UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the fiscal year ended December 31, 2024

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the transition period from _________ to ___________

Commission File Number	Registrant; State of Incorporation; Address and Telephone Number	IRS Employer Identification No.
1-11459	**PPL Corporation** (Exact name of Registrant as specified in its charter) Pennsylvania 645 Hamilton Street Allentown, PA 18101 (610) 774-5151	23-2758192
1-905	**PPL Electric Utilities Corporation** (Exact name of Registrant as specified in its charter) Pennsylvania 827 Hausman Road Allentown, PA 18104-9392 (610) 774-5151	23-0959590
1-2893	**Louisville Gas and Electric Company** (Exact name of Registrant as specified in its charter) Kentucky 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	61-0264150
1-3464	**Kentucky Utilities Company** (Exact name of Registrant as specified in its charter) Kentucky and Virginia One Quality Street Lexington, KY 40507-1462 (502) 627-2000	61-0247570

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s):	Name of each exchange on which registered
Common Stock of PPL Corporation	PPL	New York Stock Exchange
Junior Subordinated Notes of PPL Capital Funding, Inc. 2007 Series A due 2067	PPL/67	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

Common Stock of PPL Electric Utilities Corporation

Indicate by check mark if the registrants are a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

PPL Corporation	Yes	☒	No	☐
PPL Electric Utilities Corporation	Yes	☒	No	☐
Louisville Gas and Electric Company	Yes	☐	No	☒
Kentucky Utilities Company	Yes	☐	No	☒

Indicate by check mark if the registrants are not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

PPL Corporation	Yes	☐	No	☒
PPL Electric Utilities Corporation	Yes	☐	No	☒
Louisville Gas and Electric Company	Yes	☐	No	☒
Kentucky Utilities Company	Yes	☐	No	☒

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days.

PPL Corporation	Yes	☒	No	☐
PPL Electric Utilities Corporation	Yes	☒	No	☐
Louisville Gas and Electric Company	Yes	☒	No	☐
Kentucky Utilities Company	Yes	☒	No	☐

Indicate by check mark whether the registrants have submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrants were required to submit such files).

PPL Corporation	Yes	☒	No	☐
PPL Electric Utilities Corporation	Yes	☒	No	☐
Louisville Gas and Electric Company	Yes	☒	No	☐
Kentucky Utilities Company	Yes	☒	No	☐

Indicate by check mark whether the registrants are large accelerated filers, accelerated filers, non-accelerated filers, smaller reporting companies or emerging growth companies. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

	Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company	Emerging growth company
PPL Corporation	☒	☐	☐	☐	☐
PPL Electric Utilities Corporation	☐	☐	☒	☐	☐
Louisville Gas and Electric Company	☐	☐	☒	☐	☐
Kentucky Utilities Company	☐	☐	☒	☐	☐

If emerging growth companies, indicate by check mark if the registrants have elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

PPL Corporation	☐
PPL Electric Utilities Corporation	☐
Louisville Gas and Electric Company	☐
Kentucky Utilities Company	☐

Indicate by check mark whether each registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

PPL Corporation	☒
PPL Electric Utilities Corporation	☐
Louisville Gas and Electric Company	☐
Kentucky Utilities Company	☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrants included in the filing reflect the correction of an error to previously issued financial statements.

PPL Corporation	☐
PPL Electric Utilities Corporation	☐
Louisville Gas and Electric Company	☐
Kentucky Utilities Company	☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrants' executive officers during the relevant recovery period pursuant to §240.10D-1(b).

PPL Corporation	☐
PPL Electric Utilities Corporation	☐
Louisville Gas and Electric Company	☐
Kentucky Utilities Company	☐

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Exchange Act).

PPL Corporation	Yes	☐	No	☒
PPL Electric Utilities Corporation	Yes	☐	No	☒
Louisville Gas and Electric Company	Yes	☐	No	☒
Kentucky Utilities Company	Yes	☐	No	☒

As of June 28, 2024, PPL Corporation had 737,762,262 shares of its $0.01 par value Common Stock outstanding. The aggregate market value of these common shares (based upon the closing price of these shares on the New York Stock Exchange on that date) held by non-affiliates was $20,399,126,544. As of January 31, 2025, PPL Corporation had 738,294,081 shares of its $0.01 par value Common Stock outstanding.

As of January 31, 2025, PPL Corporation held all 66,368,056 outstanding common shares, no par value, of PPL Electric Utilities Corporation.

As of January 31, 2025, LG&E and KU Energy LLC held all 21,294,223 outstanding common shares, no par value, of Louisville Gas and Electric Company.

As of January 31, 2025, LG&E and KU Energy LLC held all 37,817,878 outstanding common shares, no par value, of Kentucky Utilities Company.

PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K and are therefore filing this form with the reduced disclosure format.

Documents incorporated by reference:

PPL Corporation has incorporated herein by reference certain sections of PPL Corporation's 2025 Notice of Annual Meeting and Proxy Statement, which will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2024 and which will provide the information required by Part III of this Report.

PPL CORPORATION
PPL ELECTRIC UTILITIES CORPORATION
LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY

FORM 10-K ANNUAL REPORT TO
THE SECURITIES AND EXCHANGE COMMISSION
FOR THE YEAR ENDED DECEMBER 31, 2024

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This combined Form 10-K is separately filed by the following Registrants in their individual capacity: PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company. Information contained herein relating to any individual Registrant is filed by such Registrant solely on its own behalf and no Registrant makes any representation as to information relating to any other Registrant, except that information under "Forward-Looking Information" relating to subsidiaries of PPL Corporation is also attributed to PPL Corporation.

Unless otherwise specified, references in this Report, individually, to PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company are references to such entities directly or to one or more of their subsidiaries, as the case may be, the financial results of which subsidiaries are consolidated into such Registrants' financial statements in accordance with GAAP. This presentation has been applied where identification of particular subsidiaries is not material to the matter being disclosed, and to conform narrative disclosures to the presentation of financial information on a consolidated basis.

GLOSSARY OF TERMS AND ABBREVIATIONS

PPL Corporation and its subsidiaries

CEP Reserves - CEP Reserves, Inc., a cash management subsidiary of PPL that maintains cash reserves for the balance sheet management of PPL and certain subsidiaries.

KU - Kentucky Utilities Company, a public utility subsidiary of LKE engaged in the regulated generation, transmission, distribution and sale of electricity, primarily in Kentucky.

LG&E - Louisville Gas and Electric Company, a public utility subsidiary of LKE engaged in the regulated generation, transmission, distribution and sale of electricity and the distribution and sale of natural gas in Kentucky.

LKE - LG&E and KU Energy LLC, a subsidiary of PPL and the parent of LG&E, KU and other subsidiaries.

LKS - LG&E and KU Services Company, a subsidiary of LKE that provides administrative, management and support services primarily to LG&E and KU, as well as to LKE and its other subsidiaries.

Narragansett Electric - The Narragansett Electric Company, an entity that serves electric and natural gas customers in Rhode Island. On May 25, 2022, PPL and its subsidiary, PPL Rhode Island Holdings announced the completion of the acquisition of Narragansett Electric, which continues to provide services under the name Rhode Island Energy. Narragansett Electric is sometimes referred to as Rhode Island Energy or RIE.

PPL - PPL Corporation, the ultimate parent holding company of PPL Electric, PPL Energy Funding, PPL Capital Funding, LKE, RIE and other subsidiaries.

PPL Capital Funding - PPL Capital Funding, Inc., a financing subsidiary of PPL that provides financing for the operations of PPL and certain subsidiaries. Debt issued by PPL Capital Funding is fully and unconditionally guaranteed as to payment by PPL.

PPL Electric - PPL Electric Utilities Corporation, a public utility subsidiary of PPL engaged in the regulated transmission and distribution of electricity in its Pennsylvania service area and that provides electricity supply to its retail customers in this area as a PLR.

PPL Energy Funding - PPL Energy Funding Corporation, a subsidiary of PPL and the parent holding company of PPL Global and other subsidiaries.

PPL Energy Holdings - PPL Energy Holdings, LLC, a subsidiary of PPL and the parent holding company of PPL Energy Funding, LKE, PPL Electric, PPL Rhode Island Holdings, PPL Services and other subsidiaries.

PPL Global - PPL Global, LLC, a subsidiary of PPL Energy Funding that, prior to the sale of the U.K. utility business on June 14, 2021, primarily through its subsidiaries, owned and operated WPD, PPL's regulated electricity distribution businesses in the U.K. PPL Global was not included in the sale of the U.K. utility business on June 14, 2021.

PPL Rhode Island Holdings - PPL Rhode Island Holdings, LLC, a subsidiary of PPL Energy Holdings formed for the purpose of acquiring Narragansett Electric to which certain interests of PPL Energy Holdings in the Narragansett SPA were assigned.

PPL Services - PPL Services Corporation, a subsidiary of PPL that provides administrative, management and support services to PPL and its subsidiaries.

PPL WPD Limited - PPL WPD Limited, a U.K. subsidiary of PPL Global. Prior to the sale of the U.K. utility business on June 14, 2021, PPL WPD Limited was an indirect parent to WPD. PPL WPD Limited was not included in the sale of the U.K. utility business on June 14, 2021.

RIE - Rhode Island Energy, the name under which Narragansett Electric provides gas and electric services to customers in Rhode Island.

Other terms and abbreviations

£ - British pound sterling.

401(h) account(s) - a sub-account established within a qualified pension trust to provide for the payment of retiree medical costs.

2023 Form 10-K - Annual Report filed with the SEC on Form 10-K for the year ended December 31, 2023.

Act 11 - Act 11 of 2012 that became effective on April 16, 2012. The Pennsylvania legislation authorized the PAPUC to approve two specific ratemaking mechanisms: the use of a fully projected future test year in base rate proceedings and, subject to certain conditions, a DSIC.

Act 129 - Act 129 of 2008 that became effective in October 2008. The law amended the Pennsylvania Public Utility Code and created an energy efficiency and conservation program and smart metering technology requirements, adopted new PLR electricity supply procurement rules, provided remedies for market misconduct and changed the Alternative Energy Portfolio Standard (AEPS).

AFUDC - allowance for funds used during construction. The cost of equity and debt funds used to finance construction projects of regulated businesses, which is capitalized as part of construction costs.

AOCI - accumulated other comprehensive income or loss.

ARO - asset retirement obligation.

Bcf - billion cubic feet. A unit of measure commonly used in quoting volumes of natural gas.

Cane Run Unit 7 - a NGCC generating unit in Kentucky, jointly owned by LG&E and KU.

CCR(s) - coal combustion residual(s). CCRs include fly ash, bottom ash and sulfur dioxide scrubber wastes.

Clean Air Act - federal legislation enacted to address certain environmental issues related to air emissions, including acid rain, ozone and toxic air emissions.

Clean Water Act - federal legislation enacted to address certain environmental issues relating to water quality including effluent discharges, cooling water intake, and dredge and fill activities.

COVID-19 - the disease caused by the coronavirus identified in 2019 that caused a global pandemic.

CPCN - Certificate of Public Convenience and Necessity. Authority granted by the KPSC pursuant to Kentucky Revised Statute 278.020 to provide utility service to or for the public or the construction of certain plant, equipment, property or facilities for furnishing of utility service to the public. A CPCN is required for any capital addition, subject to KPSC jurisdiction, in excess of $100 million.

Customer Choice Act - the Pennsylvania Electricity Generation Customer Choice and Competition Act, legislation enacted to restructure the state's electric utility industry to create retail access to a competitive market for generation of electricity.

DDCP - Directors Deferred Compensation Plan.

DER - Distributed Energy Resources.

DSIC - Distribution System Improvement Charge. Authorized under Act 11, which is an alternative ratemaking mechanism providing more-timely cost recovery of qualifying distribution system capital expenditures.

DSM - Demand Side Management. Pursuant to Kentucky Revised Statute 278.285, the KPSC may determine the reasonableness of DSM programs proposed by any utility under its jurisdiction. DSM programs consist of energy efficiency programs intended to reduce peak demand and delay the investment in additional power plant construction, provide customers with tools and information regarding their energy usage and support energy efficiency.

Earnings from Ongoing Operations - a non-GAAP financial measure of earnings adjusted for the impact of special items and used in "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" (MD&A).

EBPB - Employee Benefit Plan Board. The administrator of PPL's U.S. qualified retirement plans, which is charged with the fiduciary responsibility to oversee and manage those plans and the investments associated with those plans.

ECR - Environmental Cost Recovery. Pursuant to Kentucky Revised Statute 278.183, Kentucky electric utilities are entitled to the current recovery of costs of complying with the Clean Air Act, as amended, and those federal, state or local environmental requirements that apply to coal combustion wastes and byproducts from the production of energy from coal.

ELG(s) - Effluent Limitation Guidelines, regulations promulgated by the EPA.

Environmental Response Fund - Established in RIPUC Docket No. 2930. Created to satisfy remedial and clean-up obligations of RIE arising from the past ownership and/or operation of manufactured gas plants and sites associated with the operation and disposal activities of such gas plants.

EPA - Environmental Protection Agency, a U.S. government agency.

EPS - earnings per share.

FERC - Federal Energy Regulatory Commission, the U.S. federal agency that regulates, among other things, interstate transmission and wholesale sales of electricity, hydroelectric power projects and related matters.

GAAP - Generally Accepted Accounting Principles in the U.S.

GHG(s) - greenhouse gas(es).

GLT - gas line tracker. The KPSC approved mechanism for LG&E's recovery of certain costs associated with gas transmission lines, gas service lines, gas risers, leak mitigation, and gas main replacements.

GWh - gigawatt-hour, one million kilowatt hours.

IBEW - International Brotherhood of Electrical Workers.

ICPKE - The PPL Incentive Compensation Plan for Key Employees. The ICPKE provides for incentive compensation to certain employees below the level of senior executive.

If-Converted Method - A method applied to calculate diluted EPS for a company with outstanding convertible debt. This method generally adds back the interest charges of the debt to net income and the convertible debt is assumed to have been converted to equity at the beginning of the period, and the resulting common shares are treated as outstanding shares for diluted EPS calculations.

IRA - Inflation Reduction Act, a U.S. federal law, which aims to curb inflation by possibly reducing the federal government budget deficit, lowering prescription drug prices, and investing in domestic energy production while promoting clean energy.

IRS - Internal Revenue Service, a U.S. government agency.

ISO - Independent System Operator.

ISR - Infrastructure, safety and reliability.

KPSC - Kentucky Public Service Commission, the state agency that has jurisdiction over the regulation of rates and service of utilities in Kentucky.

KU 2010 Mortgage Indenture - KU's Indenture, dated as of October 1, 2010, to The Bank of New York Mellon, as supplemented.

kVA - kilovolt ampere.

kWh - kilowatt hour, basic unit of electrical energy.

LCIDA - Lehigh County Industrial Development Authority.

LG&E 2010 Mortgage Indenture - LG&E's Indenture, dated as of October 1, 2010, to The Bank of New York Mellon, as supplemented.

Mcf - one thousand cubic feet, a unit of measure for natural gas.

MMBtu - one million British Thermal Units.

Mill Creek Unit 5 - a combined cycle natural gas unit under construction in Kentucky, jointly owned by LG&E and KU, which is expected to provide additional generating capacity of 198 MW to LG&E and 442 MW to KU beginning in 2027.

Moody's - Moody's Investors Service, Inc., a credit rating agency.

MW - megawatt, one thousand kilowatts.

MWac - megawatt, alternating current. The measure of the power output from a solar installation.

NAAQS - National Ambient Air Quality Standards periodically adopted pursuant to the Clean Air Act.

National Grid USA - National Grid USA is a wholly-owned subsidiary of National Grid plc, a British multinational electricity and gas utility company headquartered in London, England.

NEP - New England Power Company, a National Grid U.S. affiliate.

NERC - North American Electric Reliability Corporation.

NGCC - Natural gas combined cycle.

NPNS - the normal purchases and normal sales exception as permitted by derivative accounting rules. Derivatives that qualify for this exception may receive accrual accounting treatment.

OCI - other comprehensive income or loss.

OVEC - Ohio Valley Electric Corporation, located in Piketon, Ohio, an entity in which LG&E owns a 5.63% interest and KU owns a 2.50% interest, which are recorded at cost. OVEC owns and operates two coal-fired power plants, the Kyger Creek plant in Ohio and the Clifty Creek plant in Indiana, with combined capacities of 2,120 MW.

PAPUC - Pennsylvania Public Utility Commission, the state agency that regulates certain ratemaking, services, accounting and operations of Pennsylvania utilities.

PEDFA - Pennsylvania Economic Development Financing Authority.

Performance unit - stock-based compensation award that represents a variable number of shares of PPL common stock that a recipient may receive based on PPL's attainment of (i) relative total shareowner return (TSR) as compared to companies in the PHLX Utility Sector Index; (ii) corporate return on equity (ROE); (iii) corporate earnings growth (EG); and (iv) corporate environmental, social and governance (ESG) metrics.

PHMSA - Pipeline and Hazardous Materials Safety Administration.

PJM - PJM Interconnection, L.L.C., operator of the electricity transmission network and electricity energy market in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia.

PLR - Provider of Last Resort, the role of PPL Electric in providing default electricity supply within its delivery area to retail customers who have not chosen to select an alternative electricity supplier under the Customer Choice Act.

PP&E - property, plant and equipment.

PPA(s) - power purchase agreement(s).

PPL EU Services - PPL EU Services Corporation, a former subsidiary of PPL that, prior to being merged into PPL Services on December 31, 2021, provided administrative, management and support services primarily to PPL Electric.

PPL WPD Investments Limited - PPL WPD Investments Limited, which was, prior to the sale of the U.K. utility business on June 14, 2021, a subsidiary of PPL WPD Limited and parent to WPD plc. PPL WPD Investments Limited was included in the sale of the U.K. utility business on June 14, 2021.

RAR – Retired Asset Recovery rider, established by KPSC orders in 2021 to provide for recovery of and return on the remaining investment in certain electric generating units upon their retirement over a ten-year period following retirement.

RCRA - Resource Conservation and Recovery Act of 1976.

Registrant(s) - refers to the Registrants named on the cover of this Report (each a "Registrant" and collectively, the "Registrants").

RIPUC - Rhode Island Public Utilities Commission, a three-member quasi-judicial tribunal with jurisdiction, powers, and duties to implement and enforce the standards of conduct under R.I. Gen. Laws § 39-1-27.6 and to hold investigations and hearings involving the rates, tariffs, tolls, and charges, and the sufficiency and reasonableness of facilities and accommodations of public utilities.

Rhode Island Division of Public Utilities and Carriers - the Rhode Island Division of Public Utilities and Carriers, which is headed by an Administrator who is not a Commissioner of the RIPUC, exercises the jurisdiction, supervision, power, and duties not specifically assigned to the RIPUC.

RTO - Regional Transmission Operator, an electric power transmission system operator that coordinates, controls and monitors a multi-state electric grid.

Safari Energy - Safari Energy, LLC, which was, prior to the sale of Safari Holdings on November 1, 2022, a subsidiary of Safari Holdings that provided solar energy solutions for commercial customers in the U.S.

Safari Holdings - Safari Holdings, LLC, which was, prior to its sale on November 1, 2022, a subsidiary of PPL and parent holding company of Safari Energy.

Sarbanes-Oxley - Sarbanes-Oxley Act of 2002, which sets requirements for management's assessment of internal controls for financial reporting. It also requires an independent auditor to make its own assessment.

Scrubber - an air pollution control device that can remove particulates and/or gases (primarily sulfur dioxide) from exhaust gases.

SEC - the U.S. Securities and Exchange Commission, a U.S. government agency primarily responsible to protect investors and maintain the integrity of the securities markets.

SIP - PPL Corporation's Amended and Restated 2012 Stock Incentive Plan.

Smart metering technology - technology that can measure, among other things, time of electricity consumption to permit offering rate incentives for usage during lower cost or demand intervals. The use of this technology also has the potential to strengthen network reliability.

SOFR - Secured Overnight Financing Rate, a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities.

S&P - S&P Global Ratings, a credit rating agency.

Superfund - federal environmental statute that addresses remediation of contaminated sites; states also have similar statutes.

TCJA - Tax Cuts and Jobs Act. Comprehensive U.S. federal tax legislation enacted on December 22, 2017.

Total shareowner return - the change in market value of a share of the company's common stock plus the value of all dividends paid on a share of the common stock during the applicable performance period, divided by the price of the common stock as of the beginning of the performance period. The price used for purposes of this calculation is the average share price for the 20 trading days at the beginning and end of the applicable period.

Treasury Stock Method - a method applied to calculate diluted EPS that assumes any proceeds that could be obtained upon exercise of options and warrants (and their equivalents) would be used to purchase common stock at the average market price during the relevant period.

U.K. utility business - PPL WPD Investments Limited and its subsidiaries, including, notably, WPD plc and the four distribution network operators, which substantially represented PPL's U.K. Regulated segment. The U.K. utility business was sold on June 14, 2021.

UWUA - Utility Workers Union of America.

VEBA - Voluntary Employee Beneficiary Association. A tax-exempt trust under the Internal Revenue Code Section 501 (c)(9) used by employers to fund and pay eligible medical, life and similar benefits.

VSCC - Virginia State Corporation Commission, the state agency that has jurisdiction over the regulation of Virginia corporations, including utilities.

WPD - Prior to the sale of the U.K. utility business on June 14, 2021, refers to PPL WPD Investments Limited and its subsidiaries. WPD was included in the sale of the U.K. utility business on June 14, 2021.

WPD plc - Western Power Distribution plc, prior to the sale of the U.K utility business, a U.K. indirect subsidiary of PPL WPD Limited. Its principal indirectly owned subsidiaries are WPD (East Midlands), WPD (South Wales), WPD (South West) and WPD (West Midlands). WPD plc was included in the sale of the U.K. utility business on June 14, 2021.

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Forward-looking Information

Statements contained in this Annual Report concerning expectations, beliefs, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are other than statements of historical fact are "forward-looking statements" within the meaning of the federal securities laws. Although the Registrants believe that the expectations and assumptions reflected in these statements are reasonable, there can be no assurance that these expectations will prove to be correct. Forward-looking statements are subject to many risks and uncertainties, and actual results may differ materially from the results discussed in forward-looking statements. In addition to the specific factors discussed in "Item 1A. Risk Factors" and in "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Annual Report, the following are among the important factors that could cause actual results to differ materially and adversely from the forward-looking statements:

- weather and other conditions affecting generation, transmission and distribution operations, operating costs and customer energy use;
- strategic acquisitions, dispositions, or similar transactions and our ability to consummate these business transactions, integrate the acquired entities or realize expected benefits from them;
- pandemic health events or other catastrophic events such as wildfires, earthquakes, explosions, floods, droughts, tornadoes, hurricanes and other extreme weather-related events (including events potentially caused or exacerbated by climate change) and their impact on economic conditions, financial markets and supply chains;
- capital market conditions, including the availability of capital, credit or insurance, changes in interest rates and certain economic indices, and decisions regarding capital structure;
- volatility in or the impact of other changes in financial markets, commodity prices and economic conditions, including inflation;
- the outcome of rate cases or other cost recovery, revenue or regulatory proceedings;
- the direct or indirect effects on PPL or its subsidiaries or business systems of cyber-based intrusion or the threat of cyberattacks;
- development, adoption and use of artificial intelligence by us, our customers and our third-party vendors;
- significant changes in the demand for electricity;
- expansion of alternative and distributed sources of electricity generation and storage;
- the effectiveness of our risk management programs, including commodity and interest rate hedging;
- defaults by counterparties or suppliers for energy, capacity, coal, natural gas or key commodities, goods or services;
- a material decline in the market value of PPL's equity;
- significant decreases in the fair value of debt and equity securities and their impact on the value of assets in defined benefit plans, and the related cash funding requirements if the fair value of those assets decline;
- interest rates and their effect on pension and retiree medical liabilities, ARO liabilities, interest payable on certain debt securities, and the general economy;
- the potential impact of any unrecorded commitments and liabilities of the Registrants and their subsidiaries;
- new accounting requirements or new interpretations or applications of existing requirements;
- adverse changes in the corporate credit ratings or securities analyst rankings of the Registrants and their securities;
- any requirement to record impairment charges pursuant to GAAP with respect to any of our significant investments;
- laws or regulations to reduce emissions of GHGs or the physical effects of climate change;
- the availability of electricity and natural gas, and any consequences of a perceived or actual inability to serve demand reliably;
- continuing ability to access fuel supply for LG&E and KU, as well as the ability to recover fuel costs and environmental expenditures in a timely manner at LG&E and KU and natural gas supply costs at LG&E and RIE;
- war, armed conflicts, terrorist attacks, or similar disruptive events, including the ongoing conflicts in Ukraine and the Middle East;
- changes in political, regulatory or economic conditions in states or regions where the Registrants or their subsidiaries conduct business;
- the ability to obtain necessary governmental permits and approvals;
- changes in state or federal tax laws or regulations;
- establishment of new tariffs on imported goods;
- changes in state, federal or foreign legislation or regulatory developments;
- the impact of any state, federal or foreign investigations applicable to the Registrants, their subsidiaries or the energy industry;
- our ability to attract and retain qualified employees;
- the effect of changing expectations and demands of our customers, regulators, investors and stakeholders, including differing views on environmental, social and governance concerns;
- the effect of any business or industry restructuring;

- development of new projects, markets and technologies;
- the ability to control costs and avoid cost and schedule overruns during the development, construction and operation of generation facilities or other projects;
- performance of new ventures;
- collective labor bargaining negotiations and labor costs;
- risks related to wildfires, including costs of potential regulatory penalties and other liabilities, and the cost and availability of insurance and damages in excess of insurance liability coverage; and
- the outcome of litigation involving the Registrants and their subsidiaries.

