

**Louisville Gas and Electric Company**  
**Income Statement on a Total Company and Jurisdictional Basis**  
**12 Months Ending December 31, 2001**

	<u>Electric</u>	<u>Gas</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Residential Sales	205,038,057	177,386,713	382,424,770
Small (or Comm.)	170,800,625	70,295,765	241,096,390
Large (or Ind.)	103,988,122	15,750,257	119,738,379
Public Street and Highway Lighting	5,796,204	-	5,796,204
Other Sales to Public Authorities	47,698,275	13,222,868	60,921,143
Rate Refunds	1,588,409	-	1,588,409
Total Sales to Ultimate Consumers	<u>534,909,692</u>	<u>276,655,603</u>	<u>811,565,295</u>
Sales for Resale	159,405,694	5,701,548	165,107,242
Forfeited Discounts	1,693,102	1,707,088	3,400,190
Transportation Revenue	-	6,042,451	6,042,451
Miscellaneous Service Revenues	399,082	27,855	426,937
Rent from Electric/Gas Property	659,916	386,847	1,046,763
Interdepartmental Rents	-	107,268	107,268
Other Electric Revenue	8,856,721	-	8,856,721
Other Gas Revenue	-	146,703	146,703
Total Operating Revenues	<u>705,924,207</u>	<u>290,775,363</u>	<u>996,699,570</u>
<b>OPERATING EXPENSES</b>			
Operation Expense	378,619,407	240,783,445	619,402,852
Maintenance Expense	48,996,752	5,223,451	54,220,203
Depreciation Expense	81,163,607	13,315,153	94,478,760
Amort. & Depl. of Utility Plant	4,408,224	1,469,408	5,877,632
Amor. of Property Losses, Unrecovered Plant and Regulatory Study Costs	-	-	-
Taxes Other Than Income Taxes	13,670,536	4,072,763	17,743,299
Income Taxes - Federal	43,388,771	(401,055)	42,987,716
- State	9,014,014	(348,960)	8,665,054
Provision for Deferred Income Taxes	70,062,141	22,237,460	92,299,601
(Less) Provision for Deferred Income Taxes - Cr.	(62,867,356)	(13,354,670)	(76,222,026)
Investment Tax Credit Adj. - Net	(4,082,632)	(207,266)	(4,289,898)
Gain (Loss) from Disposition of Allowances	(248,033)	-	(248,033)
Total Utility Operating Expenses	<u>582,125,431</u>	<u>272,789,729</u>	<u>854,915,160</u>
Net Utility Operating Income	123,798,776	17,985,634	141,784,410
TOTAL Other Income			3,096,723
TOTAL Other Income Deductions			2,111,215
TOTAL Taxes on Other Income and Deductions			<u>(1,944,600)</u>
Net Other Income and Deductions			2,930,108
<b>INTEREST</b>			
Interest on Long - Term Debt			30,507,423
Amort. of Debt Disc. and Expenses			304,853
Amortization of Loss on Reacquired Debt			1,134,278
Other Interest Charges			6,004,329
Total Interest Charges	<u>31,323,662</u>	<u>6,627,221</u>	<u>37,950,883</u>
Net Income			<u>106,763,635</u>

**Louisville Gas and Electric Company**  
**Balance Sheet on a Total Company and Jurisdictional Basis**  
**December 31, 2001**

