320)	90,154	(1,608,174)
Other Interest Expense	(1,561,805)	(641,219)	116,946	(2,086,078)
Less: Allowance for Borrowed Fund Used During Construction - Credit	1,345,940	688,625	-	2,034,565
Net interest Charges	<u>(34,848,855)</u>	<u>(14,171,604)</u>	<u>2,710,210</u>	<u>(46,310,249)</u>
Extraordinary Items after Taxes	-	-	-	-
NET INCOME	<u>86,189,316</u>	<u>34,518,915</u>	<u>3,354,602</u>	<u>124,062,833</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
March 31, 2026
(Unaudited)

	Actual February 2026	Activity	Actual March 2026
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	913,689,729	38,178	913,727,907
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	3,159,694	(20,415)	3,139,279
Total Long-term debt	941,849,423	17,763	941,867,186
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	40,482,710	14,437,396	54,920,106
Total Common Stock Equity	1,184,486,689	14,437,396	1,198,924,085
TOTAL CAPITALIZATION	2,126,336,112	14,455,159	2,140,791,271
	-	-	-

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.