Any forward-looking statements should be considered in light of these important factors and in conjunction with other documents of the Registrants on file with the SEC.

New factors that could cause actual results to differ materially from those described in forward-looking statements emerge from time to time, and it is not possible for the Registrants to predict all such factors, or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in any forward-looking statement. Any forward-looking statement speaks only as of the date on which such statement is made, and the Registrants undertake no obligation to update the information contained in the statement to reflect subsequent developments or information.

Investors should note that PPL announces material financial information in SEC filings, press releases and public conference calls. In accordance with SEC guidelines, PPL also uses the Investors section of its website, www.pplweb.com, to communicate with investors. It is possible that the financial and other information posted there could be deemed to be material information. The information on PPL's website is not part of this document.

PART I

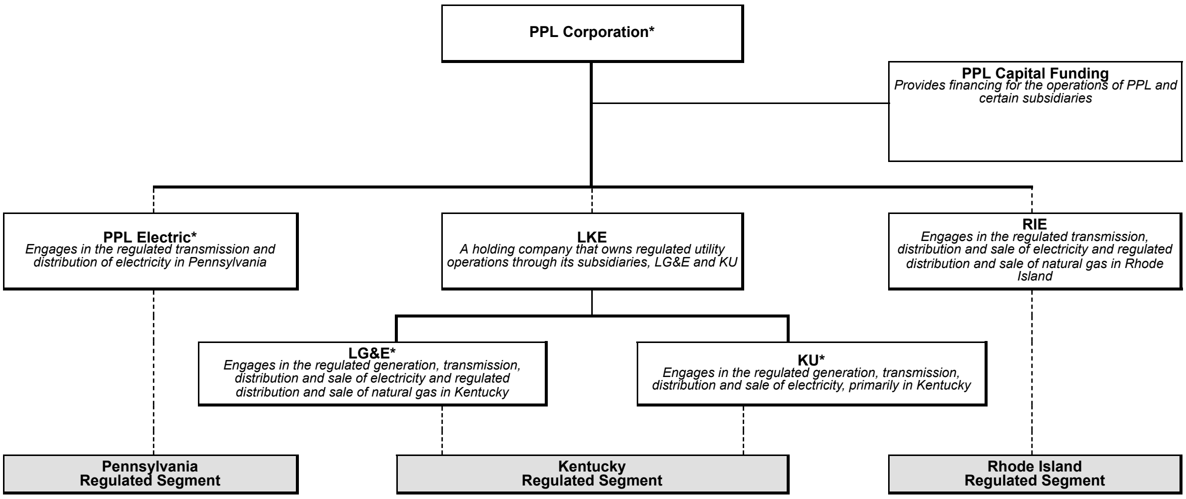
ITEM 1. BUSINESS

General

(All Registrants)

PPL, headquartered in Allentown, Pennsylvania, is a utility holding company, incorporated in 1994. PPL, through its regulated utility subsidiaries, delivers electricity to customers in Pennsylvania, Kentucky, Virginia, and Rhode Island; delivers natural gas to customers in Kentucky and Rhode Island; and generates electricity from power plants in Kentucky.

PPL's principal subsidiaries at December 31, 2024 are shown below (* denotes a Registrant).



In addition to PPL, the other Registrants included in this filing are as follows.

PPL Electric, headquartered in Allentown, Pennsylvania, is a wholly-owned subsidiary of PPL and a regulated public utility that is an electricity transmission and distribution service provider in eastern and central Pennsylvania. PPL Electric is subject to regulation as a public utility by the PAPUC, and certain of its transmission activities are subject to the jurisdiction of the FERC under the Federal Power Act. PPL Electric delivers electricity in its Pennsylvania service area and provides electricity supply to retail customers in that area as a PLR under the Customer Choice Act. PPL Electric was organized in 1920 as Pennsylvania Power & Light Company.

LG&E, headquartered in Louisville, Kentucky, is a wholly-owned subsidiary of LKE and a regulated utility engaged in the generation, transmission, distribution and sale of electricity and distribution and sale of natural gas in Kentucky. LG&E is subject to regulation as a public utility by the KPSC, and certain of its transmission activities are subject to the jurisdiction of the FERC under the Federal Power Act. LG&E was incorporated in 1913.

KU, headquartered in Lexington, Kentucky, is a wholly-owned subsidiary of LKE and a regulated utility engaged in the generation, transmission, distribution and sale of electricity in Kentucky and Virginia. KU is subject to regulation as a public utility by the KPSC and the VSCC, and certain of its transmission and wholesale power activities are subject to the jurisdiction of the FERC under the Federal Power Act. KU serves its Kentucky customers under the KU name and its Virginia customers under the Old Dominion Power name. KU was incorporated in Kentucky in 1912 and in Virginia in 1991.

Segment Information

(PPL)

PPL is organized into three reportable segments as depicted in the chart above: Kentucky Regulated, which primarily represents the results of LG&E and KU, Pennsylvania Regulated, which primarily represents the results of PPL Electric, and Rhode Island Regulated, which primarily represents the results of RIE. "Corporate and Other" primarily includes corporate level financing costs, certain unallocated corporate costs, and certain non-recoverable costs incurred in conjunction with the acquisition of Rhode Island Energy and the financial results of Safari Energy, prior to its sale on November 1, 2022.

A comparison of PPL's Regulated segments is shown below.

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated
For the year ended December 31, 2024:			
Operating Revenues (in billions)	$ 3.6	$ 2.9	$ 2.0
Net Income (in millions)	$ 620	$ 574	$ 109
Electricity delivered (GWh)	30,109	36,611	7,371
Natural gas delivered (Bcf)	42	—	37
At December 31, 2024:			
Regulatory Asset Base (in billions) (a)	$ 12.4	$ 10.2	$ 3.8
Service area (in square miles)	8,000	10,000	1,200
Customers (in millions)	1.4	1.5	0.8

(a) Represents capitalization for Kentucky Regulated and rate base for Pennsylvania Regulated and Rhode Island Regulated. The amount for Rhode Island Regulated excludes acquisition-related adjustments for non-earning assets.

See Note 2 to the Financial Statements for additional financial information by segment. See Note 3 to the Financial Statements for additional revenue information.

(PPL Electric, LG&E and KU)

PPL Electric has two operating segments, distribution and transmission, which are aggregated into a single reportable segment. Each of LG&E and KU operates as a single operating and reportable segment.

Kentucky Regulated Segment *(PPL)*

The Kentucky Regulated segment consists primarily of the regulated electricity generation, transmission and distribution operations conducted by LG&E and KU, as well as LG&E's regulated distribution and sale of natural gas.

(PPL, LG&E and KU)

LG&E and KU are engaged in the regulated generation, transmission, distribution and sale of electricity in Kentucky and, in KU's case, also Virginia. LG&E also engages in the distribution and sale of natural gas in Kentucky. LG&E provides electric service to approximately 440,000 customers in Louisville and adjacent areas in Kentucky, covering approximately 700 square miles in nine counties and provides natural gas service to approximately 336,000 customers in its electric service area and eight additional counties in Kentucky. KU provides electric service to approximately 549,000 customers in 77 counties in central, southeastern and western Kentucky and approximately 28,000 customers in five counties in southwestern Virginia, covering approximately 4,800 non-contiguous square miles. KU also sells wholesale electricity to two municipalities in Kentucky under load following contracts.

Franchises and Licenses

LG&E and KU provide electricity delivery service, and LG&E provides natural gas distribution service, in their respective service territories pursuant to certain franchises, licenses, statutory service areas, easements and other rights or permissions granted by state legislatures, cities or municipalities or other entities.

Competition

There are currently no other electric public utilities operating within the electric service areas of LG&E and KU. From time to time, bills are introduced into the Kentucky General Assembly which seek to authorize, promote or mandate increased distributed generation, customer choice or other developments. Neither the Kentucky General Assembly nor the KPSC has adopted or approved a plan or timetable for retail electric industry competition in Kentucky. The nature or timing of legislative or regulatory actions, if any, regarding industry restructuring and their impact on LG&E and KU, which may be significant, cannot currently be predicted. Virginia, formerly a deregulated jurisdiction, has enacted legislation that implemented a hybrid model of cost-based regulation. KU's operations in Virginia have been and remain regulated.

Alternative energy sources such as electricity, oil, propane and other fuels indirectly impact LG&E's natural gas revenues. Marketers may also compete to sell natural gas to certain large end-users. LG&E's natural gas tariffs include gas price pass-through mechanisms relating to its sale of natural gas as a commodity. Therefore, customer natural gas purchases from alternative suppliers do not generally impact LG&E's profitability. Some large industrial and commercial customers, however, may physically bypass LG&E's facilities and seek delivery service directly from interstate pipelines or other natural gas distribution systems.

Power Supply

At December 31, 2024, LG&E owned generating capacity of 2,466 MW and KU owned generating capacity of 4,798 MW. See "Item 2. Properties - Kentucky Regulated Segment" for a complete list of generating facilities.

The system capacity of LG&E's and KU's owned generation is based upon several factors, including the operating experience and physical condition of the units, and may be revised periodically to reflect changes in circumstances.

During 2024, LG&E's and KU's power plants generated the following amounts of electricity:

	GWh	
Fuel Source	**LG&E**	**KU**
Coal	10,046	14,276
Gas	1,586	4,483
Hydro	235	54
Solar	8	12
Total (a)	11,875	18,825

(a) This generation represents a decrease for LG&E of 1% and an increase for KU of 8% from 2023 output.

The majority of LG&E's and KU's generated electricity was used to supply their retail customer bases.

LG&E and KU jointly dispatch their generation units with the lowest cost generation used to serve their customers. When LG&E has excess generation capacity after serving its own customers and its generation cost is lower than that of KU, KU purchases electricity from LG&E and vice versa.

Due to environmental requirements and energy efficiency measures, as of December 31, 2024, LG&E and KU have retired approximately 1,500 MW of coal-fired generation plants since 2010, including the retirement of a 300 MW coal-fired unit in December 2024 at the Mill Creek plant.

LG&E and KU received approval from the KPSC to develop a 4 MW Solar Share facility to service a Solar Share program. The Solar Share program is a voluntary program that allows customers to subscribe capacity in the Solar Share facility. Construction commences, in 500-kilowatt phases, when subscription is complete. Construction of five 500-kilowatt phases was completed as of December 31, 2022. LG&E and KU continue to market the program and are accepting subscriptions for the sixth 500-kilowatt phase.

On November 6, 2023, the KPSC issued an order approving LG&E’s and KU’s December 15, 2022 CPCN requests (i) to construct a 640 MW net summer rating NGCC combustion turbine at LG&E's Mill Creek Generating Station in Jefferson County, Kentucky, (ii) to construct a 120 MWac solar photovoltaic electric generating facility in Mercer County, Kentucky, (iii) to acquire a 120 MWac solar facility to be built by a third-party solar developer in Marion County, Kentucky and (iv) to construct a 125 MW, 4-hour battery energy storage system facility at KU's E.W. Brown Generating Station. The order also authorized LG&E's and KU's entry into four potential solar PPAs, subject to certain conditions, but deferred for future proceedings specific decisions on cost recovery treatment or mechanisms. Agreements related to two of the four potential solar

PPAs have been terminated. One PPA agreement was terminated by the developer due to land control issues. The second agreement terminated contractually due to a PPA price increase that was not acceptable to LG&E and KU. Further, the order approved the new, adjusted or expanded energy efficiency programs contained in the requested 2024-2030 DSM plan.

The KPSC order included approval of the requested retirements of two existing coal-fired generation units at LG&E's Mill Creek Unit 1 (300 MW) in 2024, which occurred on December 31, 2024, and Mill Creek Unit 2 (297 MW) in 2027, subject to certain conditions, and three small gas-fired units. The order denied approval of the retirement of KU's E.W. Brown 3 Unit (412 MW) and Ghent Unit 2 (486 MW) in 2028 at this time, citing the need for additional clarity regarding environmental compliance regulations.

The new NGCC facility will be jointly owned by LG&E (31%) and KU (69%) and the solar units will be jointly owned by LG&E (37%) and KU (63%), the battery storage unit will be owned by LG&E, and the proposed PPA transactions and DSM programs will be entered into or conducted jointly by LG&E and KU, consistent with LG&E and KU's shared dispatch, cost allocation, tariff or other frameworks.

In February 2024, LG&E and KU entered into agreements to begin construction of Mill Creek Unit 5. Total project costs are estimated at approximately $1.0 billion, including AFUDC. Commercial operation of the facility is anticipated to begin in mid-2027.

Fuel Supply

Coal and natural gas are expected to be the predominant fuels used by LG&E and KU for generation for the foreseeable future. Natural gas used for generation is purchased using contractual arrangements separate from LG&E's natural gas distribution operations. Natural gas and oil are also used for intermediate and peaking capacity and flame stabilization in coal-fired boilers.

Fuel inventory is maintained at levels estimated to be necessary to avoid operational disruptions at coal-fired generating units. Reliability of coal deliveries can be affected from time to time by several factors including fluctuations in demand, coal mine production issues, high or low river level events, lock outages and other supplier or transporter operating or financial difficulties.

LG&E and KU have entered into coal supply agreements with various suppliers for coal deliveries through 2030 and augment their coal supply agreements with spot market purchases, as needed.

For their existing units, LG&E and KU expect, for the foreseeable future, to purchase most of their coal from western Kentucky, southern Indiana, southern Illinois, northern West Virginia and western Pennsylvania. LG&E and KU continue to purchase certain quantities of ultra-low sulfur content coal from Wyoming for blending at Trimble County Unit 2. Coal is delivered to the generating plants primarily by barge and rail.

To enhance the reliability of natural gas supply, LG&E and KU have secured firm long-term pipeline transport capacity services with contracts of various durations through 2056 on the interstate pipeline serving Cane Run Unit 7, six simple cycle combustion turbines at the Trimble County site, and the future Mill Creek Unit 5. This pipeline also serves the two simple cycle units at the Paddy's Run site. For the seven simple cycle combustion turbines at the E.W. Brown facility, no firm long-term pipeline transport capacity has been purchased due to the facility's connection to two interstate pipelines and some of the units having dual fuel capability.

LG&E and KU have firm contracts for a portion of the natural gas fuel for Cane Run Unit 7 through 2026. The bulk of the natural gas fuel is expected to be purchased on the spot market.

(PPL and LG&E)

Natural Gas Distribution Supply

Four underground natural gas storage fields in service, with a current working natural gas capacity of approximately 11 Bcf, are used to provide natural gas service to LG&E's firm sales customers. Natural gas is stored during the summer season for withdrawal during the following winter heating season. Without this storage capacity, LG&E would need to purchase additional natural gas and pipeline transportation services during winter months when customer demand increases, and the cost of natural gas supply and pipeline transportation services are expected to be higher. At December 31, 2024, LG&E had 9 Bcf of natural gas stored underground with a carrying value of $29 million. In 2024, LG&E completed the multi-year project to retire a fifth underground natural gas storage field, which was no longer in service.

LG&E has a portfolio of supply arrangements of varying terms that provide competitively priced natural gas designed to meet its firm sales obligations. These natural gas supply arrangements include pricing provisions that are market-responsive. In tandem with pipeline transportation services, these natural gas supplies provide the reliability and flexibility necessary to serve LG&E's natural gas customers.

LG&E purchases natural gas supply transportation services from two pipelines. LG&E has a set of contracts with one pipeline that are subject to termination by LG&E between 2026 and 2030. Total winter season capacity under these contracts is 184,900 MMBtu/day and summer season capacity is 60,000 MMBtu/day. LG&E has two additional contracts with this same pipeline. One contract is for pipeline capacity through 2026 for 60,000 MMBtu/day during both the winter and summer seasons. The other contract is for pipeline capacity through 2028 for 30,000 MMBtu/day during the winter season. LG&E has a single contract with a second pipeline with a total capacity of 20,000 MMBtu/day during both the winter and summer seasons that expires in 2030.

LG&E expects to purchase natural gas supplies for its gas distribution operations from onshore producing regions in South Texas, East Texas, North Louisiana and Arkansas, as well as gas originating in the Marcellus and Utica production areas.

(PPL, LG&E and KU)

Transmission

LG&E and KU contract with the Tennessee Valley Authority to act as their transmission reliability coordinator and contract with TranServ International, Inc. to act as their independent transmission organization.

Rates

LG&E is subject to the jurisdiction of the KPSC and the FERC, and KU is subject to the jurisdiction of the KPSC, the VSCC and the FERC. LG&E and KU operate under a FERC-approved open access transmission tariff.

LG&E's and KU's Kentucky base rates are calculated based on a return on capitalization (common equity, long-term debt and short-term debt) including adjustments for certain net investments and costs recovered separately through other means. As such, LG&E and KU generally earn a return on regulatory assets in Kentucky.

KU's Virginia base rates are calculated based on a return on rate base (net utility plant plus certain regulatory assets and working capital less accumulated deferred income taxes, certain regulatory liabilities and miscellaneous deductions) and include recovery of applicable operations and maintenance expenses.

KU's rates to two municipal customers for wholesale power requirements are calculated based on annual updates to a formula rate that utilizes a return on rate base (net utility plant plus certain regulatory assets and working capital less accumulated deferred income taxes, certain regulatory liabilities and miscellaneous deductions) and include recovery of applicable operations and maintenance expenses.

See "Financial and Operational Developments" in "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 7 to the Financial Statements for additional information on current rate proceedings and rate mechanisms.

Pennsylvania Regulated Segment *(PPL)*

The Pennsylvania Regulated segment consists of PPL Electric, a regulated public utility engaged in the distribution and transmission of electricity.

(PPL and PPL Electric)

PPL Electric delivers electricity to approximately 1.5 million customers in a 10,000-square mile territory in 29 counties within eastern and central Pennsylvania. PPL Electric also provides electricity to retail customers in this territory as a PLR under the Customer Choice Act.

Franchises and Licenses

PPL Electric provides electricity delivery service in its service territory pursuant to certain franchises, licenses, statutory service areas, easements and other rights or permissions granted by the Pennsylvania state legislature, cities or municipalities or other entities.

Competition

Pursuant to authorizations from the Commonwealth of Pennsylvania and the PAPUC, PPL Electric operates a regulated distribution monopoly in its service area. Accordingly, PPL Electric does not face competition in its electricity distribution business. Pursuant to the Customer Choice Act, generation of electricity is a competitive business in Pennsylvania, and PPL Electric does not own or operate any generation facilities.

The PPL Electric transmission business, operating under a FERC-approved PJM Open Access Transmission Tariff, is subject to competition pursuant to FERC Order 1000 from entities that are not incumbent PJM transmission owners with respect to the construction and ownership of transmission facilities within PJM.

Rates and Regulation

Transmission

PPL Electric's transmission facilities are within PJM, which operates the electricity transmission network and electric energy market in the Mid-Atlantic and Midwest regions of the U.S.

PJM serves as a FERC-approved Regional Transmission Operator (RTO) to promote greater participation and competition in the region it serves. In addition to operating the electricity transmission network, PJM also administers regional markets for energy, capacity and ancillary services. A primary objective of any RTO is to separate the operation of, and access to, the transmission grid from market participants that buy or sell electricity in the same markets. Electric utilities continue to own the transmission assets and to receive their share of transmission revenues, but the RTO directs the control and operation of the transmission facilities. Certain types of transmission investments are subject to competitive processes outlined in the PJM tariff.

PPL Electric's transmission revenues are billed in accordance with a FERC-approved Open Access Transmission Tariff that utilizes a formula-based rate recovery mechanism. Under this formula, beginning in 2023, rates are put into effect on January 1st of each year based upon actual expenditures from the most recently filed FERC Form 1, forecasted capital additions, and other data based on PPL Electric’s books and records. 2023 was considered a transitional period as the calendar year rate approved by FERC became effective April 1, 2023. Rates are compared during the year to the estimated annual expenses and capital additions that will be filed in PPL Electric’s annual FERC Form 1, filed under the FERC's Uniform System of Accounts. Under the mechanism, any difference between the revenue requirement in effect and actual expenditures incurred for that year is recorded as a regulatory asset or regulatory liability, and the regulatory asset or regulatory liability is to be recovered from or returned to customers starting one year after the conclusion of the rate year.

As a PLR, PPL Electric also purchases transmission services from PJM. See "PLR" below.

See Note 7 to the Financial Statements for additional information on rate mechanisms and regulatory matters.

Distribution

PPL Electric's distribution base rates are calculated based on a return on rate base (net utility plant plus a cash working capital allowance less plant-related deferred taxes and other miscellaneous additions and deductions). All regulatory assets and liabilities, except accumulated deferred income taxes, are excluded from the return on rate base. Therefore, no return is earned on the related assets unless specifically provided for by the PAPUC. Currently, PPL Electric's Smart Meter rider and the DSIC are the only riders authorized to earn a return. Certain operating expenses are also included in PPL Electric's distribution base rates including wages and benefits, other operation and maintenance expenses, depreciation and taxes.

Pennsylvania's Alternative Energy Portfolio Standard (AEPS) requires electric distribution companies and electricity generation suppliers to obtain from alternative energy resources a portion of the electricity sold to retail customers in Pennsylvania. Under the default service procurement plans approved by the PAPUC, PPL Electric purchases all of the alternative energy generation supply it needs to comply with the AEPS.

Act 129 created an energy efficiency and conservation program, a demand side management program, smart metering technology requirements, new PLR generation supply procurement rules, remedies for market misconduct and changes to the existing AEPS.

Act 11 authorizes the PAPUC to approve two specific ratemaking mechanisms: the use of a fully projected future test year in base rate proceedings and, subject to certain conditions, the use of a DSIC. Such alternative ratemaking procedures and mechanisms provide opportunity for accelerated cost-recovery and, therefore, are important to PPL Electric as it is in a period of significant capital investment to maintain and enhance the reliability of its delivery system, including the replacement of aging assets. PPL Electric utilized the fully projected future test year mechanism in its 2015 base rate proceeding. PPL has had the ability to utilize the DSIC recovery mechanism since July 2013.

See Note 7 to the Financial Statements for additional information on rate mechanisms and legislative and regulatory matters.

PLR

The Customer Choice Act requires electric distribution companies, including PPL Electric, or an alternative supplier approved by the PAPUC, to act as a PLR of electricity supply for customers who do not choose to shop for supply with a competitive supplier and provides that electricity supply costs will be recovered by the PLR pursuant to PAPUC regulations. In 2024, the following average percentages of PPL Electric's customer load were provided by competitive suppliers: 43% of residential, 82% of small commercial and industrial and 98% of large commercial and industrial customers.