	<u>Electric</u>	<u>Gas</u>	<u>Total</u>
<b>UTILITY PLANT</b>			
Utility Plant	2,718,014,882	447,808,182	3,165,823,064
Construction Work in Progress	<u>217,731,247</u>	<u>37,342,429</u>	<u>255,073,676</u>
<b>TOTAL UTILITY PLANT</b>	2,935,746,129	485,150,611	3,420,896,740
Less: Accum. Prov. for Depr. Amort. Depl.	<u>1,214,801,400</u>	<u>167,072,372</u>	<u>1,381,873,772</u>
Net Utility Plant	1,720,944,729	318,078,239	2,039,022,968
Gas Stored Underground - Noncurrent	-	2,139,990	2,139,990
<b>OTHER PROPERTY AND INVESTMENTS</b>			
Nonutility Property	749,257	-	749,257
Less: Accum. Prov. for Deprec. and Amort.	63,360	-	63,360
Other Investments	<u>3,890,000</u>	<u>1,600,000</u>	<u>5,490,000</u>
<b>TOTAL Other Property and Investments</b>	4,575,897	1,600,000	6,175,897
<b>CURRENT AND ACCRUED ASSETS</b>			
Cash	1,166,218	233,467	1,399,685
Special Deposits	593,485	118,811	712,296
Working Fund	56,065	12,000	68,065
Temporary Cash Investments	-	-	0
Customer Accounts Receivable	(2,782,454)	(1,309,391)	(4,091,845)
Other Accounts Receivable	15,993,993	2,871,820	18,865,813
Less: Accum. Prov. for Uncollectible Acct.-Cr	204,000	96,000	300,000
Notes Receivable from Assoc. Companies	21,910,001	4,386,207	26,296,208
Accounts Receivable from Assoc. Companies	-	-	0
Fuel Stock	22,024,120		22,024,120
Plant Materials and Operating Supplies	25,785,946	260,464	26,046,410
Stores Expense Undistributed	2,973,483	30,035	3,003,518
Gas Stored Underground - Current		46,394,603	46,394,603
Prepayments	3,798,482	760,426	4,558,908
Misc. Current & Accrued Assets	129,423	-	129,423
Interest and Dividends Receivable	1,974,452	395,269	2,369,721
Rents Receivable	147,265	29,481	176,746
Accrued Utility Revenues	<u>17,524,000</u>	<u>19,729,000</u>	<u>37,253,000</u>
<b>TOTAL Current and Accrued Assets</b>	111,090,479	73,816,193	184,906,672
<b>DEFERRED DEBITS</b>			
Unamortized Debt Expenses	4,933,544	987,656	5,921,200
Other Regulatory Assets	107,869,671	26,901,103	134,770,774
Miscellaneous Deferred Debits	15,222,550	44,060,531	59,283,081
Unamortized Loss on Reacquired Debt	14,915,751	2,986,015	17,901,766
Accumulated Deferred Income Taxes	<u>125,784,408</u>	<u>20,544,092</u>	<u>146,328,500</u>
<b>TOTAL Deferred Debits</b>	268,725,924	95,479,397	364,205,321
<b>TOTAL Assets and other Debits</b>	<u>2,105,337,029</u>	<u>491,113,819</u>	<u>2,596,450,848</u>

**Louisville Gas and Electric Company**  
**Balance Sheet on a Total Company and Jurisdictional Basis**  
**December 31, 2001**

	<u>Electric</u>	<u>Gas</u>	<u>Total</u>
<b>PROPRIETARY CAPITAL</b>			
Common Stock Issued	354,251,997	70,918,427	425,170,424
Preferred Stock Issued	80,409,779	16,097,397	96,507,176
Other Paid - In Capital	33,332,748	6,672,951	40,005,699
Other Comprehensive Income	(16,580,658)	(3,319,316)	(19,899,974)
(Less) Capital Stock Expense	1,840,052	368,364	2,208,416
Retained Earnings	327,962,805	65,655,540	393,618,345
<b>TOTAL Proprietary Capital</b>	<b>777,536,619</b>	<b>155,656,635</b>	<b>933,193,254</b>
<b>LONG-TERM DEBT</b>			
Bonds	514,004,413	102,899,587	616,904,000
<b>TOTAL Long - Term Debt</b>	<b>514,004,413</b>	<b>102,899,587</b>	<b>616,904,000</b>
<b>OTHER NONCURRENT LIABILITIES</b>			
Accumulated Provision for Pensions and Benefits	50,256,450	10,060,941	60,317,391
<b>TOTAL OTHER Noncurrent Liabilities</b>	<b>50,256,450</b>	<b>10,060,941</b>	<b>60,317,391</b>
<b>CURRENT AND ACCRUED LIABILITIES</b>			
Notes Payable	24,949,133	4,994,617	29,943,750
Notes Payable to Associated Companies	53,535,552	10,717,391	64,252,943
Accounts Payable	181,005,107	36,235,780	217,240,887
Accounts Payable to Associated Companies	38,638,681	7,735,156	46,373,837
Customer Deposits	5,799,118	2,728,997	8,528,115
Taxes Accrued	16,868,132	3,376,865	20,244,997
Interest Accrued	4,847,492	970,429	5,817,921
Dividends Declared	925,709	185,320	1,111,029
Tax Collections Payable	367,368	73,544	440,912
Miscellaneous Current and Accrued Liabilities	2,667,232	533,958	3,201,190
<b>TOTAL Current and Accrued Liabilities</b>	<b>329,603,524</b>	<b>67,552,057</b>	<b>397,155,581</b>
<b>DEFERRED CREDITS</b>			
Customer Advances for Construction	619,434	9,125,556	9,744,990
Accumulated Deferred Investment Tax Credits	56,424,291	2,264,332	58,688,623
Other Deferred Credits	7,923,197	17,551,917	25,475,114
Other Regulatory Liabilities	46,710,945	3,789,661	50,500,606
Accumulated Deferred Income Taxes	375,075,598	69,395,691	444,471,289
<b>TOTAL Deferred Credits</b>	<b>486,753,465</b>	<b>102,127,157</b>	<b>588,880,622</b>
Electric/Gas adjustment to balance	(52,817,442)	52,817,442	
<b>TOTAL Liabilities and Other Credits</b>	<b>2,105,337,029</b>	<b>491,113,819</b>	<b>2,596,450,848</b>