PPL Electric’s electricity generation costs are established based upon the results of a competitive solicitation process. In December 2020, the PAPUC approved PPL Electric’s default service plan for the period June 1, 2021 through May 31, 2025, which included a total of eight solicitations for electricity supply held semiannually in April and October. Through December 31, 2024, all auctions of the plan were completed. This plan also included eight solicitations for alternative energy credits held semiannually in January and July. Through January 2025, all alternative energy credit solicitations have been completed.

On November 7, 2024, the PAPUC approved PPL Electric's default service plan for the period of June 1, 2025 through May 31, 2029, which includes a total of eight solicitations for electricity supply held semiannually in February and July. The new plan also includes solicitations for alternative energy credits held annually in July with the first solicitation in July 2025 and the final solicitation in July 2029.

Pursuant to the plans, PPL Electric contracts for all electricity supply for residential, commercial and industrial customers who elect to take default service from PPL Electric. These solicitations contain a mix of products including 10-year block energy contracts for residential customers, 12- and 24-month fixed-price load-following contracts for residential and small commercial and industrial customers, 12-month real-time pricing contracts for large commercial and industrial customers, and alternative energy credit contracts for residential, commercial and industrial customers. These contracts fulfill PPL Electric's obligation to provide customer electricity supply as a PLR.

Numerous alternative suppliers have offered to provide generation supply in PPL Electric's service area. As the cost of generation supply is a pass-through cost for PPL Electric, its financial results are not impacted if its customers purchase electricity supply from these alternative suppliers.

Rhode Island Regulated Segment *(PPL)*

The Rhode Island Regulated segment consists primarily of the regulated electricity transmission and distribution operations and regulated distribution and sale of natural gas conducted by RIE.

RIE is engaged in the regulated transmission, distribution and sale of electricity and regulated distribution and sale of natural gas in Rhode Island. RIE provides electric service to approximately 515,000 customers and natural gas service to approximately 280,000 customers. RIE's service area covers substantially all of Rhode Island.

Franchises and Licenses

RIE provides electricity delivery service and natural gas distribution service in its service territory pursuant to certain franchises, licenses, statutory service areas, easements and other rights or permissions granted by the Rhode Island state legislature, cities or municipalities or other entities.

Competition

There are currently no other electric or gas public utilities operating within the service area of RIE.

Alternative energy sources such as electricity, oil, propane and other fuels indirectly impact RIE's natural gas revenues. Marketers may also compete to sell natural gas to certain large end-users. RIE's natural gas tariffs include gas price pass-through mechanisms relating to its sale of natural gas as a commodity. Therefore, customer natural gas purchases from alternative suppliers do not generally impact RIE's profitability. Some large industrial and commercial customers, however, may physically bypass RIE's facilities and seek delivery service directly from interstate pipelines or other natural gas distribution systems.

Rates and Regulation

In general, RIE operates subject to the jurisdiction of the FERC, the RIPUC and the Rhode Island Division of Public Utilities and Carriers.

Distribution

RIE owns and maintains electric and natural gas distribution networks in Rhode Island. Distribution revenues are primarily from the sale of electricity, natural gas, and related services to retail customers. Distribution sales are regulated by the RIPUC, which is responsible for approving the rates and other terms of services as part of the rate making process. Natural gas and electric distribution revenues are derived from the regulated sale and distribution of electricity and natural gas to residential, commercial, and industrial customers within RIE's service territory under the tariff rates. The tariff rates approved by the RIPUC are designed to recover the costs incurred by RIE for products and services provided, along with a return on investment.

RIE's distribution base rates are calculated based on a return on rate base (net utility plant plus a cash working capital allowance less plant-related deferred taxes and other miscellaneous additions and deductions). All regulatory assets and liabilities, except accumulated deferred income taxes, are excluded from the return on rate base. Therefore, no return is earned on the related assets unless specifically provided for by the RIPUC. Currently, RIE's ISR and Renewable Energy Growth Program adjustment mechanisms are the only mechanisms authorized to earn a return. Certain operating expenses are also included in RIE's distribution base rates including wages and benefits, other operation and maintenance expenses, depreciation, and taxes.

Transmission

RIE owns an electric transmission system in Rhode Island. RIE's transmission services are regulated by the FERC and coordinated with ISO – New England.

Deferral Mechanisms

RIE records revenues in accordance with accounting principles for rate-regulated operations for arrangements between RIE and the applicable regulator. These include various deferral mechanisms such as capital trackers, energy efficiency programs, and other programs that qualify as Alternative Revenue Programs (ARPs). ARPs enable RIE to adjust rates in the future, in response to past activities or completed events. RIE's electric and gas distribution rates both have a revenue decoupling mechanism, which allows for annual adjustments to the RIE's delivery rates, as a result of the reconciliation between allowed revenue and billed revenue. RIE also has other ARPs related to the achievement of certain objectives, demand side management initiatives, and certain other rate making mechanisms. RIE recognizes ARPs with a corresponding offset to a regulatory asset or liability account when the regulatory specified events or conditions have been met, when the amounts are determinable, and are probable of recovery (or payment) through future rate adjustments.

Last Resort Service (LRS)

RIE is required by the RIPUC and by statute to provide LRS to all customers who have not elected to receive their electric supply from a non-regulated power producer or any customer who, for any reason, has stopped receiving generation service from a non-regulated power producer.

The charge for LRS is the sum of the applicable LRS charges in addition to all appropriate Retail Delivery charges as stated in the applicable tariff. The monthly charge for LRS also includes the costs incurred by RIE to comply with the Renewable Energy Standard, established in Rhode Island General Laws Section 39-26-1 and the costs to comply with the RIPUC’s Rules Governing Energy Source Disclosure. The charge for LRS includes the administrative costs associated with the procurement of LRS, including an adjustment for uncollectible accounts as approved by the RIPUC.

Numerous alternative suppliers have offered to provide generation supply in RIE's service area. As the cost of generation supply is a pass-through cost for RIE, its financial results are not impacted if its customers purchase electricity supply from these alternative suppliers.

See Note 7 to the Financial Statements for additional information on rate mechanisms and regulatory matters.

Natural Gas Distribution Supply

To meet the projected annual gas supply requirements of approximately 37 Bcf, RIE has a portfolio of gas supply arrangements of varying contractual terms and durations to provide service to its customers. These natural gas supply arrangements include contracts with natural gas producers and marketers that reflect market price signals. RIE also has firm pipeline and underground storage capacity contracts to support the delivery of natural gas supplies to its customers. To manage the winter peak requirements for RIE customers, RIE contracts for liquified natural gas (LNG) service and owns and operates certain LNG storage facilities.

The RIE gas supply portfolio includes contracts for firm transportation service with eleven interstate pipeline companies and natural gas storage operators. These contracts have various termination dates with certain contracts being subject to evergreen renewal provisions providing RIE with flexibility in managing its upstream resource portfolio.

RIE has purchased and expects to continue to purchase natural gas supplies for its gas distribution operations from onshore producing regions accessed by its pipeline capacity portfolio in South Texas, East Texas, and Louisiana, as well as gas originating in the Marcellus and Utica production areas. RIE expects to purchase certain natural gas supplies that originate in Canada and from regional LNG import terminals.

Corporate and Other *(PPL)*

PPL Services provides PPL subsidiaries with administrative, management and support services. The costs of these services are charged directly to the respective recipients for the services provided or indirectly charged to applicable recipients based on an average of the recipients' relative invested capital, operation and maintenance expenses and number of employees or a ratio of overall direct and indirect costs.

PPL Capital Funding provides financing for the operations of PPL and certain subsidiaries. PPL's growth in rate-regulated businesses provides the organization with an enhanced corporate level financing alternative, through PPL Capital Funding, that enables PPL to cost effectively support targeted credit profiles across all of PPL's rated companies. As a result, PPL utilizes PPL Capital Funding as a source of capital in financings, in addition to continued direct financing by certain operating subsidiaries. Unlike those of PPL Services, PPL Capital Funding's costs are not generally charged to PPL subsidiaries. Costs are charged directly to PPL.

ENVIRONMENTAL MATTERS

(All Registrants)

The Registrants are subject to certain existing and developing federal, regional, state and local laws and regulations with respect to air and water quality, land use and other environmental matters, and may be subject to different and more stringent laws and regulations enacted in the future. The EPA and other federal agencies with jurisdiction over environmental matters have issued numerous environmental regulations relating to air, water and waste that directly affect the electric power industry. Due to these environmental issues, it may be necessary for the Registrants to modify or cease certain operations or operation of certain facilities to comply with statutes, regulations and other requirements of regulatory bodies or courts. In addition, legal challenges to environmental permits or rules add uncertainty to estimating future costs of complying with such permits and rules. The Registrants are monitoring executive orders and other ongoing actions by the new Presidential administration, but are unable to predict changes in regulations, regulatory guidance, legal interpretations, policy positions, and implementation actions that may result.

See “Legal Matters” in Note 12 to the Financial Statements for a discussion of environmental commitments and contingencies. See "Financial Condition - Liquidity and Capital Resources - Forecasted Uses of Cash - Capital Expenditures" in "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" for information on projected environmental capital expenditures for 2025 through 2027. See Note 18 to the Financial Statements for information related to the impacts of CCRs on AROs.

LG&E and KU are entitled to recover, through the ECR mechanism, certain costs of complying with the Clean Air Act, as amended, and other federal, state and local environmental requirements applicable to coal combustion wastes and by-products from coal-fired generating facilities upon KPSC review. Costs not covered by the ECR mechanism for LG&E and KU and all such costs for PPL Electric and RIE are subject to rate recovery at the discretion of the companies' respective state regulatory authorities, or the FERC, if applicable. Because PPL Electric and RIE do not own any generating plants, they have less exposure to related environmental compliance costs. The Registrants can provide no assurances as to the ultimate outcome of future proceedings before regulatory authorities.

Air

(PPL, LG&E and KU)

NAAQS

Applicable regulations require each state to identify areas within its boundaries that fail to meet the NAAQS, (known as nonattainment areas), and develop a state implementation plan to achieve and maintain compliance. States that are found to contribute significantly to another state's nonattainment with ozone standards are required to establish "good neighbor" state implementation plans. In addition, for attainment of ozone and fine particulates standards, certain states, including Kentucky, are subject to a regional EPA program known as the Cross-State Air Pollution Rule (CSAPR).

The Clean Air Act has a significant impact on the operation of fossil fuel generation plants. The Clean Air Act requires the EPA periodically to establish and review NAAQS for six pollutants including ozone (contributed to by nitrogen oxide emissions) and particulate matter, which are particularly relevant for fossil fuel generation plants. On February 2, 2024, the D.C. Circuit Court granted the EPA’s motion for voluntary remand, without vacatur, of the ozone rule, which was under legal challenge. The EPA will complete a new review to incorporate new studies and updated analyses to determine the adequacy of the existing ozone standard. On March 6, 2024, the EPA finalized revisions to the particulate matter standard that lowers the primary standard for fine particulates. Several states and trade groups challenged the EPA’s finalized revisions to the particulate matter standard in the D.C. Circuit Court. Nonattainment designations for counties in which LG&E and KU generation is located, including Jefferson County, Kentucky, could potentially require additional particulate matter and nitrogen oxide reductions from sources including LG&E’s Mill Creek Station, and more stringent requirements for new generation. PPL, LG&E, and KU are unable to predict future implementation actions or the outcome of future evaluations by the EPA and the states with respect to the NAAQS standards.

In March 2021, the EPA released final revisions to the Cross-State Air Pollution Rule (CSAPR), aimed at ensuring compliance with the 2008 ozone NAAQS and providing for reductions in ozone season nitrogen oxide emissions for 2021 and subsequent years. In March 2023, the EPA released a final Federal Implementation Plan under the Good Neighbor provisions of the Clean Air Act providing for significant additional nitrogen oxide emission reductions for compliance with the revised 2015 ozone NAAQS. The reductions in Kentucky state-wide nitrogen oxide budgets were scheduled to commence in 2023, with the largest reductions planned for 2026. The rules provide for reduced availability of nitrogen oxide allowances that have historically permitted operational flexibility for fossil units and could potentially result in constraints that may require implementation of additional emission controls or accelerate implementation of lower emission generation technologies. In June 2024, the U.S. Supreme Court issued a stay of the Good Neighbor Plan while the D.C. Circuit Court considers legal challenges to the rule. On December 10, 2024, EPA published in the Federal Register a supplement to the record. On December 6, 2024, the U.S. Court of Appeals for the Sixth Circuit vacated and remanded the EPA’s disapproval of Kentucky’s state implementation plan for the ozone NAAQS. PPL, LG&E, and KU are monitoring ongoing legal and regulatory developments.

PPL, LG&E, and KU are unable to predict the ultimate outcome of pending litigation or future emission reductions that may be required by future federal rules or state implementation actions. Compliance with the NAAQS, CSAPR, Good Neighbor Plan, and related requirements may require installation of additional pollution controls or other compliance actions, inclusive of retirements, the costs of which PPL, LG&E and KU believe would be subject to rate recovery.

Modification of Mercury and Air Toxics Standards

In 2012, the EPA issued the Mercury and Air Toxics Standards (MATS) rule requiring reductions in mercury and other hazardous air pollutants from fossil fuel-fired power plants. LG&E and KU installed significant controls to achieve compliance with MATS and other rules. On May 7, 2024, the EPA issued a final rule increasing the stringency of MATS and further reducing emissions of certain hazardous air pollutants to reflect perceived developments in control technologies. Legal challenges to the rule have been filed in the D.C. Circuit Court. PPL, LG&E, and KU have reviewed the final rule and do not expect significant operational changes or additional controls to be required.

Greenhouse Gas Standards

On May 9, 2024, the EPA issued a final rule under Section 111 of the Clean Air Act which establishes performance standards and emissions limits aimed at reducing GHG emissions from certain new, existing, and modified fossil fuel-fired electric generating units (EGUs). In the final rule, the EPA announced it would set performance standards for existing natural gas-fired turbines in a future rule. The standards require phased implementation of carbon mitigation technologies including state-of-the-art efficiency requirements, carbon capture and sequestration, and natural gas co-firing. New natural gas EGUs would be immediately subject to the stricter efficiency standard. Legal challenges to the rule have been filed in the D.C. Circuit Court. PPL, LG&E, and KU are unable to predict the impact of new GHG reduction requirements until completion of a comprehensive review and resolution of related legal and regulatory proceedings. While the impact of new GHG reduction requirements on operations and financial results of operations could potentially be substantial, the cost of complying with such requirements is expected to be subject to rate recovery.

Climate Change (All Registrants)

In recent years the federal government has undertaken various efforts aimed at addressing climate change, which could have far-reaching impacts on PPL's business operations, products, and services. In 2022, the U.S. Supreme Court ruled that provisions of the EPA's Clean Power Plan, premised on generation shifting from coal-fired plants to lower emitting natural gas-fired plants and renewables, exceeded the authority granted to the EPA under the Clean Air Act. While the EPA contends that the new GHG emissions rule discussed above is consistent with the provisions of the Clean Air Act, it is uncertain how a ruling from the D.C. Circuit Court or, if appealed, the U.S. Supreme Court may affect the new GHG emissions rule and any future EPA rulemaking on GHG emissions. The new Presidential administration has issued various executive orders regarding climate change initiatives and is expected to consider changes in regulations, regulatory guidance, legal interpretations, policy positions and implementation actions, but the Registrants are unable to predict any changes that may ultimately be adopted. All of these developments are preliminary or ongoing in nature and the Registrants cannot predict the final outcome or ultimate impact on operations.

PPL has adopted a goal of net-zero carbon emissions by 2050, which PPL expects will include continuing to retire coal-fired generation and investing in research and innovation that will help to achieve this goal, while maintaining reliable and affordable energy in our service territories. The net-zero goal relates to direct and indirect carbon emissions consistent with Greenhouse Gas Protocol guidance and referenced by the EPA Center for Corporate Climate Leadership. Through 2023, PPL reduced carbon emissions nearly 60% from 2010 levels and is targeting a 70% reduction from 2010 levels by 2035 and an 80% reduction by 2040.

PPL is also aware of the various risks associated with climate change, including increased frequency and severity of severe weather. To address these risks, PPL continues to work to advance grid modernization and improve the company's equipment to help mitigate the impacts of extreme weather events and improve reliability.

Water/Waste *(PPL, LG&E and KU)*

Clean Water Act

Regulations under the federal Clean Water Act dictate permitting and mitigation requirements for facilities and construction projects that impact "Waters of the United States". Many other requirements relate to power plant operations, including the treatment of pollutants in effluents prior to discharge, the temperature of effluent discharges and the location, design and construction of cooling water intake structures at generating facilities, and standards intended to protect aquatic organisms that become trapped at or pulled through cooling water intake structures at generating facilities. These requirements could impose significant costs for LG&E and KU, which are expected to be subject to rate recovery.

Clean Water Act Jurisdiction

Environmental groups and others have claimed that discharges to groundwater from leaking CCR impoundments at power plants are subject to Clean Water Act permitting. On April 12, 2019, the EPA released regulatory clarification finding that Clean Water Act jurisdiction does not cover such discharges to groundwater. On January 23, 2020, the EPA announced a final rule modifying the jurisdictional scope of the Clean Water Act. The announced rule revises the definition of the "Waters of the United States," including a revision to exclude groundwater from the definition. In April 2020, the U.S. Supreme Court issued a ruling that Clean Water Act jurisdiction may apply to certain discharges to groundwater that result in the functional equivalent of a direct discharge to navigable waters. PPL, LG&E, and KU are unaware of any unpermitted releases from their facilities that are subject to Clean Water Act jurisdiction, but future regulatory developments and judicial rulings could potentially subject certain releases from CCR impoundments and landfills to additional permitting and remediation requirements, which could impose substantial costs. Any associated costs are expected to be subject to rate recovery. PPL, LG&E and KU are unable to predict the outcome or financial impact of future regulatory proceedings and litigation.

Waters of the U.S.

PPL, LG&E, and KU are subject to permitting and mitigation requirements for certain construction activities that impact "Waters of the United States." On April 21, 2020, the EPA and U.S. Army Corps of Engineers published a final rule revising the definition of "Waters of the United States" to exclude jurisdiction over certain surface waters. On August 30, 2021, a U.S. District Court in Arizona vacated and remanded the rule. On December 7, 2021, the EPA and U.S. Army Corps of Engineers proposed to repeal the rule and restore the definition of "Waters of the United States" that was in place prior to 2015. On January 18, 2023, the EPA and U.S. Army Corps of Engineers published a final revision to the rule broadening the definition of Waters of the United States and reverting to the pre-2015 regulatory framework. Although the broader definition incorporates additional water bodies, any resulting permitting, construction, and operational expenses are expected to be immaterial and subject to rate recovery.

On May 25, 2023, the U.S. Supreme Court issued an opinion in Sackett v. EPA holding that the government's jurisdiction to regulate wetlands under the Clean Water Act extends to wetlands with a continuous surface connection to bodies that are "Waters of the United States." On September 8, 2023, the EPA issued a conforming rule that incorporated the holding of *Sackett* into federal definitions of waters of the United States; some states and industry groups have challenged the conforming rule as well. By limiting water bodies that fall within the jurisdiction of the Clean Water Act, the U.S. Supreme Court's decision could reduce the number of projects or the scope of project activities subject to federal permitting for wetlands. PPL, LG&E and KU are unable to predict the outcome of current or future litigation or regulatory proceedings, but do not expect a material impact on operations.

Superfund and Other Remediation *(All Registrants)*

From time to time, PPL's subsidiaries undertake testing, monitoring or remedial action in response to spills or other releases at various on-site and off-site locations, negotiate with the EPA and state and local agencies regarding actions necessary to comply with applicable requirements, negotiate with property owners and other third parties alleging impacts from PPL's operations and undertake similar actions necessary to resolve environmental matters that arise in the course of normal operations. Based on analyses to date, resolution of these environmental matters is not expected to have a significant adverse impact on the operations of PPL, PPL Electric, LG&E, KU and RIE.

Future cleanup or remediation work at sites not yet identified may result in significant additional costs for the Registrants. Insurance policies maintained by LKE may be available to cover certain of the costs or other obligations related to these matters for LG&E or KU, but the amount of insurance coverage or reimbursement cannot be estimated or assured.

See "Legal Matters" in Note 12 to the Financial Statements for additional information.

(All Registrants)

SEASONALITY

The demand for and market prices of electricity and natural gas are affected by weather. As a result, the Registrants' operating results in the future may fluctuate substantially on a seasonal basis, especially when unpredictable weather conditions make such fluctuations more pronounced. The pattern of this fluctuation may change depending on the type and location of the facilities owned.

FINANCIAL CONDITION

See "Financial Condition" in "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" for this information.

CAPITAL EXPENDITURE REQUIREMENTS

See "Financial Condition - Liquidity and Capital Resources - Forecasted Uses of Cash - Capital Expenditures" in "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" for information concerning projected capital expenditure requirements for 2025 through 2027. See "Item 1. Business - Environmental Matters" for additional information concerning the potential impact on capital expenditures from environmental matters.

HUMAN CAPITAL

PPL, together with its subsidiaries, is committed to fostering an exceptional workplace for employees. PPL pledges to enable the success of its current and future workforce by cultivating a supportive, empowering and collaborative culture, fostering professional development, encouraging employee engagement, and ensuring a safe and healthy work environment. Matters related to these priorities and corporate culture are overseen by PPL's senior management, which provides updates to the PPL Board of Directors (the Board). Pursuant to its charter, the People and Compensation Committee of the Board of Directors also periodically reviews and assesses the company's strategy for human capital management. PPL's investment in the success of its workforce is embodied in the following areas with dedicated leadership and Board oversight:

- Corporate culture - Foster a supportive, empowering and collaborative workplace culture in which employees with various backgrounds can thrive. Senior management reviews workforce metrics, culture related objectives and associated programs semi-annually. The Board also receives periodic updates from senior management on PPL's strategy and initiatives that drive corporate culture.
- Employee engagement - Create a workplace that fosters an engaged, high-quality workforce. PPL's operating companies regularly conduct assessments related to employee engagement, safety and culture. Senior management reviews employee engagement efforts with the Board at least annually.
- Professional development - Invest in the current and future workforce through training and development, succession planning and creation of a pipeline for internal advancement. Senior management reviews succession planning with the People and Compensation Committee of the Board on an annual basis.
- Comprehensive benefits - In addition to challenging careers and competitive salaries, PPL offers competitive benefits programs to attract and retain talent and support employees' well-being. PPL offers competitive vacation time, expanded leave for new parents, retirement programs, and internal and external development opportunities, including tuition reimbursement offerings for undergraduate and certain graduate degrees. Senior management conducts annual benchmarking of employee compensation and benefits.
- Safety and Compliance - PPL is committed to maintaining an ethical and safe workplace culture. Additional steps to ensure Board oversight in these areas include:

  - Safety – PPL implements programs focused on health and safety, including emergency preparedness, vehicle safety and accident prevention. Employees receive safety training and are encouraged to share, implement, and follow best practices. Senior management receives monthly safety data updates to determine whether additional safety measures should be implemented. The Board reviews the company's safety programs and results at least annually. The Board is also immediately engaged in the event of a fatality.
  - Compliance – The Corporate Compliance Committee, including senior executives, meets quarterly to discuss metrics and other matters related to the compliance and ethics culture. Among the items discussed are statistics regarding Ethics Helpline reports and employee concerns. This information is also reviewed with the Audit Committee of the Board quarterly and with the Board annually.

PPL will continue to engage with employees and to assess these priorities as we work to best position individuals and the company for future success. PPL had a turnover rate of 8.25% for the year ended December 31, 2024. Looking forward, PPL will maintain our strong focus on workforce planning to address future talent needs.

At December 31, 2024, the Registrants had the following full-time employees and employees represented by labor unions:

	Total Full-Time Employees	Number of Union Employees	Percentage of Total Workforce
PPL	6,653	2,431	37 %
PPL Electric	1,393	916	66 %
LG&E	906	581	64 %
KU	723	109	15 %

(PPL and KU)

In July 2024, KU and the IBEW local reached, and local members ratified, a new three-year labor agreement through July 2027. The agreement covers approximately 60 employees. The terms of the new labor agreement are not expected to have a significant impact on the financial results of KU or PPL.

(PPL)

In May 2024, PPL and the Rhode Island UWUA locals ratified a five-year labor agreement through May 2029. The agreement covers over 530 employees. The terms of the new labor agreement are not expected to have a significant impact on the financial results of PPL.

Contract negotiations with RIE USW Local 12431 are expected to commence in April 2025. The current contract covers over 300 employees and is scheduled to expire June 1, 2025.

AVAILABLE INFORMATION

PPL's Internet website is www.pplweb.com. Under the Investors heading of that website, PPL provides access to SEC filings of the Registrants (including annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to these reports filed or furnished pursuant to Section 13(d) or 15(d)) free of charge, as soon as reasonably practicable after filing with the SEC. The information contained on, or available through, PPL's Internet website is not, and shall not be deemed to be, incorporated by reference into this report. Additionally, the Registrants' filings are available at the SEC's website (www.sec.gov).

ITEM 1A. RISK FACTORS

The Registrants face various risks associated with their businesses. Our businesses, financial condition, cash flows or results of operations could be materially adversely affected by any of these risks. In addition, this report also contains forward-looking and other statements about our businesses that are subject to numerous risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 12 to the Financial Statements for additional information concerning the risks described below and for other risks, uncertainties and factors that could affect our businesses and financial results.

As used in this Item 1A., the terms "we," "our" and "us" generally refer to PPL and its consolidated subsidiaries taken as a whole, or PPL Electric and its consolidated subsidiaries taken as a whole within the Pennsylvania Regulated segment discussion, LG&E, KU and their consolidated subsidiaries taken as a whole within the Kentucky Regulated segment discussion, and RIE within the Rhode Island Regulated segment discussion.

Order of Subsection Presentation

(PPL)

A. Risk Related to Registrant Holding Company

PPL is a holding company and its cash flows and ability to meet its obligations with respect to indebtedness and under guarantees, and its ability to pay dividends, largely depends on the financial performance of its respective subsidiaries and, as a result, is effectively subordinated to all existing and future liabilities of those subsidiaries.

PPL is a holding company and conducts its operations primarily through subsidiaries. Substantially all of the consolidated assets of PPL are held by its subsidiaries. Accordingly, PPL's cash flows and ability to meet debt and guaranty obligations, as well as PPL's ability to pay dividends, are largely dependent upon the earnings of those subsidiaries and the distribution or other payment of such earnings in the form of dividends, distributions, loans, advances or repayment of loans and advances. The subsidiaries are separate legal entities and have no obligation to pay dividends or distributions to their parents or to make funds available for such a payment. The ability of PPL's subsidiaries to pay dividends or distributions in the future will depend on the subsidiaries' future earnings and cash flows and the needs of their businesses, and may be restricted by their obligations to holders of their outstanding debt and other creditors, as well as any contractual or legal restrictions in effect at such time, including the requirements of state corporate law applicable to payment of dividends and distributions, and regulatory requirements, including restrictions on the ability of PPL Electric, LG&E, KU, and RIE to pay dividends under Section 305(a) of the Federal Power Act.

Because PPL is a holding company, its debt and guaranty obligations are structurally subordinated to all existing and future liabilities of its subsidiaries. Although certain agreements to which certain subsidiaries are parties limit their ability to incur additional indebtedness, PPL and its subsidiaries retain the ability to incur substantial additional indebtedness and other liabilities. Therefore, PPL's rights and the rights of its creditors, including rights of debt holders, to participate in the assets of any of its subsidiaries, in the event that such a subsidiary is liquidated or reorganized, will be subject to the prior claims of such subsidiary's creditors.

PPL may not realize the anticipated benefits of the RIE acquisition, which could materially adversely affect PPL's business, financial condition and results of operations.

PPL may not realize the anticipated financial and operational benefits from the RIE acquisition. PPL has incurred significant costs in connection with the integration, and additional unanticipated costs may arise. No assurance can be given that the anticipated long-term benefits from the acquisition will be achieved or, if achieved, the timing of their achievement. These risks and their consequences could result in increased costs or decreases in the amount of expected revenues associated with the

Rhode Island Regulated segment and could have a material adverse effect on PPL's business, financial condition and results of operations.

(*All Registrants*)

B. Risks Related to Regulated Utility Operations

Our regulated utility businesses face many of the same risks, in addition to those risks that are unique to each of the Kentucky Regulated, Pennsylvania Regulated and Rhode Island Regulated segments. Set forth below are risk factors common to the regulated segments, followed by sections identifying separately the risks specific to each of these segments.

Our profitability is highly dependent on our ability to recover the costs of providing energy and utility services to our customers and earn an adequate return on our capital investments. Regulators may not approve the rates we request and existing rates may be challenged.

The rates we charge our utility customers must be approved by one or more federal or state regulatory commissions, including the FERC, KPSC, VSCC, PAPUC and RIPUC. Although rate regulation is generally premised on the recovery of prudently incurred costs and a reasonable rate of return on invested capital, there can be no assurance that regulatory authorities will consider all of our costs to have been prudently incurred or that the regulatory process by which rates are determined will always result in rates that achieve full or timely recovery of our costs or an adequate return on our capital investments. Federal or state agencies, intervenors and other permitted parties may challenge our current or future rate requests, structures or mechanisms, and ultimately reduce, alter or limit the rates we receive. The requests for rate increases and the frequency of rate cases could face resistance from customers and other stakeholders, especially in a rising cost environment. Although our rates are generally regulated based on an analysis of our costs incurred in a base year or on future projected costs, the rates we are allowed to charge may or may not match our costs at any given time. Our regulated utility businesses are subject to substantial capital expenditure requirements over the next several years, which may require rate increase requests to the regulators in the future. If our costs are not adequately recovered through rates, it could have an adverse effect on our business, results of operations, cash flows and financial condition.

Our utility businesses are subject to significant and complex governmental regulation.

In addition to regulating the rates we charge, various federal and state regulatory authorities regulate many aspects of our utility operations, including:

- the terms and conditions of our service and operations;
- financial and capital structure matters, and issuance of securities;
- siting, construction and operation of facilities;
- mandatory reliability and safety standards under the Energy Policy Act of 2005 and other standards of conduct;
- accounting, depreciation and cost allocation methodologies;
- tax matters;
- affiliate transactions;
- acquisition, retirement and disposal of utility assets; and
- various other matters, including energy efficiency.

Such regulations or changes thereto may subject us to higher operating costs or increased capital expenditures and failure to comply could result in sanctions or possible penalties which may not be recoverable from customers.

Our regulated businesses undertake significant capital projects and these activities are subject to unforeseen costs, delays or failures, as well as risk of inadequate recovery of resulting costs.

The regulated utility businesses are capital intensive and require significant investments in energy generation (in the case of LG&E and KU) and transmission, distribution and other infrastructure projects, such as projects for environmental compliance and system reliability. The completion of these projects without delays or cost overruns is subject to risks in many areas, including:

- approval, licensing and permitting;
- land acquisition and the availability of suitable land;
- skilled labor or equipment shortages;
- construction problems or delays, including disputes with third-party intervenors;

- increases in commodity prices or labor rates;
- potential supply chain disruptions or delays; and
- contractor performance.

Failure to complete our capital projects on schedule or on budget, or at all, could adversely affect our financial performance, operations and future growth if such expenditures are not granted rate recovery by our regulators.

We are or may be subject to costs of remediation of environmental contamination at facilities that are currently owned by us or that are owned or operated by our former subsidiaries.

We may be subject to liability for the costs of environmental remediation of property now or formerly owned by us with respect to substances that we may have generated regardless of whether the liabilities arose before, during or after the time we owned or operated the facilities. We also have current or previous ownership interests in sites associated with the production of manufactured gas for which we may be liable for additional costs related to investigation, remediation and monitoring of these sites. Remediation activities associated with our former manufactured gas plant operations are one source of such costs. Citizen groups or others may bring litigation regarding environmental issues including claims of various types, such as property damage, personal injury and citizen challenges to compliance decisions on the enforcement of environmental requirements, which could subject us to penalties, injunctive relief and the cost of litigation. We cannot predict the amount and timing of future expenditures (including the potential or magnitude of fines or penalties) related to such environmental matters, although they could be material.

C. Risks Specific to Kentucky Regulated Segment

(*PPL, LG&E and KU*)

We are subject to financial, operational, regulatory and other risks related to requirements, developments and uncertainties in environmental regulation, including those affecting coal-fired generation facilities.

Extensive federal, state and local environmental laws and regulations are applicable to LG&E's and KU's generation supply, including its air emissions, water discharges (ELGs) and the management of hazardous and solid wastes (CCRs), among other business-related activities, and the costs of compliance or alleged non-compliance cannot be predicted and could be material. In addition, our costs may increase significantly if the requirements or scope of environmental laws, regulations or similar rules are expanded or changed as the environmental standards governing LG&E’s and KU’s businesses, particularly as applicable to coal-fired generation and related activities, continue to be subject to uncertainties due to rulemaking and other regulatory developments, legislative activities and litigation, administrative and permit challenges. In recent years, the federal government has undertaken various efforts aimed at addressing climate change, some of which remain subject to legal challenge, that may affect these costs. The Registrants are unable to predict changes in regulations, regulatory guidance, legal interpretations, policy positions, and implementation actions that may result from the change in Presidential administrations. Depending on the extent, frequency and timing of such changes, LG&E and KU may face higher risks of unsuccessful implementation of environmental-related business plans, noncompliance with applicable environmental rules, delayed or incomplete rate recovery or increased costs of implementation. Costs may take the form of increased capital expenditures or operating and maintenance expenses, monetary fines, penalties or forfeitures, operational changes, permit limitations or other restrictions. At some of our older generating facilities it may be uneconomic for us to install necessary pollution control equipment, which could cause us to retire those units. Our ability to retire plants we believe are uneconomic is expected to be subject to receipt of regulatory approvals. Market prices for energy and capacity also affect this cost-effectiveness analysis. Many of these environmental law considerations are also applicable to the operations of our key suppliers or customers, such as coal producers, power producers and industrial power users, and may impact the costs of their products and demand for our services.

(*PPL and LG&E*)

We are subject to regulatory and other risks regarding natural gas supply infrastructure.

The PHMSA enforces regulations that govern the design, construction, operation and maintenance of pipeline facilities. Failure to comply with these regulations could result in the assessment of fines or penalties against LG&E. These regulations require, among other things, that pipeline operators take certain measures with respect to pipeline integrity. Depending on the results of integrity tests and other integrity program activities, we could incur significant and unexpected costs to perform remedial activities on our natural gas infrastructure to ensure our continued safe and reliable operation. Recent pipeline incidents in the U.S. have also led to the introduction of proposed rules and possible federal legislative actions which could impose restrictions on LG&E’s operations or require more stringent testing to ensure pipeline integrity. Implementation of these regulations could increase our costs to comply with pipeline integrity and safety regulations.

D. Risks Specific to Pennsylvania Regulated Segment

(*PPL and PPL Electric*)

We face competition for transmission projects, which could adversely affect our rate base growth.

FERC Order 1000, issued in July 2011, establishes certain procedural and substantive requirements relating to participation, cost allocation and non-incumbent developer aspects of regional and inter-regional electricity transmission planning activities. The PPL Electric transmission business, operating under a FERC-approved PJM Open Access Transmission Tariff, is subject to competition pursuant to FERC Order 1000 from entities that are not incumbent PJM transmission owners with respect to the construction and ownership of transmission facilities within PJM. Increased competition can result in lower rate base growth.

We could be subject to higher costs and/or penalties related to Pennsylvania Conservation and Energy Efficiency Programs.

PPL Electric is subject to Act 129, which contains requirements for energy efficiency and conservation programs and for the use of smart metering technology, imposes PLR electricity supply procurement rules, provides remedies for market misconduct, and made changes to the existing Alternative Energy Portfolio Standard. The law also requires electric utilities to meet specified goals for reduction in customer electricity usage and peak demand. Utilities not meeting these Act 129 requirements are subject to significant penalties that cannot be recovered in rates. Numerous factors outside of our control could prevent compliance with these requirements and result in penalties to us.

E. Risks Specific to the Rhode Island Regulated Segment

(*PPL*)

We are subject to regulatory and other risks regarding natural gas supply infrastructure in Rhode Island.

The PHMSA enforces regulations that govern the design, construction, operation and maintenance of pipeline facilities. Failure to comply with these regulations could result in the assessment of fines or penalties against RIE. These regulations require, among other things, that pipeline operators take certain measures with respect to pipeline integrity. Depending on the results of integrity tests and other integrity program activities, we could incur significant and unexpected costs to perform remedial activities on our natural gas infrastructure to ensure our continued safe and reliable operation.

F. Risks Related to All Segments

(*All Registrants*)

Pandemic health events and their impact on business and economic conditions could negatively affect our business.

A pandemic health event and related remediation efforts could present challenges to businesses, communities, workforces, markets and supply chains. At this time, the Registrants cannot predict the ways in which and the extent to which these or other pandemic-related factors may affect their business, earnings or other financial results.

Our business operations are continually subject to cyber-based security and data integrity risks from vulnerabilities related to our IT systems, operational technology infrastructure and supply chain relationships.

Numerous functions affecting the efficient operation of our businesses are dependent on the secure and reliable storage, processing and communication of electronic data and the use of sophisticated computer hardware and software systems and network infrastructure. The operation of our transmission and distribution systems, including gas distribution systems, as well as our generation plants, are all reliant on cyber-based, complex and integrated technologies. Systemic issues could arise as a result of upgrades to particular software or human error. In addition, these complex systems are subject to the risk that they could be the target of disruptive actions by terrorists, nation state actors or criminals or otherwise be compromised. Attacks may come through ransomware, software updates or patches, use of opensource software, firmware that hackers can manipulate to include malicious codes for exploitation at a later date, or the compromising of hardware by bad actors, creating serious risks to our security, the security of our customers' information, and potentially to our ability to provide power. Attacks could also target our personnel or contractors through attempts to gain access or credentials that could be used to breach our systems. As a result, operations could be interrupted, property could be damaged and sensitive customer information lost or stolen, causing us to incur significant losses of revenues, other substantial liabilities and damages, costs to replace or repair damaged equipment and damage to our reputation. Threats to our systems and operations continue to emerge as new ways to compromise components of our systems or networks are developed. Additionally, cybersecurity risks also threaten our supply chains, including aspects that are not under our control, such as the incorporation of opensource software in systems or software that we use, that despite our efforts do not meet our current security standards.

In addition, under the Energy Policy Act of 2005, users, owners and operators of the bulk power transmission system, including PPL Electric, LG&E, KU and RIE, are subject to mandatory reliability standards promulgated by NERC and enforced by the FERC. As an operator of natural gas distribution systems, LG&E is also subject to mandatory reliability standards of the U.S. Department of Transportation and is also subject to certain security directives related to cybersecurity issued by the Department of Homeland Security (DHS) Transportation Security Administration (TSA) in 2021. The TSA has determined that LG&E is critical, while RIE has not been notified of this distinction and is therefore not currently subject to the security directives. Failure to comply with these standards could result in the imposition of fines or civil penalties, and potential exposure to third party claims for alleged violations of the standards.

Artificial intelligence (AI) is an emerging area of technology that has the potential to impact various aspects of our business operations and customer interactions.

AI technologies are still in their early stages of development and deployment. Ineffective or inadequate AI development or deployment practices by PPL, its subsidiaries or third-party vendors could result in unintended consequences. While we seek contractual protections with our third-party vendors regarding the use of AI technology, we may not have full awareness of, or control or visibility over, the quality, performance, security or compliance of the products and services that incorporate AI-related technology used by such vendors. AI algorithms that we or our third-party vendors use may be flawed or may be based on datasets that are biased or insufficient. These limitations or failures, or inaccurate results generated as a result of our employees', contractors' or vendors' use or misuse of AI technologies could lead to operational interruptions or otherwise adversely affect our business, reputation or financial results. Developing, testing, and deploying resource-intensive AI systems may require additional investment and increase our costs. In addition, the rapidly evolving nature of AI technologies may cause new laws and regulations to be enacted which could dramatically affect business practices, including the costs to comply with such new laws and regulations. We cannot predict the future development of AI technologies and the nature of any related new laws and regulations, and their costs and consequences.

Natural disasters or operational accidents may adversely affect the Registrants' operating results.

Natural disasters or operational accidents (such as wildfires, earthquakes, hurricanes or natural gas transmission pipeline explosions) could have direct or indirect impacts on the Registrants or key contractors or suppliers. Further, the generation of electricity and the transportation and storage of natural gas involve inherent operating risks that may result in accidents involving serious injury or loss of life, environmental damage or property damage. Such events could affect the Registrants through civil or criminal legal proceedings or changes to policies, laws and regulations the compliance costs of which may have a significant impact on the Registrants' results of operations, financial position and cash flows. Existing insurance policies may not cover all of the potential exposures in connection with such incidents. Any losses not covered by insurance, or any increases in the cost of applicable insurance as a result of such incidents, could have a material adverse effect on the results of operations, financial position and cash flows of the Registrants.

We are subject to risks associated with federal and state tax laws and regulations.

Changes in tax law as well as the inherent difficulty in quantifying potential tax effects of business decisions could negatively impact our results of operations and cash flows. We are required to make judgments in order to estimate our obligations to taxing authorities. These tax obligations include income, property, gross receipts, franchise, sales and use, employment-related and other taxes. We also estimate our ability to utilize deferred tax assets and tax credits. Dependent upon the revenue needs of the jurisdictions in which our businesses operate, various tax and fee increases may be proposed or considered. We cannot predict changes in tax law or regulation or the effect of any such changes on our businesses. Any such changes could increase tax expense and could have a significant negative impact on our results of operations and cash flows. We continue to evaluate the application of relevant laws, including the TCJA and the IRA in calculating income tax expense.

Increases in electricity prices and/or a weak economy can lead to changes in legislative and regulatory policy, including the promotion of energy efficiency, conservation and distributed generation or self-generation, which may adversely impact our business.

Energy consumption is significantly impacted by overall levels of economic activity and costs of energy supplies. Economic downturns or periods of high energy supply costs can lead to changes in or the development of legislative and regulatory policy designed to promote reductions in energy consumption and increased energy efficiency, alternative and renewable energy sources, and distributed or self-generation by customers. This focus on conservation, energy efficiency and self-generation may result in a decline in electricity demand, which could adversely affect our business.

We could be negatively affected by rising interest rates, downgrades to our credit ratings, adverse credit market conditions or other negative developments in our ability to access capital markets.

Our businesses are capital-intensive and, in the ordinary course of business, we are reliant upon adequate long-term and short-term financing to fund our significant capital expenditures, debt service and operating needs. As a result, we are sensitive to developments in interest rates, credit rating considerations, insurance, security or collateral requirements, market liquidity and credit availability and refinancing opportunities necessary or advisable to respond to credit market changes. Changes in these conditions could result in increased costs and decreased availability of credit. In addition, certain sources of debt and equity capital have expressed reservations about investing in companies that rely on fossil fuels. If sources of our capital are reduced, capital costs could increase materially.

A downgrade in our credit ratings could negatively affect our ability to access capital and increase the cost of maintaining our credit facilities and any new debt.

Credit ratings assigned by Moody's and S&P to our businesses and their financial obligations have a significant impact on the cost of capital incurred by our businesses. A ratings downgrade could increase our short-term borrowing costs and negatively affect our ability to fund liquidity needs and access new long-term debt at acceptable interest rates. See "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations - Financial Condition - Liquidity and Capital Resources - Ratings Triggers" for additional information on the financial impact of a downgrade in our credit ratings.

Our operating revenues could fluctuate on a seasonal basis, especially as a result of extreme weather conditions, including storms, or from changes in average temperatures for extended periods, which may be caused or exacerbated by climate change.

Our businesses are subject to seasonal demand cycles. For example, in some markets demand for, and market prices of, electricity peak during hot summer months, while in other markets such peaks occur in cold winter months. As a result, our overall operating results may fluctuate substantially on a seasonal basis if weather conditions diverge adversely from seasonal norms. Extreme weather and other significant disruptive events could significantly affect our profitability or operations by causing outages, damaging infrastructure and requiring significant repair costs. Storm outages and damage often directly decrease revenues and increase expenses, due to reduced usage and restoration costs. The effects of climate change may cause, contribute to or magnify fluctuations in our operating results.

Our businesses are subject to physical, market and economic risks relating to potential effects of climate change.

Climate change may produce changes in weather or other environmental conditions, including temperature or precipitation levels, and thus may impact consumer demand for electricity. In addition, the potential physical effects of climate change, such as increased frequency and severity of storms, floods, and other climatic events, could disrupt our operations and cause us to incur significant costs to prepare for or respond to these effects. Climate change may also contribute to heightened risk or severity of wildfires, which could disrupt our operations and cause us to incur significant costs, though the annual FEMA National Risk Index for wildfires in the jurisdictions in which we provide service is very low to relatively moderate. These or other meteorological changes could lead to increased operating costs, capital expenses or power purchase costs. Greenhouse gas regulation such as the EPA's May 2024 rule governing emissions from certain fossil fuel-fired electric generating units could increase the cost of electricity, and such increases could have a depressive effect on regional economies. Reduced economic and consumer activity in our service areas -- both generally and specific to certain industries and consumers accustomed to previously lower cost power -- could reduce demand for the power we generate, market and deliver. Also, demand for our energy-related services could be similarly lowered by consumers' preferences or market factors favoring energy efficiency, low-carbon power sources or reduced electricity usage. The Registrants' responses to such climate-related risks include compliance with evolving governmental policy and developing and implementing strategies designed to meet net zero carbon emissions goals, which may affect our financial condition, results of operations or cash flows.

We cannot predict the outcome of legal proceedings or investigations related to our businesses in which we are periodically involved. An unfavorable outcome or determination in any of these matters could have a material adverse effect on our financial condition, results of operations or cash flows.

We are involved in legal proceedings, claims and litigation and periodically are subject to state and federal investigations arising out of our business operations, the most significant of which are summarized in Item 1. Business and "Regulatory Matters" in Note 7 to the Financial Statements and in "Legal Matters" and "Regulatory Issues" in Note 12 to the Financial

Statements. We cannot predict the ultimate outcome of these matters, nor can we reasonably estimate the costs or liabilities that could potentially result from a negative outcome in each case.

Significant increases in our operation and maintenance expenses, including health care and pension costs, could adversely affect our future earnings and liquidity.

We continually focus on limiting and reducing our operation and maintenance expenses. However, we expect to continue to face increased cost pressures in our operations. Increased costs of materials and labor may result from general inflation, increased regulatory requirements (especially in respect of environmental regulations), the need for higher-cost expertise in the workforce or other factors. In addition, pursuant to collective bargaining agreements, we are contractually committed to provide specified levels of health care and pension benefits to certain current employees and retirees. These benefits give rise to significant expenses. Due to general inflation with respect to such costs, the aging demographics of our workforce and other factors, we have experienced significant health care cost inflation in recent years, and we expect our health care costs, including prescription drug coverage, to continue to increase despite measures that we have taken and expect to take to require employees and retirees to bear a higher portion of the costs of their health care benefits. In addition, we expect to continue to incur significant costs with respect to the defined benefit pension plans for our employees and retirees. The measurement of our expected future health care and pension obligations, costs and liabilities is highly dependent on a variety of assumptions, most of which relate to factors beyond our control. These assumptions include investment returns, interest rates, health care cost trends, inflation rates, benefit improvements, salary increases and the demographics of plan participants. If our assumptions prove to be inaccurate, our future costs and cash contribution requirements to fund these benefits could increase significantly.

We may incur liabilities in connection with divestitures.

In connection with various divestitures, and certain other transactions, we have indemnified or guaranteed parties against certain liabilities. These indemnities and guarantees relate, among other things, to liabilities which may arise with respect to the period during which we or our subsidiaries operated a divested business, and to certain ongoing contractual relationships and entitlements with respect to which we or our subsidiaries made commitments in connection with a divestiture. See "Guarantees and Other Assurances" in Note 12 to the Financial Statements.

We are subject to liability risks relating to our generation, transmission and distribution operations.

The conduct of our physical and commercial operations subjects us to many risks, including risks of potential physical injury, property damage or other financial liability, caused to or by employees, customers, contractors, vendors, contractual or financial counterparties and other third parties.

Our facilities may not operate as planned, which may increase our expenses and decrease our revenues and have an adverse effect on our financial performance.

Operation of power plants, transmission and distribution facilities, information technology systems and other assets and activities subjects us to a variety of risks, including the breakdown or failure of equipment, accidents, security breaches, viruses or outages affecting information technology systems, labor disputes, obsolescence, delivery/transportation problems and disruptions of fuel supply and performance below expected levels. These events may impact our ability to conduct our businesses efficiently and lead to increased costs, expenses or losses. Operation of our delivery systems below our expectations may result in lost revenue and increased expense, including higher maintenance costs, which may not be recoverable from customers. Planned and unplanned outages at our power plants may require us to purchase power at then-current market prices to satisfy our commitments or, in the alternative, pay penalties and damages for failure to satisfy them.

Although we maintain insurance coverage for certain of these risks, we do not carry insurance for all of these risks and no assurance can be given that such insurance coverage will be sufficient to compensate us in the event losses occur.

We are required to obtain, and to comply with, government permits and approvals.

We are required to obtain, and to comply with, numerous permits, approvals, licenses and certificates from governmental agencies. The process of obtaining and renewing necessary permits can be lengthy and complex and sometimes result in the establishment of permit conditions that make the project or activity for which a permit was sought unprofitable or otherwise unattractive. In addition, such permits or approvals may be subject to denial, revocation or modification under certain circumstances. Failure to obtain or comply with the conditions of permits or approvals, or failure to comply with any applicable laws or regulations, may result in delay or temporary suspension of our operations and electricity sales or the curtailment of our power delivery and may subject us to penalties and other sanctions. Although various regulators routinely renew existing licenses, renewal could be denied or jeopardized by various factors, including failure to provide adequate financial assurance for closure; failure to comply with environmental, health and safety laws and regulations or permit conditions; local community, political or other opposition; and executive, legislative or regulatory action.

Our cost or inability to obtain and comply with the permits and approvals required for our operations could have a material adverse effect on our operations and cash flows. In addition, new environmental legislation or regulations, if enacted, or changed interpretations of existing laws may elicit claims that historical routine modification activities at our facilities violated applicable laws and regulations. In addition to the possible imposition of fines in such cases, we may be required to undertake significant capital investments in pollution control technology and obtain additional operating permits or approvals, which could have an adverse impact on our business, results of operations, cash flows and financial condition.

War, other armed conflicts or terrorist attacks could have a material adverse effect on our business.

War, terrorist attacks and unrest have caused and may continue to cause instability in the world's financial and commercial markets. In addition, unrest could lead to acts of terrorism in the United States or elsewhere, and acts of terrorism could be directed against companies such as ours. Armed conflicts and terrorism and their effects on us or our markets may significantly affect our business and results of operations in the future. In addition, we may incur increased costs for security, including additional physical plant security and security personnel or increased capability following a terrorist incident.

We are subject to counterparty performance, credit or other risk in the provision of goods or services to us, which could adversely affect our ability to operate our facilities or conduct business activities.

We purchase from a variety of suppliers energy, capacity, fuel, natural gas, transmission service and certain commodities used in the physical operation of our businesses, as well as goods or services, including information technology rights and services, used in the administration of our businesses. Delivery of these goods and services is dependent on the continuing operational performance and financial viability of our contractual counterparties and also the markets, infrastructure or third parties they use to provide such goods and services to us. As a result, we are subject to risks of disruptions, curtailments or increased costs in the operation of our businesses if such goods or services are unavailable or become subject to price spikes or if a counterparty fails to perform. Such disruptions could adversely affect our ability to operate our facilities or deliver services and collect revenues, which could result in lower sales and/or higher costs and thereby adversely affect our results of operations. The performance of coal markets and producers may be the subject of increased counterparty risk to LG&E and KU currently due to weaknesses in such markets and suppliers. The coal industry is subject to increasing competitive pressures from natural gas markets, political pressures and new or more stringent environmental regulation, including regulation of combustion byproducts and water inputs or discharges.

We are subject to the risk that our workforce and its knowledge base may become depleted in coming years.

Our businesses depend upon our ability to employ and retain key officers and other skilled professional and technical employees. We experience attrition due primarily to retiring employees, with the risk that critical knowledge will be lost and that it may be difficult to replace departed personnel, and to attract and retain new personnel, with appropriate skills and experience.

ITEM 1B. UNRESOLVED STAFF COMMENTS

PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

None.

ITEM 1C. CYBERSECURITY *(All Registrants)*

Processes for Identifying, Assessing and Managing Material Risks from Cybersecurity Threats

PPL's Chief Security Officer (CSO) is responsible for establishing, implementing and executing PPL's cyber-risk management strategy for PPL and the other Registrants and reports to PPL's Executive Vice President and Chief Technology and Innovation Officer. The CSO has over 25 years of experience leading technology and security organizations, has a degree in computer science, and holds professional certifications in information security, IT auditing, and privacy. He is also a member of nationally and internationally recognized industry and security organizations, including the Information Systems Audit and Control Association, International Association of Privacy Professionals, and the Domestic Security Alliance Council. The teams managed by the CSO are comprised of seasoned experts in cyber and IT security and possess appropriate experience to safeguard the company's data, networks and systems, mitigate cyber risks and help prevent and combat cyber threats.

The Registrants manage cybersecurity risks through monitoring, defense and response tools, including independent third-party assessments, internal audit assessments of the program's effectiveness, intelligence reports, cybersecurity threat trends, implementation of governance models, industry collaboration and employee training and awareness. The Registrants are actively engaged in cybersecurity related industry forums, public-private partnerships with law enforcement, cross-industry peer groups, and other efforts to help improve the protection of the U.S. electric grid.

The Registrants utilize monitoring tools, including but not limited to, cybersecurity incident and event management, penetration testing, intrusion detection and prevention, vulnerability assessments and anti-virus systems to detect anomalous or suspicious system or network activity. The Registrants may also become aware of a potential cybersecurity event or incident through employee reports, notification by a third-party service provider or business partner with potential impact to the Registrants or their systems, customers or notification by a government agency. The Registrants' subject matter specialists from across the enterprise provide input and expertise into risk governance processes, including cybersecurity, information technology, legal, compliance, operations, and enterprise risk management.

In developing their cybersecurity programs, the Registrants are guided by various frameworks including the NIST Cybersecurity Framework, a voluntary framework that consists of standards, guidelines and best practices for managing cybersecurity risk, that is widely used by critical infrastructure industries to help determine and address the highest priority cybersecurity risks. The Registrants conduct regular internal cybersecurity audits and vulnerability assessments and regularly engage with third-party cybersecurity experts for external assessments of their cybersecurity controls, including technical, physical and social aspects, to better comprehend the scope and magnitude of active threats to the industry and nation and their potential impact on our systems.

The CSO chairs the Corporate Security Council, which holds regular meetings consisting of senior executive management and reviews and oversees cybersecurity risks. PPL and the other Registrants also maintain a process to review the cyber risks that arise from the use of third-party service providers as well as programs and procedures to mitigate such risks internally and to assess the extent to which such providers effectively manage their own cyber risks.

PPL has established an Executive Crisis Team comprised of PPL's executive leadership, including the Chief Executive Officer, Chief Technology and Innovation Officer, Chief Financial Officer, Chief Human Resources Officer, Chief Legal Officer, Chief Operating Officer, VP – Public Affairs and Sustainability, VP – Corporate Communications, Chief Security Officer and additional officers as circumstances may warrant, to allow the company to respond quickly to a crisis, including a cyber event. This team governs and manages corporate crisis preparedness across the business lines, operations, and functions. Material or potentially material risks are escalated to the Executive Crisis Team and other appropriate leadership for review and action.

Also, the Registrants' workforce undertakes mandatory role-based annual training on identifying, reporting, and escalating cyber and physical security concerns to further assist in the identification of risks as well as the acceptable use of corporate electronic resources. Additionally, all employees and contractors are required to participate in the Registrants' ethical cyber phishing campaign program.

In addition to these enterprise-wide initiatives, PPL's Kentucky, Pennsylvania and Rhode Island operations are subject to extensive and rigorous mandatory cybersecurity requirements that are developed and enforced by NERC and approved by the FERC to protect grid security and reliability. LG&E is also subject to certain security directives related to cybersecurity issued by the Department of Homeland Security's Transportation Security Administration in 2021. See Note 12 to the Financial Statements for additional information on these directives.

The Registrants have been subject to attempted cybersecurity threats and will likely continue to be subject to such attempts in the future. While PPL has not determined any cybersecurity incidents have materially affected the Registrants, including their business strategy, results of operations or financial condition, there can be no guarantee that the Registrants will not be the subject of future attacks, threats or incidents, the consequences of which may be material.

See “Risks Related to All Segments – Our business operations are continually subject to cyber-based security and data integrity risks from vulnerabilities related to our IT systems, operational technology infrastructure and supply chain relationships” in “Item 1A. Risk Factors” for a discussion of cybersecurity risks affecting the Registrants.

Oversight of Cybersecurity Risks by the Board of Directors and Management

PPL’s Board of Directors oversees the Registrants’ management of cybersecurity risk through various processes identified below.

The Board has direct oversight of the Registrants’ cybersecurity programs through periodic reports from the CSO, at least twice a year, regarding cybersecurity matters and risks as well as the adequacy and effectiveness of our cybersecurity risk management program. Through these reports, the Board monitors the Registrants’ programs, processes and procedures related to cybersecurity. The Board has directed the CEO and CSO to promptly inform the Board in the event of a material or potentially material cybersecurity event. Each member of the Board has access to management, including the CEO and CSO, to ask questions and engage on the company’s approach to prevent, detect, assess, and mitigate cybersecurity risk. PPL’s Board has several Board members with experience in cybersecurity, including one with a certificate in Cyber-Risk Oversight from the National Association of Corporate Directors.

A primary function of the Audit Committee is to assist the Board in the oversight of the identification, assessment and management of risk. Cybersecurity risks are included in PPL’s enterprise risk management process and are reported to the Audit Committee of the Board on a quarterly basis or more frequently, as needed.

ITEM 2. PROPERTIES

Kentucky Regulated Segment *(PPL, LG&E and KU)*

LG&E's and KU's properties consist primarily of regulated generation facilities, electricity transmission and distribution assets and natural gas transmission and distribution assets in Kentucky. The capacity of generation units is based on a number of factors, including the operating experience and physical condition of the units, and may be revised periodically to reflect changed circumstances. The electricity generating capacity at December 31, 2024 was:

		LG&E		KU	
Primary Fuel/Plant	**Total MW Capacity Summer**	**% Ownership or Other Interest**	**Ownership or Other Interest in MW**	**% Ownership or Other Interest**	**Ownership or Other Interest in MW**
Coal					
Ghent - Units 1- 4	1,919			100.00	1,919
Mill Creek - Units 2- 4	1,165	100.00	1,165		
E.W. Brown - Unit 3	412			100.00	412
Trimble County - Unit 1 (a)	493	75.00	370		
Trimble County - Unit 2 (a)	732	14.25	104	60.75	445
	4,721		1,639		2,776
Natural Gas/Oil					
E.W. Brown Unit 5 (b)	130	53.00	69	47.00	61
E.W. Brown Units 6 - 7	292	38.00	111	62.00	181
E.W. Brown Units 8 - 11 (b)	484			100.00	484
Trimble County Units 5 - 6	318	29.00	92	71.00	226
Trimble County Units 7 - 10	636	37.00	235	63.00	401
Paddy's Run Unit 12	23	100.00	23		
Paddy's Run Unit 13	147	53.00	78	47.00	69
Haefling - Units 1 - 2	24			100.00	24
Cane Run Unit 7	691	22.00	152	78.00	539
	2,745		760		1,985
Hydro					
Ohio Falls - Units 1-8	64	100.00	64		
Dix Dam - Units 1-3	32			100.00	32
	96		64		32

Primary Fuel/Plant	Total MW Capacity Summer	LG&E % Ownership or Other Interest	LG&E Ownership or Other Interest in MW	KU % Ownership or Other Interest	KU Ownership or Other Interest in MW
Solar					
E.W. Brown Solar (c)	8	39.00	3	61.00	5
Total	7,570		2,466		4,798

(a) Trimble County Unit 1 and Trimble County Unit 2 are jointly owned with Illinois Municipal Electric Agency and Indiana Municipal Power Agency. Each owner is entitled to its proportionate share of the units' total output and funds its proportionate share of capital, fuel and other operating costs. See Note 11 to the Financial Statements for additional information.
(b) There is an inlet air cooling system attributable to these units. This inlet air cooling system is not jointly owned; however, it is used to increase production on the units to which it relates, resulting in an additional 12 MW of capacity for LG&E and an additional 86 MW of capacity for KU.
(c) This unit is a 10 MW facility and achieves such production. The 8 MW solar facility summer capacity rating is reflective of an average expected output across the peak hours during the summer period based on average weather conditions at the solar facility.

For a description of LG&E's and KU's service areas, see "Item 1. Business - General - Segment Information - Kentucky Regulated Segment." At December 31, 2024, LG&E's and KU's electricity transmission and distribution systems and LG&E's natural gas transmission and distribution systems were:

	LG&E		KU	
	Distribution	Transmission	Distribution	Transmission
Electricity System				
Substations (a)	97	79	461	215
Capacity (in millions of kVA)	6	8	8	16
Overhead lines (circuit miles)	3,887	663	14,093	4,064
Underground lines (circuit miles)	2,876	6	2,840	4
Natural Gas System				
Distribution mains (miles)	4,463	—	—	—
Transmission pipeline (miles)	—	229	—	—
Transmission storage lines (miles)	—	83	—	—
Combustion turbine lines (miles)	—	19	—	11
Storage fields	—	4	—	—
Storage field capacity (Bcf)	—	11	—	—

(a) 195 substations (62 at LG&E and 133 at KU) are shared between the distribution and transmission systems.

Substantially all of LG&E's and KU's respective real and tangible personal property located in Kentucky and used or to be used in connection with the generation, transmission and distribution of electricity and, in the case of LG&E, the storage and distribution of natural gas, is subject to the lien of either the LG&E 2010 Mortgage Indenture or the KU 2010 Mortgage Indenture. See Note 8 to the Financial Statements for additional information.

LG&E and KU continuously reexamine development projects based on market conditions and other factors to determine whether to proceed with the projects, sell, cancel or expand them or pursue other options. See Item 1. Business for a discussion related to LG&E's and KU's Solar Share program and 2022 CPCN filing.

Pennsylvania Regulated Segment *(PPL and PPL Electric)*

For a description of PPL Electric's service area, see "Item 1. Business - General - Segment Information - Pennsylvania Regulated Segment." PPL Electric has electric transmission and distribution lines in public streets and highways pursuant to franchises and rights-of-way secured from property owners. At December 31, 2024, PPL Electric's transmission system includes 52 substations with a total capacity of 32 million kVA and 5,286 circuit miles in service. PPL Electric's distribution system includes 355 substations with a total capacity of 15 million kVA, 36,628 circuit miles of overhead lines and 9,006 underground circuit miles. All of PPL Electric's facilities are located in Pennsylvania. Substantially all of PPL Electric's distribution properties and certain transmission properties are subject to the lien of the PPL Electric 2001 Mortgage Indenture. See Note 8 to the Financial Statements for additional information.

Rhode Island Regulated Segment *(PPL)*

For a description of RIE's service area, see "Item 1. Business - General - Segment Information - Rhode Island Regulated Segment." At December 31, 2024, RIE's electric transmission system includes 44 substations with capacity of 33 kVA or higher, 361 circuit miles of overhead lines and 49 underground circuit miles. RIE's electric distribution system includes 59 substations, 6,500 circuit miles of overhead lines and 1,229 underground circuit miles. RIE also has distribution mains for its natural gas system with mileage of 3,223 miles. All of RIE's facilities are located in Rhode Island.

ITEM 3. LEGAL PROCEEDINGS

See Notes 6, 7, 9 and 12 to the Financial Statements for information regarding legal, tax and regulatory matters and proceedings.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

See "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations - Financial Condition - Liquidity and Capital Resources - Forecasted Uses of Cash" for information regarding certain restrictions on the ability to pay dividends for all Registrants.

PPL Corporation

Additional information for this item is set forth in the sections entitled "Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" and "Shareowner and Investor Information" of this report. At January 31, 2025 there were 42,122 common stock shareowners of record.

There were no purchases by PPL of its common stock during the fourth quarter of 2024.

PPL Electric Utilities Corporation

There is no established public trading market for PPL Electric's common stock, as PPL owns 100% of the outstanding common shares. Dividends paid to PPL on those common shares are determined by PPL Electric's Board of Directors. PPL Electric paid common stock dividends to PPL of $375 million in 2024 and $323 million in 2023.

Louisville Gas and Electric Company

There is no established public trading market for LG&E's common stock, as LKE owns 100% of the outstanding common shares. Dividends paid to LKE on those common shares are determined by LG&E's Board of Directors. LG&E paid common stock dividends to LKE of $187 million in 2024 and $166 million in 2023.

Kentucky Utilities Company

There is no established public trading market for KU's common stock, as LKE owns 100% of the outstanding common shares. Dividends paid to LKE on those common shares are determined by KU's Board of Directors. KU paid common stock dividends to LKE of $232 million in 2024 and $190 million in 2023.

ITEM 6. SELECTED FINANCIAL AND OPERATING DATA

PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

[Reserved]

Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations

(All Registrants)

This "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" is separately filed by PPL, PPL Electric, LG&E and KU. Information contained herein relating to any individual Registrant is filed by such Registrant solely on its own behalf, and no Registrant makes any representation as to information relating to any other Registrant. The specific Registrant to which disclosures are applicable is identified in parenthetical headings in italics above the applicable disclosure or within the applicable disclosure for each Registrant's related activities and disclosures. Within combined disclosures, amounts are disclosed for individual Registrants when significant.

The following should be read in conjunction with the Registrants' Consolidated Financial Statements and the accompanying Notes. Capitalized terms and abbreviations are defined in the glossary. Dollars are in millions, except per share data, unless otherwise noted.

"Management's Discussion and Analysis of Financial Condition and Results of Operations" includes the following information:

- "Overview" provides a description of each Registrant's business strategy and a discussion of important financial and operational developments.

- "Results of Operations" for all Registrants includes a "Statement of Income Analysis," which discusses significant changes in principal line items on the Statements of Income, comparing 2024 with 2023. For PPL, "Results of Operations" also includes "Segment Earnings," which provides a detailed analysis of earnings by reportable segment. These discussions include the non-GAAP financial measure "Earnings from Ongoing Operations" and provide an explanation of the non-GAAP financial measure and a reconciliation of the measure to the most comparable GAAP measure.

- "Financial Condition - Liquidity and Capital Resources" provides an analysis of the Registrants' liquidity positions and credit profiles. This section also includes a discussion of forecasted sources and uses of cash and rating agency actions.

- "Financial Condition - Risk Management" provides an explanation of the Registrants' risk management programs relating to market and credit risk.

- "Application of Critical Accounting Policies" provides an overview of the accounting policies that are particularly important to the results of operations and financial condition of the Registrants and that require their management to make significant estimates, assumptions and other judgments of inherently uncertain matters.

For comparison of the Registrants' results of operations and cash flows for the years ended December 31, 2023 to December 31, 2022, refer to "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" in the 2023 Form 10-K, filed with the SEC on February 16, 2024.

Overview

For a description of the Registrants and their businesses, see "Item 1. Business."

Business Strategy *(All Registrants)*

PPL operates four regulated utilities located in Pennsylvania, Kentucky and Rhode Island. Each of these jurisdictions has distinct regulatory structures and each of the utilities has distinct customer classes.

PPL's strategy, which is supported by the other Registrants and subsidiaries, is focused on creating the utilities of the future to drive greater value for our customers and shareowners. Key objectives in support of this strategy include:

- Strengthening the reliability and resilience of our electric and gas networks to improve service and protect against current and future weather and storms.
- Advancing a cleaner energy future affordably and reliably. This includes expanding and modernizing our generation with natural gas, renewables and battery storage, while supporting research and development of low-carbon solutions.
- Driving operational efficiencies to improve customer service and help keep energy affordable.

- Utilizing artificial intelligence and other advanced technologies to inform decision making, optimize asset planning and maintenance and better manage supply and demand on the grid.
- Empowering customers through expanded digital options and improved service.
- Engaging with key stakeholders to strengthen resource adequacy, power economic development, and support the growth and success of the regions we serve.

This strategy supports our mission to provide safe, affordable, reliable and sustainable energy to our customers and competitive, long-term returns to shareowners.

Financial and Operational Developments

(PPL)

RIE Transition Services Agreement Completion

In connection with the acquisition of RIE in 2022, National Grid USA Service Company, Inc., National Grid U.S. and Narragansett Electric entered into a transition services agreement (TSA), pursuant to which the National Grid entities agreed to provide certain transition services to Narragansett Electric to facilitate the transition of the operation of Narragansett Electric to PPL following the acquisition. The TSA was for an initial two-year term and was completed in the third quarter of 2024. TSA costs of $137 million, $228 million, and $123 million were incurred for the years ended December 31, 2024, 2023, and 2022.

Transfer of Certain Credits under the Inflation Reduction Act

The IRS released the final Internal Revenue Code Section 6418 regulations related to the transfer of certain credits under the Inflation Reduction Act. The regulations became effective on July 1, 2024 and did not and are not expected to have a material impact on the financial statements regarding prior or future credit transfers.

Regulatory Requirements

(All Registrants)

The Registrants cannot predict the impact that future regulatory requirements may have on their financial condition or results of operations.

(PPL, LG&E and KU)

Environmental Considerations for Coal-Fired Generation

The businesses of LG&E and KU are subject to extensive federal, state and local environmental laws, rules and regulations, including those pertaining to CCRs, GHG, and ELGs. See Notes 7, 12 and 18 to the Financial Statements for a discussion of these significant environmental matters. These and other environmental requirements led PPL, LG&E and KU to retire approximately 1,500 MW of coal-fired generating plants in Kentucky since 2010. As part of the long-term generation planning process, LG&E and KU evaluate a range of factors including the impact of potential stricter environmental regulations, fuel price scenarios, the cost of replacement generation, continued operations and major maintenance costs and the risk of major equipment failures in determining when to retire generation assets.

As a result of environmental requirements and aging infrastructure, LG&E has sought and obtained approval to retire two older coal-fired units at the Mill Creek Plant. Mill Creek Unit 1, with 300 MW of capacity, was retired in 2024. Mill Creek Unit 2, with 297 MW of capacity, is expected to be retired in 2027, subject to certain conditions.

On October 4, 2024, LG&E submitted an application related to the retirement of Mill Creek Unit 1, which occurred on December 31, 2024, requesting recovery of associated costs under the RAR rider. On October 28, 2024, the KPSC issued an order to establish a procedural schedule regarding its investigation of the reasonableness of the proposed tariff. The KPSC intends to rule on the matter by February 28, 2025. See Note 7 to the Financial Statements for additional information on the Mill Creek Unit 1 RAR rider application.

FERC Transmission Rate Filing

In 2018, LG&E and KU applied to the FERC requesting elimination of certain on-going waivers and credits to a sub-set of transmission customers relating to the 1998 merger of LG&E's and KU's parent entities and the 2006 withdrawal of LG&E and KU from the Midcontinent Independent System Operator, Inc. (MISO), a regional transmission operator and energy market. The application sought termination of LG&E's and KU's commitment to provide certain Kentucky municipalities mitigation for certain horizontal market power concerns arising out of the 1998 LG&E and KU merger and 2006 MISO withdrawal. The amounts at issue are generally waivers or credits granted to a limited number of Kentucky municipalities for either certain LG&E and KU or MISO transmission charges incurred for transmission service received. In 2019, the FERC granted LG&E's and KU's request to remove the ongoing credits, conditioned upon the implementation by LG&E and KU of a transition mechanism for certain existing power supply arrangements, which was subsequently filed, modified, and approved by the FERC in 2020 and 2021. In 2020, LG&E and KU and other parties filed appeals with the U.S. Court of Appeals - D.C. Circuit (D.C. Circuit Court of Appeals) regarding the FERC's orders on the elimination of the mitigation and required transition mechanism. In August 2022, the D.C. Circuit Court of Appeals issued an order remanding the proceedings back to the FERC. On May 18, 2023, the FERC issued an order on remand reversing its 2019 decision and requiring LG&E and KU to refund credits previously withheld, including under such transition mechanism. LG&E and KU filed a petition for review of the FERC's May 18, 2023 order with the D.C. Circuit Court of Appeals and provided refunds in accordance with the FERC order on December 1, 2023. The FERC issued an order on LG&E's and KU's compliance filing on November 16, 2023, and LG&E and KU filed a petition for review of this November 16, 2023 order on February 14, 2024. The FERC issued the substantive order on rehearing on March 21, 2024, reaffirming its prior decision. Oral argument before the D.C. Circuit Court of Appeals occurred on January 21, 2025. LG&E and KU cannot predict the ultimate outcome of the proceedings or any other post decision process but do not expect the annual impact to have a material effect on their operations or financial condition. LG&E and KU currently receive recovery of certain waivers and credits primarily through base rates increases, provided, however, that increases associated with the FERC's May 18, 2023 order are expected to be subject to future rate proceedings.

(PPL)

FY 2026 Gas ISR Plan

On December 31, 2024, RIE filed its FY 2026 Gas ISR Plan with the RIPUC with a budget that includes $187 million of capital investment spend and up to $15 million of additional contingency plan spend in connection with the PHMSA's potential enactment of regulations during FY 2026 that, if enacted, would significantly alter RIE's leak detection and repair obligations under federal regulations. The Plan also includes proposed spending on curb-to-curb paving of $22 million. A decision from the RIPUC on the Plan is expected by March 31, 2025. RIE cannot predict the outcome of this matter.

FY 2026 Electric ISR Plan

On December 23, 2024, RIE filed its FY 2026 Electric ISR Plan with the RIPUC with a budget that includes $160 million of capital investment spend, $14 million of vegetation operation and maintenance (O&M) expense spend and $1 million of Other O&M spend. In addition, the FY 2026 Electric ISR Plan includes $88 million of capital investment spend for Advanced Metering Functionality (AMF) which, together with the $160 million of capital investment spend, results in total capital investment spend of $248 million. A decision from the RIPUC is expected by March 31, 2025. RIE cannot predict the outcome of this matter.

Advanced Metering Functionality (AMF)

In 2021, RIE filed its Updated AMF Business Case and Grid Modernization Plan (GMP) with the RIPUC in accordance with the Amended Settlement Agreement (ASA) approved by the RIPUC in August 2018, and which among other things, sought approval to deploy smart meters throughout the service territory. After PPL completed the acquisition of RIE, RIE filed a new AMF Business Case with the RIPUC in 2022, consisting of a detailed proposal for full-scale deployment of AMF across its electric service territory.

On September 27, 2023, the RIPUC unanimously approved RIE to deploy an AMF-based metering system for the electric distribution business. RIE is authorized to seek recovery of the approved capital investment through the ISR process with an overall multi-year cap on recovery at approximately $153 million, subject to certain terms, conditions and limitations with respect to the potential offsets and recoverability of certain costs. RIE is required to continue spending even if above the recovery cap, until it achieves the functionalities outlined in the AMF Business Case. RIE filed with the RIPUC for approval of (i) an updated electric Service Quality Plan on December 27, 2023, (ii) additional compliance tariff provisions regarding recovery and updated cost schedules to reflect the RIPUC's decision on December 22, 2023, and (iii) electric and gas tariff advice filings for RIPUC Automatic Meter Reading/AMF meter opt-out tariff provision on September 19, 2024. The RIPUC approved RIE's revised service quality metrics with certain modifications on August 1, 2024 and October 30, 2024. In addition, the RIPUC approved RIE's AMR/AMF opt-out tariff provisions for electric and natural gas with modifications on December 19, 2024 for effect January 1, 2025, and approved the proposed updated fees to be assessed at the start of the AMF roll-out. On January 7, 2025, RIE filed compliance tariffs to reflect the RIPUC's ruling, which they approved at their January 23, 2025 Open Meeting.

Rate Case Proceedings (KU)

On April 30, 2024, KU filed a request with the VSCC for an annual increase in Virginia base electricity rates of approximately $9 million. KU's request is based on an authorized 10.5% return on equity. Subject to regulatory review and approval, new rates would become effective February 1, 2025. On November 6, 2024, KU and VSCC Staff filed a stipulation to resolve the proceeding, with a proposed annual rate increase amount of $8 million and annual authorized returns on equity in a range from 9.5% to 10.5% for various tariff purposes, with no objection from the Office of the Attorney General. A public hearing on the matter was held on November 13, 2024. On December 10, 2024, the Hearing Examiner issued an alternative recommendation to approve the stipulation with a nonmaterial adjustment to the revenue requirement. All parties filed letters in support of the Hearing Examiner's alternative recommendation. On January 28, 2025, the VSCC issued an order approving the stipulation, including the adjustment recommended by the Hearing Examiner, and the resulting new rates went into effect on February 1, 2025.

DSIC Petition (PPL and PPL Electric)

On April 26, 2024, PPL Electric filed a Petition with the PAPUC requesting that the PAPUC waive PPL Electric's DSIC cap of 5% of billed revenues and increase the maximum allowable DSIC to 9% for bills rendered on or after January 1, 2025. On November 21, 2024, the Administrative Law Judge in the proceeding issued a Recommended Decision recommending the denial of PPL Electric's DSIC Cap Waiver Petition. PPL Electric filed exceptions to the Recommended Decision on December 11, 2024. Several of the other parties filed Reply Exceptions on December 23, 2024. The Administrative Law Judge's Recommended Decision and the Exceptions and Reply Exceptions are currently before the PAPUC for a final order. PPL Electric cannot predict the timing or outcome of that decision.

Long-Term Infrastructure Improvement Plan Petition (LTIIP) (PPL and PPL Electric)

On January 17, 2024, PPL Electric filed a petition with the PAPUC seeking to modify its LTIIP, which covers the period from 2023 through 2027, to increase the total projected capital spending for existing LTIIP programs and to add a new LTIIP program related to predictive failure technology. On July 11, 2024, the PAPUC approved the petition in part, allowing for an increase of $203 million for existing LTIIP programs. The proposed new LTIIP program was determined not to be eligible for recovery under the DSIC. However, investments in such programs are potentially recoverable through a base rate proceeding.

Artificial Intelligence (AI) Governance (All Registrants)

To leverage potential benefits of AI, PPL management has established an AI Governance committee, with oversight from the Chief Technology and Innovation Officer and the Chief Legal Officer, which assesses benefits and risks associated with AI. The governance committee is a cross-functional team with leadership representation from Technology, Security, Audit, Legal, Operations, Human Resources and Data and AI. The governance committee reviews potential AI solutions using an intake process which involves risk and benefit assessment, data security and privacy considerations, and ensures that all solutions are compliant with PPL technology and security standards.

Results of Operations

(PPL)

The "Statement of Income Analysis" discussion below describes significant changes in principal line items on the Statements of Income, comparing 2024 with 2023. The "Segment Earnings" discussions provide a review of results by reportable segment. These discussions include the non-GAAP financial measure "Earnings from Ongoing Operations" and provide an explanation of the non-GAAP financial measure and a reconciliation of the measure to the most comparable GAAP measure.

(PPL Electric, LG&E and KU)

A "Statement of Income Analysis" is presented separately for PPL Electric, LG&E and KU. The "Statement of Income Analysis" discussion below describes significant changes in principal line items on the Statements of Income, comparing 2024 with 2023. The results of operations section for PPL Electric, LG&E and KU is presented in a reduced disclosure format in accordance with General Instructions (I)(2)(a) of Form 10-K.

PPL: Statement of Income Analysis and Segment Earnings

Statement of Income Analysis

Net income for the years ended December 31 includes the following results:

	2024	2023	Change 2024 vs. 2023
Operating Revenues	$ 8,462	$ 8,312	$ 150
Operating Expenses			
Operation			
Fuel	783	733	50
Energy purchases	1,679	1,841	(162)
Other operation and maintenance	2,607	2,462	145
Depreciation	1,279	1,254	25
Taxes, other than income	374	392	(18)
Total Operating Expenses	6,722	6,682	40
Operating Income	1,740	1,630	110
Other Income (Expense) - net	114	(40)	154
Interest Expense	738	666	72
Income Before Income Taxes	1,116	924	192
Income Taxes	228	184	44
Net Income (Loss)	$ 888	$ 740	$ 148

Operating Revenues

The increase (decrease) in operating revenues was due to:

	2024 vs. 2023
PPL Electric distribution price (a)	$ 69
PPL Electric distribution volume (b)	39
PPL Electric PLR (c)	(291)
PPL Electric transmission formula rate (d)	48
LG&E volumes (b)	35
LG&E ECR mechanism (e)	(18)
KU volumes (b)	39
KU fuel and other energy purchases (f)	20
RIE energy purchases and other recoveries (g)	(24)
RIE net metering presentation (h)	175
RIE capital investment	29
Other	29
Total	$ 150

(a) The increase was primarily due to reconcilable cost recovery mechanisms approved by the PAPUC.
(b) The increases were primarily due to weather, along with other higher usage in 2024 at PPL Electric.
(c) The decrease was primarily the result of lower energy prices and fewer PLR customers, partially offset by higher customer volumes due to weather and other higher usage.
(d) The increase was primarily due to returns on additional transmission capital investments, returns of depreciation and operation and maintenance expenses and delayed implementation of moving to a calendar year rate in 2023, partially offset by the prior year point to point border rate settlement variance.
(e) The decrease was primarily due to lower ECR expenses.
(f) The increase was primarily due to higher recoveries of fuel expenses.
(g) The decrease was primarily due to lower recoveries of commodity costs and pension expenses, partially offset by higher recoveries of gas related maintenance expenses.
(h) In conjunction with the completion of the transition services agreement associated with the RIE acquisition, PPL conformed the presentation of RIE's net metering charges with the presentation of the other operating companies, resulting in an increase in Operating Revenues and a corresponding increase in Energy purchases. See Note 3 to the Financial Statements for additional information.

Fuel

Fuel expense increased $50 million in 2024 compared with 2023, primarily due to an increase of $22 million at LG&E primarily due to an increase in commodity costs and an increase in volumes due to weather of $37 million at KU, partially offset by a decrease in commodity costs of $8 million at KU.

Energy Purchases

The increase (decrease) in energy purchases was due to:

	2024 vs. 2023
PPL Electric PLR volumes	$ (13)
PPL Electric PLR prices	(259)
LG&E commodity costs	(17)
RIE commodity costs	(51)
RIE net metering presentation (a)	175
Other	3
Total	$ (162)

(a) In conjunction with the completion of the transition services agreement associated with the RIE acquisition, PPL conformed the presentation of RIE's net metering charges with the presentation of the other operating companies, resulting in an increase in Operating Revenues and a corresponding increase in Energy purchases. See Note 3 to the Financial Statements for additional information.

Other Operation and Maintenance

The increase (decrease) in other operation and maintenance was due to:

	2024 vs. 2023
PPL Electric storm expenses	$ 52
PPL Electric vegetation management expenses	20
PPL Electric Act 129	19
PPL Electric DER projects impairment (a)	21
LG&E ECR expenses	(17)
RIE gas maintenance expenses	46
RIE pension expenses	(24)
RIE bad debt expenses	18
Transition costs associated with RIE	45
Other	(35)
Total	$ 145

(a) Impairment of DER project costs associated with a pilot solar program for which PPL will not seek regulatory recovery.

Other Income (Expense) - net

The increase (decrease) in other income (expense) - net was due to:

	2024 vs. 2023
AFUDC - equity component	$ 17
Talen litigation (a)	122
Other	15
Total	$ 154

(a) PPL incurred legal expenses in 2023 related to litigation associated with its former affiliate, Talen Montana, LLC, and certain affiliated entities (collectively, Talen), which was settled in December 2023.

Interest Expense

The increase (decrease) in interest expense was due to:

	2024 vs. 2023
Long-term debt (a)	$ 78
Other	(6)
Total	$ 72

(a) The increase was primarily due to increased borrowings. See Note 8 to the Financial Statements for additional information.

Income Taxes

The increase (decrease) in income taxes was due to:

	2024 vs. 2023
Change in pre-tax income	$ 48
Valuation allowance adjustments	(10)
Income tax credits (a)	14
Utility rate-making tax adjustments (b)	(11)
Other	3
Total	$ 44

(a) In addition to credits internally generated, in 2023, PPL purchased approximately $300 million of renewable tax credits, as allowed by the IRA. PPL recorded a current tax benefit and a deferred tax expense for the utilization of approximately $250 million of the credits in 2023 and prior years, per the three-year carry-back rule.
(b) Primarily consists of tax impacts of AFUDC equity and related depreciation across PPL utilities and flow through tax impacts. Flow through occurs when the regulator excludes deferred tax expense or benefit from recoverable costs when determining income tax expense.

See Note 6 to the Financial Statements for additional information on income taxes.

Segment Earnings

PPL's Net Income (Loss) by reportable segments was as follows:

	2024	2023	Change 2024 vs. 2023
Kentucky Regulated	$ 620	$ 552	$ 68
Pennsylvania Regulated	574	519	55
Rhode Island Regulated	109	96	13
Corporate and Other (a)	(415)	(427)	12
Net Income (Loss)	$ 888	$ 740	$ 148

(a) Primarily represents financing and certain other costs incurred at the corporate level that have not been allocated or assigned to the segments, which are presented to reconcile segment information to PPL's consolidated results.

Earnings from Ongoing Operations

Management utilizes "Earnings from Ongoing Operations" as a non-GAAP financial measure that should not be considered as an alternative to net income, an indicator of operating performance determined in accordance with GAAP. PPL believes that Earnings from Ongoing Operations is useful and meaningful to investors because it provides management's view of PPL's earnings performance as another criterion in making investment decisions. In addition, PPL's management uses Earnings from Ongoing Operations in measuring achievement of certain corporate performance goals, including targets for certain executive incentive compensation. Other companies may use different measures to present financial performance.

Earnings from Ongoing Operations is adjusted for the impact of special items. Special items are presented in the financial tables on an after-tax basis with the related income taxes on special items separately disclosed. Income taxes on special items, when applicable, are calculated based on the statutory tax rate of the entity where the activity is recorded. Special items may include items such as:

- Gains and losses on sales of assets not in the ordinary course of business.

- Impairment charges.
- Significant workforce reduction and other restructuring effects.
- Acquisition and divestiture-related adjustments.
- Significant losses on early extinguishment of debt.
- Other charges or credits that are, in management's view, non-recurring or otherwise not reflective of the company's ongoing operations.

PPL's Earnings from Ongoing Operations by reportable segment were as follows:

	2024	2023	Change 2024 vs. 2023
Kentucky Regulated	$ 624	$ 564	$ 60
Pennsylvania Regulated	607	548	59
Rhode Island Regulated	155	152	3
Corporate and Other	(136)	(81)	(55)
Earnings from Ongoing Operations	$ 1,250	$ 1,183	$ 67

See "Reconciliation of Earnings from Ongoing Operations" below for a reconciliation of this non-GAAP financial measure to Net Income.

Kentucky Regulated Segment

The Kentucky Regulated segment consists primarily of LG&E's and KU's regulated electricity generation, transmission and distribution operations, as well as LG&E's regulated distribution and sale of natural gas.

Net Income and Earnings from Ongoing Operations include the following results:

	2024	2023	Change 2024 vs. 2023
Operating Revenues	$ 3,562	$ 3,452	$ 110
Fuel	783	733	50
Energy purchases	176	192	(16)
Other operation and maintenance	803	826	(23)
Depreciation	710	696	14
Taxes, other than income	99	93	6
Total Operating Expenses	2,571	2,540	31
Other Income (Expense) - net	29	12	17
Interest Expense	240	235	5
Income Taxes	160	137	23
Net Income	620	552	68
Less: Special Items	(4)	(12)	8
Earnings from Ongoing Operations	$ 624	$ 564	$ 60

The following after-tax gains (losses), which management considers special items, impacted the Kentucky Regulated segment's results and are excluded from Earnings from Ongoing Operations:

	Income Statement Line Item	2024	2023
Strategic corporate initiatives, net of tax of $0, $0 (a)	Other operation and maintenance	$ (1)	$ (1)
FERC transmission credit refund, net of tax of $2 (b)	Other operation and maintenance	—	(6)
FERC transmission credit refund, net of tax of $0 (b)	Operating Revenues	1	—
Unbilled revenue estimate adjustment, net of tax of $2 (c)	Operating Revenues	—	(5)
ECR beneficial reuse transition adjustment, net of tax of $2 (d)	Operating Revenues	(4)	—
Total		$ (4)	$ (12)

(a) Costs incurred related to PPL's corporate centralization efforts.
(b) Prior period impact related to a FERC refund order.
(c) Prior period impact of a methodology change in determining unbilled revenues.
(d) Prior period impact for an ECR mechanism revenue adjustment related to a KPSC order.

The changes in the components of the Kentucky Regulated segment's results between these periods were due to the factors set forth below, which exclude the items that management considers special.

		2024 vs. 2023
Operating Revenues	$	107
Fuel		(50)
Energy purchases		16
Other operation and maintenance		16
Depreciation		(14)
Taxes, other than income		(6)
Other Income (Expense) - net		17
Interest Expense		(5)
Income Taxes		(21)
Earnings from Ongoing Operations		60
Special Items, after-tax		8
Net Income	$	68

- Higher operating revenues in 2024 compared to 2023, primarily due to a $74 million increase in sales volumes due to weather and a $29 million increase in recoveries of fuel and energy purchases.

- Higher fuel expense in 2024 compared to 2023, primarily due to a $34 million increase in volumes primarily due to weather and a $16 million increase in commodity costs.

Pennsylvania Regulated Segment

The Pennsylvania Regulated segment includes the regulated electricity transmission and distribution operations of PPL Electric.

Net Income and Earnings from Ongoing Operations include the following results:

	2024		2023		Change 2024 vs. 2023	
Operating Revenues	$	2,876	$	3,008	$	(132)
Energy purchases		721		992		(271)
Other operation and maintenance		705		605		100
Depreciation		401		397		4
Taxes, other than income		131		143		(12)
Total Operating Expenses		1,958		2,137		(179)
Other Income (Expense) - net		45		39		6
Interest Income from Affiliate		33		—		33
Interest Expense		246		223		23
Income Taxes		176		168		8
Net Income		574		519		55
Less: Special Items		(33)		(29)		(4)
Earnings from Ongoing Operations	$	607	$	548	$	59

The following after-tax gains (losses), which management considers special items, impacted the Pennsylvania Regulated segment's results and are excluded from Earnings from Ongoing Operations:

	Income Statement Line Item	2024		2023	
PPL Electric billing issue, net of tax of $5, $10 (a)	Other operation and maintenance	$	(13)	$	(23)
PPL Electric billing issue, net of tax of $0 (a)	Other Income (Expense) - net		—		(1)
Strategic corporate initiatives, net of tax of $2, $1 (b)	Other operation and maintenance		(5)		(2)
Other non-recurring charges, net of tax of $1 (c)	Other operation and maintenance		—		(3)
DER projects impairment, net of tax of $6 (d)	Other operation and maintenance		(15)		—
Total		$	(33)	$	(29)

(a) Certain expenses related to billing issues. See Note 7 to the Financial Statements for additional information.

(b) Costs incurred related to PPL's corporate centralization efforts.
(c) Certain expenses associated with a litigation settlement.
(d) Impairment of DER project costs associated with a pilot solar program for which PPL will not seek regulatory recovery.

The changes in the components of the Pennsylvania Regulated segment's results between these periods are due to the factors set forth below, which exclude the items that management considers special.

	2024 vs. 2023
Operating Revenues	$ (132)
Energy purchases	271
Other operation and maintenance	(96)
Depreciation	(4)
Taxes, other than income	12
Other Income (Expense) - net	5
Interest Income from Affiliate	33
Interest Expense	(23)
Income Taxes	(7)
Earnings from Ongoing Operations	59
Special Items, after-tax	(4)
Net Income	$ 55

- Lower operating revenues in 2024 compared to 2023, primarily due to $291 million of lower PLR, partially offset by a $69 million increase in distribution prices, a $48 million increase in transmission formula rate returns and a $39 million increase in distribution volumes primarily due to weather and higher usage.

- Lower energy purchases in 2024 compared to 2023, primarily due to $259 million of lower PLR prices and $13 million of lower PLR volumes.

- Higher operation and maintenance expense in 2024 compared to 2023, primarily due to a $52 million increase in storm expenses, a $20 million increase in vegetation management expenses and a $19 million increase in Act 129 related expenses.

- Higher interest income from affiliate in 2024 compared to 2023, primarily due to interest income on a short-term note receivable with an affiliated company.

- Higher interest expense in 2024 compared to 2023, primarily due to $43 million related to increased long-term debt borrowings, partially offset by $11 million related to the redemption of floating rate first mortgage bonds in March 2023.

Rhode Island Regulated Segment

The Rhode Island Regulated segment consists primarily of the regulated electricity transmission and distribution operations and regulated distribution and sale of natural gas conducted by RIE.

Net Income and Earnings from Ongoing Operations include the following results:

	2024	2023	Change 2024 vs. 2023
Operating Revenues	$ 2,024	$ 1,851	$ 173
Energy purchases	782	658	124
Other operation and maintenance	731	705	26
Depreciation	165	156	9
Taxes, other than income	144	156	(12)
Total Operating Expenses	1,822	1,675	147
Other Income (Expense) - net	24	19	5
Interest Expense	95	83	12
Income Taxes	22	16	6
Net Income	109	96	13
Less: Special Items	(46)	(56)	10
Earnings from Ongoing Operations	$ 155	$ 152	$ 3

The following after-tax gains (losses), which management considers special items, impacted the Rhode Island Regulated segment's results and are excluded from Earnings from Ongoing Operations:

	Income Statement Line Item	2024	2023
Acquisition integration, net of tax of $13, $17 (a)	Other operation and maintenance	$ (45)	$ (65)
Acquisition integration, net of tax of $0	Other Income (Expense) - net	(1)	—
Acquisition integration, net of tax of ($2) (b)	Operating Revenues	—	8
Acquisition integration, net of tax of ($1)	Depreciation	—	2
Acquisition integration, net of tax of $0	Interest Expense	—	(1)
Total		$ (46)	$ (56)

(a) Primarily includes certain transition services agreement costs for IT systems that will not be part of PPL's ongoing operations.
(b) Prior period impact of a methodology change for Infrastructure, Safety, and Reliability revenues.

The changes in the components of the Rhode Island Regulated segment's results between these periods are due to the factors set forth below, which exclude the items that management considers special.

	2024 vs. 2023
Operating Revenues	$ 183
Energy purchases	(124)
Other operation and maintenance	(50)
Depreciation	(7)
Taxes, other than income	12
Other Income (Expense) - net	6
Interest Expense	(13)
Income Taxes	(4)
Earnings from Ongoing Operations	3
Special Items, after-tax	10
Net Income	$ 13

- Higher operating revenues in 2024 compared to 2023, primarily due to a $175 million increase due to the effects of conforming the presentation of RIE's net metering charges to that of PPL's other operating utilities beginning in 2024, a $46 million increase in recovery of gas maintenance related expenses, a $29 million increase related to capital investments, a $12 million increase related to recovery of transmission expenses and a $15 million increase of other items that were not individually significant, partially offset by a $51 million decrease in recovery of commodity costs, a $24 million decrease in recovery of pension expenses, a $14 million decrease in recovery of gross earnings taxes and a $10 million decrease related to ISR adjustments.

- Higher energy purchases in 2024 compared to 2023, primarily due to a $175 million increase related to the effects of conforming the presentation of RIE's net metering charges to that of PPL's other operating utilities beginning in 2024, partially offset by a $51 million decrease in commodity costs.

- Higher operation and maintenance expense in 2024 compared to 2023, primarily due to a $46 million increase in gas maintenance related expenses, an $18 million increase in bad debt expenses and a $12 million increase in transmission expenses, partially offset by a $24 million decrease in pension expenses.

- Lower taxes, other than income in 2024 compared to 2023, primarily due to a decrease in gross earnings taxes.

- Higher interest expense in 2024 compared to 2023, primarily due to increased borrowings.

Reconciliation of Earnings from Ongoing Operations

The following tables contain after-tax gains (losses), in total, which management considers special items, that are excluded from Earnings from Ongoing Operations, and a reconciliation to PPL's "Net Income" for the years ended December 31.

	2024				
	KY Regulated	PA Regulated	RI Regulated	Corporate and Other	Total
Net Income (Loss)	$ 620	$ 574	$ 109	$ (415)	$ 888
Less: Special Items (expense) benefit:					
Talen litigation costs, net of tax of $1 (a)	—	—	—	(2)	(2)
Strategic corporate initiatives, net of tax of $0, $2, $2 (b)	(1)	(5)	—	(5)	(11)
Acquisition integration, net of tax of $13, $66 (c)	—	—	(46)	(250)	(296)
PPL Electric billing issue, net of tax of $5 (d)	—	(13)	—	—	(13)
FERC transmission credit refund, net of tax of $0 (e)	1	—	—	—	1
ECR beneficial reuse transition adjustment, net of tax of $2 (f)	(4)	—	—	—	(4)
DER projects impairment, net of tax of $6 (g)	—	(15)	—	—	(15)
IT transformation, net of tax of $5 (h)	—	—	—	(22)	(22)
Total Special Items	(4)	(33)	(46)	(279)	(362)
Earnings from Ongoing Operations	$ 624	$ 607	$ 155	$ (136)	$ 1,250

(a) PPL incurred legal expenses related to litigation associated with its former affiliate, Talen Montana, LLC and certain affiliated entities.
(b) Represents costs primarily related to PPL's centralization and other strategic efforts.
(c) Rhode Island Regulated primarily includes certain transition services agreement costs for IT systems that will not be part of PPL's ongoing operations. Corporate and Other primarily includes integration and related costs associated with the acquisition of RIE.
(d) Certain expenses related to billing issues. See Note 7 to the Financial Statements for additional information.
(e) Prior period impact related to a FERC refund order.
(f) Prior period impact for an ECR mechanism revenue adjustment related to a KPSC order.
(g) Impairment of DER project costs associated with a pilot solar program for which PPL will not seek regulatory recovery.
(h) Costs associated with PPL's restructuring and rebuilding of its IT infrastructure, organization and systems.

	2023				
	KY Regulated	PA Regulated	RI Regulated	Corporate and Other	Total
Net Income (Loss)	$ 552	$ 519	$ 96	$ (427)	$ 740
Less: Special Items (expense) benefit:					
Talen litigation costs, net of tax of $26 (a)	—	—	—	(99)	(99)
Strategic corporate initiatives, net of tax of $0, $1, $3 (b)	(1)	(2)	—	(10)	(13)
Acquisition integration, net of tax of $14, $58 (c)	—	—	(56)	(218)	(274)
Sale of Safari Holdings, net of tax of $0 (d)	—	—	—	(4)	(4)
PPL Electric billing issue, net of tax of $10 (e)	—	(24)	—	—	(24)
FERC transmission credit refund, net of tax of $2 (f)	(6)	—	—	—	(6)
Unbilled revenue estimate adjustment, net of tax of $2 (g)	(5)	—	—	—	(5)
Other non-recurring charges, net of tax of $1, $0 (h)	—	(3)	—	(15)	(18)
Total Special Items	(12)	(29)	(56)	(346)	(443)
Earnings from Ongoing Operations	$ 564	$ 548	$ 152	$ (81)	$ 1,183

(a) PPL incurred legal expenses related to litigation and settlement with its former affiliate, Talen Montana, LLC and certain affiliated entities.
(b) Costs incurred primarily in connection with corporate centralization efforts.
(c) Rhode Island Regulated includes costs incurred primarily related to certain transition services agreement costs for IT systems that will not be part of PPL's ongoing operations. Corporate and Other primarily includes integration and related costs associated with the acquisition of RIE.
(d) Primarily final closing and other related adjustments for the sale of Safari Holdings.
(e) Certain expenses related to billing issues. See Note 7 to the Financial Statements for additional information.
(f) Prior period impact related to a FERC refund order.
(g) Prior period impact of a methodology change in determining unbilled revenues.
(h) PA Regulated includes certain expenses related to a litigation settlement. Corporate and Other primarily includes certain expenses related to distributed energy investments.

PPL Electric: Statement of Income Analysis

Net income for the years ended December 31 includes the following results:

	2024	2023	Change 2024 vs. 2023
Operating Revenues	$ 2,876	$ 3,008	$ (132)
Operating Expenses			
Operation			
Energy purchases	721	992	(271)
Other operation and maintenance	705	605	100
Depreciation	401	397	4
Taxes, other than income	131	143	(12)
Total Operating Expenses	1,958	2,137	(179)
Operating Income	918	871	47
Other Income (Expense) - net	45	39	6
Interest Income from Affiliate	33	—	33
Interest Expense	246	223	23
Income Before Income Taxes	750	687	63
Income Taxes	176	168	8
Net Income	$ 574	$ 519	$ 55

Operating Revenues

The increase (decrease) in operating revenues was due to:

	2024 vs. 2023
Distribution price (a)	$ 69
Distribution volume (b)	39
PLR (c)	(291)
Transmission formula rate (d)	48
Other	3
Total	$ (132)

(a) The increase was primarily due to reconcilable cost recovery mechanisms approved by the PAPUC.
(b) The increase was primarily due to weather, along with other higher usage in 2024.
(c) The decrease was primarily the result of lower energy prices and fewer PLR customers, partially offset by higher customer volumes due to weather and other higher usage.
(d) The increase was primarily due to returns on additional transmission capital investments, returns of depreciation and operation and maintenance expenses and delayed implementation of moving to a calendar year rate in 2023, partially offset by the prior year point to point border rate settlement variance.

Energy Purchases

Energy purchases decreased $271 million in 2024 compared with 2023, primarily due to lower PLR prices of $259 million and lower PLR volumes of $13 million.

Other Operation and Maintenance

The increase (decrease) in other operation and maintenance was due to:

		2024 vs. 2023
Vegetation management expenses	$	20
Storm expenses		52
Act 129		19
DER projects impairment (a)		21
Other		(12)
Total	$	100

(a) Impairment of DER project costs associated with a pilot solar program for which PPL will not seek regulatory recovery.

Interest Income from Affiliate

Interest income from affiliate increased $33 million in 2024 compared with 2023, primarily due to interest income on a short-term note receivable with an affiliated company.

Interest Expense

Interest expense increased $23 million in 2024 compared with 2023, primarily due to $43 million related to increased long-term debt borrowings, partially offset by $11 million related to the redemption of floating rate first mortgage bonds in March 2023.

LG&E: Statement of Income Analysis

Net income for the years ended December 31 includes the following results:

	2024		2023		Change 2024 vs. 2023	
Operating Revenues						
Retail and wholesale	$	1,617	$	1,580	$	37
Electric revenue from affiliate		31		33		(2)
Total Operating Revenues		1,648		1,613		35
Operating Expenses						
Operation						
Fuel		308		286		22
Energy purchases		151		168		(17)
Energy purchases from affiliates		20		12		8
Other operation and maintenance		349		364		(15)
Depreciation		305		302		3
Taxes, other than income		49		48		1
Total Operating Expenses		1,182		1,180		2
Operating Income		466		433		33
Other Income (Expense) - net		12		3		9
Interest Income from Affiliates		1		1		—
Interest Expense		105		102		3
Income Before Income Taxes		374		335		39
Income Taxes		77		69		8
Net Income	$	297	$	266	$	31

Operating Revenues

The increase (decrease) in operating revenues was due to:

	2024 vs. 2023
Fuel and other energy purchases (a)	$ 7
Volumes (b)	35
ECR (c)	(18)
Other	11
Total	$ 35

(a) The increase was primarily due to higher recoveries of fuel expenses, partially offset by lower recoveries of energy purchases.
(b) The increase was primarily due to weather.
(c) The decrease was primarily due to lower ECR expenses.

Fuel

Fuel expense increased $22 million in 2024 compared with 2023, primarily due to an increase in commodity costs.

Energy Purchases

Energy purchases decreased $17 million in 2024 compared with 2023, primarily due to a decrease in commodity costs.

Other Operation and Maintenance

The increase (decrease) in other operation and maintenance was due to:

	2024 vs. 2023
ECR expenses	$ (17)
Other	2
Total	$ (15)

KU: Statement of Income Analysis

Net income for the years ended December 31 includes the following results:

	2024	2023	Change 2024 vs. 2023
Operating Revenues			
Retail and wholesale	$ 1,944	$ 1,872	$ 72
Electric revenue from affiliate	20	12	8
Total Operating Revenues	1,964	1,884	80
Operating Expenses			
Operation			
Fuel	476	447	29
Energy purchases	25	24	1
Energy purchases from affiliates	31	33	(2)
Other operation and maintenance	413	427	(14)
Depreciation	403	392	11
Taxes, other than income	49	45	4
Total Operating Expenses	1,397	1,368	29
Operating Income	567	516	51
Other Income (Expense) - net	15	8	7
Interest Expense	137	134	3
Interest Expense from Affiliate	—	1	(1)
Income Before Income Taxes	445	389	56
Income Taxes	89	77	12
Net Income	$ 356	$ 312	$ 44

Operating Revenues

The increase (decrease) in operating revenues was due to:

		2024 vs. 2023
Fuel and other energy purchases (a)	$	28
Volumes (b)		39
ECR		(8)
Demand		8
Other		13
Total	$	80

(a) The increase was primarily due to higher recoveries of fuel expenses.
(b) The increase was primarily due to weather.

Fuel

Fuel expense increased $29 million in 2024 compared with 2023, primarily due to a $37 million increase in volumes due to weather, partially offset by an $8 million decrease in commodity costs.

Financial Condition

The remainder of this Item 7 in this Form 10-K is presented on a combined basis, providing information, as applicable, for all Registrants.

Liquidity and Capital Resources

(All Registrants)

The Registrants' cash flows from operations and access to cost-effective bank and capital markets are subject to risks and uncertainties. See "Item 1A. Risk Factors" for a discussion of risks and uncertainties that could affect the Registrants' cash flows.

The Registrants had the following at:

	PPL		PPL Electric		LG&E		KU	
December 31, 2024								
Cash and cash equivalents	$	306	$	24	$	8	$	13
Short-term debt		303		—		25		140
Long-term debt due within one year		551		—		300		250
Notes payable with affiliates				—		43		73
December 31, 2023								
Cash and cash equivalents	$	331	$	51	$	18	$	14
Short-term debt		992		509		—		93
Long-term debt due within one year		1		—		—		—
Notes payable with affiliates				—		—		—

(PPL)

The Statements of Cash Flows separately report the cash flows of discontinued operations. The "Operating Activities," "Investing Activities" and "Financing Activities" sections below include only the cash flows of continuing operations.

(All Registrants)

Net cash provided by (used in) operating, investing and financing activities for the years ended December 31 and the changes between periods were as follows:

	PPL		PPL Electric		LG&E		KU	
2024								
Operating activities	$	2,340	$	1,042	$	554	$	723
Investing activities		(2,818)		(1,455)		(444)		(643)
Financing activities		435		386		(130)		(89)
2023								
Operating activities	$	1,758	$	912	$	609	$	647
Investing activities		(2,383)		(958)		(378)		(566)
Financing activities		650		72		(280)		(64)
2024 vs. 2023 Change								
Operating activities	$	582	$	130	$	(55)	$	76
Investing activities		(435)		(497)		(66)		(77)
Financing activities		(215)		314		150		(25)

Operating Activities

The components of the change in cash provided by (used in) operating activities were as follows:

	PPL		PPL Electric		LG&E		KU	
2024 vs. 2023								
Change - Cash Provided (Used):								
Net income	$	148	$	55	$	31	$	44
Non-cash components		(78)		119		26		5
Working capital		132		(22)		(103)		20
Defined benefit plan funding		3		5		(1)		—
Other operating activities		377		(27)		(8)		7
Total	$	582	$	130	$	(55)	$	76

(PPL)

PPL cash provided by operating activities in 2024 increased $582 million compared with 2023.

- Net income increased $148 million and included a decrease in net non-cash charges of $78 million. The decrease in non-cash components was primarily due to an increase in deferred income taxes and investment tax credits (primarily due to book versus tax plant timing differences).

- The $132 million increase in cash from changes in working capital was primarily due to a decrease in accounts receivable (primarily due to timing of payments), partially offset by an increase in unbilled revenues (primarily due to weather) and an increase in other current liabilities.

- The $377 million increase in cash provided by other operating activities was driven by an increase in non-current liabilities (primarily related to the purchase of renewable tax credits in the prior year).

(PPL Electric)

PPL Electric's cash provided by operating activities in 2024 increased $130 million compared with 2023.

- Net income increased $55 million and included an increase in non-cash components of $119 million. The increase in non-cash components was primarily due to an increase in deferred income taxes and investment tax credits (primarily due to book versus tax plant timing differences).

- The $22 million decrease in cash from changes in working capital was primarily due to an increase in unbilled revenues (primarily due to weather), an increase in prepayments (primarily due to timing of payments), an increase in net regulatory assets (primarily due to the timing of rate recovery mechanisms) and a decrease in taxes payable (primarily due to timing of payments), partially offset by a decrease in accounts receivable (primarily due to timing of payments) and an increase in accounts payable (primarily due to timing of payments).

- The $27 million decrease in cash provided by other operating activities was driven primarily by an increase in noncurrent regulatory assets (primarily related to deferred storm costs recorded as noncurrent regulatory assets).

(LG&E)

LG&E's cash provided by operating activities in 2024 decreased $55 million compared with 2023.

- Net income increased $31 million and included an increase in non-cash components of $26 million. The increase in non-cash components was primarily due to a decrease in deferred income taxes and investment tax credits (primarily due to book versus tax plant timing differences).

- The $103 million decrease in cash from changes in working capital was primarily due to increases in accounts receivable and unbilled revenues (primarily due to weather), an increase in fuel, materials and supplies (primarily due to lower commodity costs in the prior year), an increase in accounts receivable from affiliates (primarily due to timing of payments) and an increase in net regulatory assets (primarily due to the timing of rate recovery mechanisms), partially offset by increases in accounts payable and accounts payable to affiliates (primarily due to timing of payments).

(KU)

KU's cash provided by operating activities in 2024 increased $76 million compared with 2023.

- Net income increased $44 million and included an increase in non-cash components of $5 million. The increase in non-cash components was primarily due to an increase in depreciation expense (primarily due to additional assets placed into service, net of retirements), partially offset by a decrease in deferred income taxes and investment tax credits (primarily due to book versus tax plant timing differences).

- The $20 million increase in cash from changes in working capital was primarily due to an increase in accounts payable to affiliates (primarily due to timing of payments) and a decrease in fuel, materials and supplies (primarily due to weather), partially offset by increases in accounts receivable and unbilled revenues (primarily due to weather).

Investing Activities

(All Registrants)

The components of the change in cash provided by (used in) investing activities were as follows:

	PPL	PPL Electric	LG&E	KU
2024 vs. 2023				
Change - Cash Provided (Used):				
Expenditures for PP&E	$ (415)	$ (273)	$ (66)	$ (71)
Notes receivable from affiliate	—	(222)	—	—
Other investing activities	(20)	(2)	—	(6)
Total	$ (435)	$ (497)	$ (66)	$ (77)

For PPL, the increase in expenditures for PP&E was primarily due to an increase in project expenditures at PPL Electric, LG&E and KU. The increase in expenditures at PPL Electric was primarily due to increases in transmission and distribution projects. The increase in expenditures at LG&E and KU was primarily due to Mill Creek Unit 5 and increases in the Advanced Metering Infrastructure initiative.

See "Forecasted Uses of Cash" for detail regarding projected capital expenditures for the years 2025 through 2027.

For PPL Electric, the changes in "Notes receivable from affiliate" activity resulted from payments received on the short-term note between affiliates in 2022, issued to support general corporate purposes. See Note 13 to the Financial Statements for further discussion of intercompany borrowings.

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Financing Activities

(All Registrants)

The components of the change in cash provided by (used in) financing activities were as follows:

	PPL	PPL Electric	LG&E	KU
2024 vs. 2023				
Change - Cash Provided (Used):				
Long-term debt issuance/retirement, net	$ 496	$ 560	$ (164)	$ (146)
Dividends	(43)	(52)	(21)	(42)
Capital contributions/distributions, net	—	672	83	31
Changes in net short-term debt	(696)	(873)	204	55
Note payable with affiliate	—	—	43	73
Other financing activities	28	7	5	4
Total	$ (215)	$ 314	$ 150	$ (25)

(All Registrants)

See Note 8 to the Financial Statements in this Form 10-K for information on 2024 activity.

See "Long-term Debt and Equity Securities" below for additional information on current year activity. See "Forecasted Sources of Cash" for a discussion of the Registrants' plans to issue debt and equity securities, as well as a discussion of credit facility capacity available to the Registrants. Also see "Forecasted Uses of Cash" for a discussion of PPL's plans to pay dividends on common securities in the future, as well as the Registrants' maturities of long-term debt.

Long-term Debt and Equity Securities

Long-term debt and equity securities activity for 2024 included:

	Debt		Stock	
	Issuances (a)	Retirements	Issuances (b)	Repurchases
Cash Flow Impact:				
PPL	$ 1,894	$ —	$ 9	$ —
PPL Electric	649	—	—	—
LG&E	—	—	—	—
KU	—	—	—	—

(a) Issuances are net of pricing discounts, where applicable, and exclude the impact of debt issuance costs. Includes debt issuances with affiliates.
(b) Includes issuances of common stock and treasury stock, which are included in "Other financing activities" on the Statements of Cash Flows.

See Note 8 to the Financial Statements for additional long-term debt information.

Forecasted Sources of Cash

(All Registrants)

The Registrants expect to continue to have adequate liquidity available from operating cash flows, cash and cash equivalents, credit facilities, commercial paper issuances and debt, hybrid, and equity issuances to meet their requirements with respect to their contractual obligations and anticipated capital expenditures. Equity capital for PPL can be provided from any combination of issuances from at the market stock plans, private placements, or public offerings. Additionally, subject to market conditions, the Registrants and their subsidiaries may access the capital markets, and PPL Electric, LG&E and KU anticipate receiving equity contributions from their parent or member in 2025, which are expected to be used to fund capital expenditures and for other general corporate purposes.

PPL Electric, LG&E and KU plan to obtain the funds to meet their future capital needs from sources similar to those they used in the past, which were primarily from operating cash flows, external securities issuances, borrowings from financial institutions, and equity contributions from PPL. Operating cash flows provide a substantial portion of these subsidiary Registrants' cash needs.

The amount, type, and timing of any financings in 2025, as well as in subsequent years, will be contingent on investment opportunities and the Registrants' capital requirements and will depend upon prevailing market conditions, regulatory approvals as applicable for the subsidiary Registrants, and other factors.

Credit Facilities

The Registrants maintain credit facilities to enhance liquidity, provide credit support and provide a backstop to commercial paper programs. Amounts borrowed under these credit facilities are reflected in "Short-term debt" on the Balance Sheets. At December 31, 2024, the total committed borrowing capacity under credit facilities and the borrowings under these facilities were:

External

	Committed Capacity	Borrowed	Letters of Credit and Commercial Paper Issued (f)	Unused Capacity
PPL Capital Funding Credit Facilities (a)	$ 1,350	$ —	$ 138	$ 1,212
PPL Electric Credit Facilities (b)	650	—	1	649
LG&E Credit Facilities (c)	500	—	25	475
KU Credit Facilities (c)	400	—	140	260
Total Credit Facilities (d) (e)	$ 2,900	$ —	$ 304	$ 2,596

(a) Includes a $1.25 billion syndicated credit facility with a $250 million borrowing sublimit for RIE and a $1 billion sublimit for PPL Capital Funding at December 31, 2024. RIE's borrowing sublimit is adjustable, at the borrowers' option, from $0 to $600 million, with the remaining balance of the $1.25 billion available under the facility allocated to PPL Capital Funding. At December 31, 2024, PPL Capital Funding had $138 million of commercial paper outstanding and RIE had no commercial paper outstanding. On January 2, 2025, the capacity of the PPL Capital Funding syndicated credit facility was increased to $1.5 billion, with the RIE sublimit remaining $250 million and the PPL Capital Funding sublimit increasing to $1.25 billion. See Note 8 to the Financial Statements for additional information.
(b) On January 2, 2025, the capacity of the PPL Electric credit facility increased to $750 million. See Note 8 to the Financial Statements for additional information.
(c) On January 2, 2025, the capacity of the LG&E and KU credit facilities were each increased to $600 million. See Note 8 to the Financial Statements for additional information.
(d) The syndicated credit facilities and PPL Capital Funding's bilateral facility, each contain a financial covenant requiring debt to total capitalization not to exceed 70% for PPL Capital Funding, RIE, PPL Electric, LG&E and KU, as calculated in accordance with the facility, and other customary covenants.
The commitments under the credit facilities are provided by a diverse bank group, with no one bank and its affiliates providing an aggregate commitment of more than the following percentages of the total committed capacity: PPL - 9%, PPL Electric - 7%, LG&E - 7% and KU - 7%.
(e) Each company pays customary fees under its respective syndicated credit facility. Borrowings generally bear interest at applicable SOFR, plus an applicable margin.
(f) Commercial paper issued reflects the undiscounted face value of the issuance.

In addition to the financial covenants noted in the table above, the credit agreements governing the above credit facilities contain various other covenants. Failure to comply with the covenants after applicable grace periods could result in acceleration of repayment of borrowings and/or termination of the agreements. The Registrants monitor compliance with the covenants on a regular basis. At December 31, 2024, the Registrants were in compliance with these covenants. As of December 31, 2024, the Registrants believe that these covenants and other borrowing conditions will not limit access to these funding sources.

See Note 8 to the Financial Statements for further discussion of the Registrants' credit facilities.

Intercompany (LG&E and KU)

	Committed Capacity	Borrowed	Commercial Paper Issued	Unused Capacity
LG&E Money Pool (a)	$ 750	$ 43	$ 25	$ 682
KU Money Pool (a)	650	73	140	437

(a) LG&E and KU participate in an intercompany money pool agreement whereby LKE and/or KU make available to LG&E, and LKE and/or LG&E make available to KU funds up to the difference between LG&E's and KU's FERC borrowing limit and LG&E's and KU's commercial paper capacity limit, at an interest rate based on the lower of a market index of commercial paper issues and two additional rate options based on the lower of a market index of commercial paper issues and two additional rate options based on SOFR.

See Note 13 to the Financial Statements for further discussion of intercompany credit facilities.

Commercial Paper (All Registrants)

The Registrants, PPL Capital Funding and RIE maintain commercial paper programs to provide an additional financing source to fund short-term liquidity needs, as necessary. Commercial paper issuances, included in "Short-term debt" on the Balance Sheets, are supported by the respective Registrant's credit facilities. The following commercial paper programs were in place at:

	December 31, 2024		
	Capacity	Commercial Paper Issuances (b)	Unused Capacity
PPL Capital Funding (a)	$ 1,350	$ 138	$ 1,212
Rhode Island Energy (a)	250	—	250
PPL Electric	650	—	650
LG&E	500	25	475
KU	400	140	260
Total PPL	$ 3,150	$ 303	$ 2,847

(a) Issuances under the PPL Capital Funding and RIE commercial paper programs are supported by the PPL Capital Funding syndicated credit facility, which at December 31, 2024, had a total capacity of $1.25 billion, with a $250 million borrowing sublimit for RIE and a $1 billion sublimit for PPL Capital Funding at December 31, 2024. RIE's borrowing sublimit is adjustable, at the borrowers' option, from $0 to $600 million, with the remaining balance of the $1.25 billion available under the facility allocated to PPL Capital Funding. On January 2, 2025, the capacity of the PPL Capital Funding syndicated credit facility was increased to $1.5 billion, with the RIE sublimit remaining $250 million and the PPL Capital Funding sublimit increasing to $1.25 billion.

(b) Commercial paper issued reflects the undiscounted face value of the issuance.

Forecasted Uses of Cash

(All Registrants)

In addition to expenditures required for normal operating activities, such as purchased power, payroll, fuel and taxes, the Registrants currently expect to incur future cash outflows for capital expenditures, various contractual obligations, payment of dividends on its common stock, and possibly the purchase or redemption of a portion of debt securities.

Capital Expenditures

The table below shows the Registrants' current capital expenditure projections for the years 2025 through 2027. Expenditures for the regulated utilities are expected to be recovered through rates, pending regulatory approval.

		Projected		
	Total	2025 (a)	2026	2027
PPL				
Generating facilities	$ 3,875	$ 975	$ 1,200	$ 1,700
Electric distribution facilities	4,925	1,400	1,825	1,700
Gas distribution facilities	1,125	400	350	375
Transmission facilities	4,475	1,300	1,600	1,575
Other	600	250	225	125
Total Capital Expenditures	$ 15,000	$ 4,325	$ 5,200	$ 5,475
PPL Electric				
Electric distribution facilities	$ 2,525	$ 650	$ 975	$ 900
Transmission facilities	2,550	850	875	825
Total Capital Expenditures	$ 5,075	$ 1,500	$ 1,850	$ 1,725

	Total	Projected 2025 (a)	2026	2027
LG&E				
Generating facilities	$ 2,275	$ 475	$ 625	$ 1,175
Electric distribution facilities	600	175	200	225
Gas distribution facilities	400	175	100	125
Transmission facilities	275	75	75	125
Other	300	125	125	50
Total Capital Expenditures	$ 3,850	$ 1,025	$ 1,125	$ 1,700
KU				
Generating facilities	$ 1,600	$ 500	$ 575	$ 525
Electric distribution facilities	750	225	275	250
Transmission facilities	875	175	350	350
Other	300	125	100	75
Total Capital Expenditures	$ 3,525	$ 1,025	$ 1,300	$ 1,200

(a) The 2025 total excludes amounts included in accounts payable as of December 31, 2024.

Capital expenditure plans are revised periodically to reflect changes in operational, market and regulatory conditions.

Contractual Obligations

The Registrants have assumed various financial obligations and commitments in the ordinary course of conducting business. At December 31, 2024, estimated contractual cash obligations were as follows:

	Total	2025	2026-2027	2028-2029	After 2029
PPL					
Long-term Debt (a)	$ 16,674	$ 551	$ 1,332	$ 1,466	$ 13,325
Interest on Long-term Debt (b)	11,001	729	1,375	1,288	7,609
Operating Leases	102	24	30	17	31
Purchase Obligations (c)	4,872	1,479	1,958	702	733
Total Contractual Cash Obligations	$ 32,649	$ 2,783	$ 4,695	$ 3,473	$ 21,698
PPL Electric					
Long-term Debt (a)	$ 5,299	$ —	$ 108	$ 116	$ 5,075
Interest on Long-term Debt (b)	4,378	246	491	486	3,155
Unconditional Power Purchase Obligations	49	29	20	—	—
Total Contractual Cash Obligations	$ 9,726	$ 275	$ 619	$ 602	$ 8,230
LG&E					
Long-term Debt (a)	$ 2,489	$ 300	$ 350	$ —	$ 1,839
Interest on Long-term Debt (b)	1,380	100	178	167	935
Operating Leases	17	6	7	3	1
Coal and Natural Gas Purchase Obligations (d)	1,098	327	463	242	66
Unconditional Power Purchase Obligations (e)	306	25	54	50	177
Construction Obligations (f)	251	108	140	2	1
Other Obligations	95	30	58	4	3
Total Contractual Cash Obligations	$ 5,636	$ 896	$ 1,250	$ 468	$ 3,022

	Total	2025	2026-2027	2028-2029	After 2029
KU					
Long-term Debt (a)	$ 3,089	$ 250	$ 224	$ —	$ 2,615
Interest on Long-term Debt (b)	1,999	130	239	233	1,397
Operating Leases	27	10	11	5	1
Coal and Natural Gas Purchase Obligations (d)	1,076	352	471	211	42
Unconditional Power Purchase Obligations (e)	136	11	24	22	79
Construction Obligations (f)	532	221	307	2	2
Other Obligations	117	46	59	8	4
Total Contractual Cash Obligations	$ 6,976	$ 1,020	$ 1,335	$ 481	$ 4,140

(a) Reflects principal maturities based on stated maturity, sinking fund payments, or earlier put dates. See Note 8 to the Financial Statements for a discussion of variable-rate remarketable bonds issued on behalf of LG&E and KU. The Registrants do not have any significant finance lease obligations.
(b) Assumes interest payments through stated maturity or earlier put dates. The payments herein are subject to change, as payments for debt that is or becomes variable-rate debt have been estimated.
(c) The amounts include agreements to purchase goods or services that are enforceable and legally binding and specify all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction. Primarily includes, as applicable, the purchase obligations of electricity, coal, natural gas and limestone, as well as certain construction expenditures, which are also included in the Capital Expenditures discussion above.
(d) Represents contracts to purchase coal, natural gas and natural gas transportation. See Note 12 to the Financial Statements for additional information.
(e) Represents future minimum payments under OVEC power purchase agreements through June 2040. See Note 12 to the Financial Statements for additional information.
(f) Represents construction commitments, which are also reflected in the Capital Expenditures table presented above.

Dividends/Distributions

(PPL)

PPL views dividends as an integral component of shareowner return and expects to continue to pay dividends in amounts intended to maintain a capitalization structure that supports investment grade credit ratings. In November 2024, PPL declared its quarterly common stock dividend, payable January 2, 2024, at 25.75 cents per share (equivalent to $1.03 per annum). On February 13, 2025, PPL announced a quarterly common stock dividend of 27.25 cents per share, payable April 1, 2025, to shareowners of record as of March 10, 2025. Future dividends will be declared at the discretion of the Board of Directors and will depend upon future earnings, cash flows, financial and legal requirements and other factors.

Subject to certain exceptions, PPL may not declare or pay any cash dividend or distribution on its capital stock during any period in which PPL Capital Funding defers interest payments on its 2007 Series A Junior Subordinated Notes due 2067. At December 31, 2024, no interest payments were deferred.

(PPL Electric, LG&E and KU)

From time to time, as determined by their respective Board of Directors, the Registrants pay dividends, distributions or return capital, as applicable, to their respective shareholders or members. Certain of the credit facilities of PPL Electric, LG&E and KU include minimum debt covenant ratios that could effectively restrict the payment of dividends or distributions.

(All Registrants)

See Note 8 to the Financial Statements for these and other restrictions related to distributions on capital interests for the Registrants and their subsidiaries.

Purchase or Redemption of Debt Securities

The Registrants will continue to evaluate outstanding debt securities and may decide to purchase or redeem these securities in open market or privately negotiated transactions, in exchange transactions or otherwise, depending upon prevailing market conditions, available cash and other factors, and may be commenced or suspended at any time. The amounts involved may be material.

Rating Agency Actions

Moody's and S&P periodically review the credit ratings of the debt of the Registrants and their subsidiaries. Based on their respective independent reviews, the rating agencies may make certain ratings revisions or ratings affirmations.

A credit rating reflects an assessment by the rating agency of the creditworthiness associated with an issuer and particular securities that it issues. The credit ratings of the Registrants and their subsidiaries are based on information provided by the Registrants and other sources. The ratings of Moody's and S&P are not a recommendation to buy, sell or hold any securities of the Registrants or their subsidiaries. Such ratings may be subject to revisions or withdrawal by the agencies at any time and should be evaluated independently of each other and any other rating that may be assigned to the securities.

The credit ratings of the Registrants and their subsidiaries affect their liquidity, access to capital markets and cost of borrowing under their credit facilities. A downgrade in the Registrants' or their subsidiaries' credit ratings could result in higher borrowing costs and reduced access to capital markets. The Registrants and their subsidiaries have no credit rating triggers that would result in the reduction of access to capital markets or the acceleration of maturity dates of outstanding debt.

The following table sets forth the Registrants' and their subsidiaries' credit ratings for outstanding debt securities or commercial paper programs as of December 31, 2024.

	Senior Unsecured		Senior Secured		Commercial Paper	
Issuer	**Moody's**	**S&P**	**Moody's**	**S&P**	**Moody's**	**S&P**
PPL						
PPL Capital Funding	Baa1	BBB+			P-2	A-2
Rhode Island Energy	A3	A-			P-2	A-2
PPL and PPL Electric						
PPL Electric			A1	A+	P-2	A-1
PPL, LG&E and KU						
LG&E			A1	A	P-2	A-2
KU			A1	A	P-2	A-2

Since June 2023, the rating agencies have not taken rating actions related to the Registrants and their subsidiaries.

Ratings Triggers *(PPL, LG&E and KU)*

Various derivative and non-derivative contracts, including contracts for the sale and purchase of electricity and fuel, commodity transportation and storage, and interest rate instruments, contain provisions that require the posting of additional collateral or permit the counterparty to terminate the contract, if PPL's, LG&E's or KU's or their subsidiaries' credit rating, as applicable, were to fall below investment grade. See Note 16 to the Financial Statements for a discussion of "Credit Risk-Related Contingent Features," including a discussion of the potential additional collateral requirements for derivative contracts in a net liability position at December 31, 2024.

Guarantees for Subsidiaries *(PPL)*

PPL guarantees certain consolidated affiliate financing arrangements. Some of the guarantees contain financial and other covenants that, if not met, would limit or restrict the consolidated affiliates' access to funds under these financing arrangements, accelerate maturity of such arrangements or limit the consolidated affiliates' ability to enter into certain transactions. At this time, PPL believes that these covenants will not limit access to relevant funding sources. See Note 12 to the Financial Statements for additional information about guarantees.

Other Contingent Obligations *(All Registrants)*

The Registrants have entered into certain agreements that may contingently require payment to a guaranteed or indemnified party. See Note 12 to the Financial Statements for a discussion of these agreements.

Risk Management

Market Risk

(All Registrants)

See Notes 1, 15 and 16 to the Financial Statements for information about the Registrants' risk management objectives, valuation techniques and accounting designations.

The forward-looking information presented below provides estimates of what may occur in the future, assuming certain adverse market conditions and model assumptions. Actual future results may differ materially from those presented. These are not precise indicators of expected future losses, but are rather only indicators of possible losses under normal market conditions at a given confidence level.

Interest Rate Risk

PPL and its subsidiaries issue debt to finance their operations, which exposes them to interest rate risk. A variety of financial derivative instruments are utilized to adjust the mix of fixed and floating interest rates in their debt portfolios, adjust the duration of the debt portfolios and lock in benchmark interest rates in anticipation of future financing, when appropriate. Risk limits under PPL's risk management program are designed to balance risk exposure to volatility in interest expense and changes in the fair value of the debt portfolio due to changes in benchmark interest rates. In addition, the interest rate risk of certain subsidiaries is potentially mitigated as a result of the existing regulatory framework or the timing of rate cases.

The following interest rate hedges were outstanding at December 31:

	2024				2023		
	Exposure Hedged	Fair Value, Net - Asset (Liability) (a)	Effect of a 10% Adverse Movement in Rates (b)	Maturities Ranging Through	Exposure Hedged	Fair Value, Net - Asset (Liability) (a)	Effect of a 10% Adverse Movement in Rates (b)
PPL and LG&E							
Economic hedges							
Interest rate swaps (c)	$ 64	$ (3)	$ (1)	2033	$ 64	$ (7)	$ (1)

(a) Includes accrued interest, if applicable.
(b) Effects of adverse movements decrease assets or increase liabilities, as applicable, which could result in an asset becoming a liability. Sensitivities represent a 10% adverse movement in interest rates.
(c) Realized changes in the fair value of such economic hedges are recoverable through regulated rates and any subsequent changes in the fair value of these derivatives are included in regulatory assets or regulatory liabilities.

The Registrants are exposed to a potential increase in interest expense and to changes in the fair value of their debt portfolios. The estimated impact of a 10% adverse movement in interest rates on interest expense at December 31, 2024 and 2023 was insignificant for PPL, PPL Electric, LG&E, and KU. The estimated impact of a 10% adverse movement in interest rates on the fair value of debt at December 31 is shown below.

	10% Adverse Movement in Rates on Fair Value of Debt	
	2024	2023
PPL	$ 622	$ 593
PPL Electric	262	250
LG&E	89	95
KU	131	137

Commodity Price Risk

PPL is exposed to commodity price risk through its subsidiaries as described below.

- PPL Electric is required to purchase electricity to fulfill its obligation as a PLR. Potential commodity price risk is mitigated through its PAPUC-approved cost recovery mechanism and full-requirement supply agreements to serve its PLR customers which transfer the risk to energy suppliers.

- LG&E's and KU's rates include certain mechanisms for fuel, fuel-related expenses and energy purchases. In addition, LG&E's rates include a mechanism for natural gas supply costs. These mechanisms generally provide for timely recovery of market price fluctuations associated with these costs.
- RIE utilizes derivative instruments pursuant to its RIPUC-approved plan to manage commodity price risk associated with its natural gas purchases. RIE's commodity price risk management strategy is to reduce fluctuations in firm gas sales prices to its customers. RIE's costs associated with derivatives instruments are recoverable through its RIPUC- approved cost recovery mechanisms. RIE is also required to purchase electricity to fulfill its obligation to provide Last Resort Service (LRS). Potential commodity price risk is mitigated through its RIPUC-approved cost recovery mechanisms and full requirements service agreements to serve LRS customers, which transfer the risk to energy suppliers. Additionally, RIE is required to contract through long-term agreements for clean energy supply under the Rhode Island Renewable Energy Growth program and Long-term Clean Energy Standard. Potential commodity price risk is mitigated through its RIPUC-approved cost recovery mechanisms, which true-up cost differences between contract prices and market prices.

Volumetric Risk

Volumetric risk is the risk related to the changes in volume of retail sales due to weather, economic conditions or other factors. PPL is exposed to volumetric risk through its subsidiaries as described below.

- PPL Electric, LG&E and KU are exposed to volumetric risk on retail sales, mainly due to weather and other economic conditions for which there is limited mitigation between rate cases.
- RIE is exposed to volumetric risk, which is significantly mitigated by regulatory mechanisms. RIE's electric and gas distribution rates both have a revenue decoupling mechanism, which allows for annual adjustments to RIE's delivery rates.

Inflation and Supply Chain Related Risk

PPL and its subsidiaries continue to monitor the impact of inflation and supply chain disruptions. PPL and its subsidiaries monitor the cost of fuel, construction, regulatory and environmental compliance costs and other costs, including as a result of tariffs. Mechanisms are in place to mitigate the risk of inflationary effects and supply chain disruptions, to the extent possible, but increased costs and supply chain disruptions may directly or indirectly affect our ongoing operations. These mechanisms include pricing strategies, productivity improvements and cost reductions in order to ensure that the Registrants are able to procure the necessary materials and other resources needed to maintain services in a safe and reliable manner, and to grow infrastructure consistent with the capital expenditure plan. For additional information see "Forward-looking Information” at the beginning of this report and “Item 1A. Risk Factors" of the Registrant.

Defined Benefit Plans - Equity Securities Price Risk

See "Application of Critical Accounting Policies - Defined Benefits" for additional information regarding the effect of equity securities price risk on plan assets.

Credit Risk

(All Registrants)

Credit risk is the potential loss that may be incurred due to a counterparty's non-performance.

PPL is exposed to credit risk from "in-the-money" transactions with counterparties, as well as additional credit risk through certain of its subsidiaries, as discussed below.

In the event a supplier of PPL, PPL Electric, LG&E or KU defaults on its contractual obligation, those Registrants would be required to seek replacement power or replacement fuel in the market. In general, subject to regulatory review or other processes, appropriate incremental costs incurred by these entities would be recoverable from customers through applicable rate mechanisms, thereby mitigating the financial risk for these entities.

PPL and its subsidiaries have credit policies in place to manage credit risk, including the use of an established credit approval process, daily monitoring of counterparty positions and the use of master netting agreements or provisions. These agreements generally include credit mitigation provisions, such as margin, prepayment or collateral requirements. PPL and its subsidiaries may request additional credit assurance, in certain circumstances, in the event that the counterparties' credit ratings fall below investment grade, their tangible net worth falls below specified percentages or their exposures exceed an established credit limit.

(All Registrants)

Related Party Transactions

The Registrants are not aware of any material ownership interests or operating responsibility by senior management in outside partnerships, including leasing transactions with variable interest entities, or other entities doing business with the Registrants. See Note 13 to the Financial Statements for additional information on related party transactions for PPL Electric, LG&E and KU.

Acquisitions, Development and Divestitures

The Registrants from time to time evaluate opportunities for potential acquisitions, divestitures, and development projects. See Note 9 to the Financial Statements for additional information on acquisition and divestiture activity. Development projects are reexamined based on market conditions and other factors to determine whether to proceed with, modify or terminate the projects. Any resulting transactions may impact future financial results.

Environmental Matters

Extensive federal, state and local environmental laws and regulations are applicable to the Registrants' air emissions, water discharges and the management of hazardous and solid waste, as well as other aspects of the Registrants' businesses. The costs of compliance or alleged non-compliance cannot be predicted with certainty but could be significant. In addition, costs may increase significantly if the requirements or scope of environmental laws or regulations, or similar rules, are expanded or changed. Costs may take the form of increased capital expenditures or operating and maintenance expenses, monetary fines, penalties or other restrictions. Many of these environmental law considerations are also applicable to the operations of key suppliers, or customers, such as coal producers and industrial power users, and may impact the costs for their products or their demand for the Registrants' services. Increased capital and operating costs are expected to be subject to rate recovery. The Registrants can provide no assurances as to the ultimate outcome of future environmental or rate proceedings before regulatory authorities.

See "Legal Matters" in Note 12 to the Financial Statements for a discussion of the more significant environmental claims. See "Financial Condition - Liquidity and Capital Resources - Forecasted Uses of Cash - Capital Expenditures" in "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" for information on projected environmental capital expenditures for 2025 through 2027. See Note 18 to the Financial Statements for information related to the impacts of CCRs on AROs. See "Item 1. Business - Environmental Matters" for additional information.

Sustainability

Increasing attention has been focused on a broad range of corporate activities under the heading of “sustainability”, which has resulted in a significant increase in the number of requests from interested parties for information on sustainability topics. These parties range from investor groups focused on environmental, social, governance and other matters to non-investors concerned with a variety of public policy matters. Often the scope of the information sought is very broad and not necessarily relevant to an issuer’s business or industry. As a result, a number of private groups have proposed to standardize the subject matter constituting sustainability, either generally or by industry. Those efforts remain ongoing. In addition, certain of these private groups have advocated that the SEC promulgate regulations requiring specific sustainability reporting under the Securities Exchange Act of 1934, as amended (the ’34 Act), or that issuers voluntarily include certain sustainability disclosure in their ’34 Act reports. In March 2024, the SEC finalized climate disclosure rules for public companies. The rules require public companies to disclose, among other things, direct and indirect GHG emissions and information related to climate-related targets or goals that are material to the company’s business, results of operations or financial condition. As of April 2024, the SEC issued a “stay” on its climate-related disclosure rules, temporarily pausing implementation pending judicial review. PPL cannot predict the final legal requirements or when the requirements will be effective.

As has been PPL’s practice, to the extent sustainability issues have or may have a material impact on the Registrants’ financial condition or results of operation, PPL discloses such matters in accordance with applicable securities law and SEC regulations. With respect to other sustainability topics that PPL deems relevant to investors but that are not required to be reported under applicable securities law and SEC regulation, PPL will continue each spring to publish its annual sustainability report including tracking reductions related to the company's goal to reduce carbon emissions and post that report on its corporate website at www.pplweb.com and on www.pplsustainability.com. Neither the information in such annual sustainability report nor the information at such websites is incorporated in this Form 10-K by reference, and it should not be considered a part of this Form 10-K. In preparing its sustainability report, PPL is guided by the framework established by the Global Reporting Initiative, which identifies environmental, social, governance and other subject matter categories. PPL also participates in efforts by the Edison Electric Institute and American Gas Association to provide the appropriate subset of sustainability information that can be applied consistently across the electric and gas utility industries. Additionally, PPL consults widely used reporting frameworks for discrete sustainability topics, including corporate political contributions and climate-related issues. PPL also responds to the climate survey of CDP, a not-for-profit organization based in the United Kingdom formerly known as the Carbon Disclosure Project, that runs the global disclosure system that enables investors, companies, cities, states and regions to measure and manage their environmental impacts.

Cybersecurity

See “Item 1A. Risk Factors” and “Item 1C. Cybersecurity” for a discussion of cybersecurity risks affecting the Registrants and the related strategies for managing these risks.

Competition

See "Competition" under each of PPL's reportable segments in "Item 1. Business - General - Segment Information" and "Item 1A. Risk Factors" for a discussion of competitive factors affecting the Registrants.

New Accounting Guidance

See Note 1 and Note 20 for a discussion of significant new accounting guidance adopted and pending adoption as of December 31, 2024.

Application of Critical Accounting Policies

Financial condition and results of operations are impacted by the methods, assumptions and estimates used in the application of critical accounting policies. The following accounting policies are particularly important to an understanding of the reported financial condition or results of operations and require management to make estimates or other judgments of matters that are inherently uncertain. Changes in the estimates or other judgments included within these accounting policies could result in a significant change to the information presented in the Financial Statements (these accounting policies are also discussed in Note 1 to the Financial Statements). Senior management has reviewed with PPL's Audit Committee these critical accounting policies, the following disclosures regarding their application, and the estimates and assumptions regarding them.

Defined Benefits *(All Registrants)*

Certain of the Registrants and/or their subsidiaries sponsor or participate in certain qualified funded and non-qualified unfunded defined benefit pension plans and both funded and unfunded other postretirement benefit plans. See Notes 1, 7 and 10 to the Financial Statements for additional information about the plans and the accounting for defined benefits.

A summary of plan sponsors by Registrant and whether a Registrant or its subsidiaries sponsor (S) or participate in and receives allocations (P) from those plans is shown in the table below.

Plan Sponsor	PPL	PPL Electric	LG&E	KU
PPL Services	S	P		
LKE			P	P

Management makes certain assumptions regarding the valuation of benefit obligations and the performance of plan assets. As such, annual net periodic defined benefit costs are recorded in current earnings or regulatory assets and liabilities based on estimated results. Any differences between actual and estimated results are recorded in AOCI or, in the case of PPL Electric, LG&E and KU, regulatory assets and liabilities for amounts that are expected to be recovered through regulated customer rates. These amounts in AOCI or regulatory assets and liabilities are amortized to income over future periods. The significant assumptions are:

- Discount Rate - In selecting the discount rates for defined benefit plans, the plan sponsors start with a cash flow analysis of the expected benefit payment stream for their plans. The plan-specific cash flows are matched against the coupons and expected maturity values of Aa-rated non-callable (or callable with make-whole provisions) bonds that could be purchased for a hypothetical settlement portfolio. The plan sponsors then use the single discount rate derived from matching the discounted benefit payment stream to the market value of the selected bond portfolio.

- Expected Return on Plan Assets - The expected long-term rates of return for pension and other postretirement benefits are based on management's projections using a best-estimate of expected returns, volatilities and correlations for each asset class. Each plan's specific current and expected asset allocations are also considered in developing a reasonable return assumption.

- Rate of Compensation Increase - Management projects employees' annual pay increases, which are used to project employees' pension benefits at retirement. In selecting a rate of compensation increase, plan sponsors consider past experience, the potential impact of movements in inflation rates and expectations of ongoing compensation practices.

See Note 10 to the Financial Statements for details of the assumptions selected for pension and other postretirement benefits. A variance in the assumptions could significantly impact accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and AOCI or regulatory assets and liabilities.

The following tables reflect changes in certain assumptions based on the Registrants' primary qualified defined benefit pension and other postretirement benefit plans. The inverse of this change would have the opposite impact on accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and AOCI or regulatory assets and liabilities. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption.

Actuarial assumption	Increase (Decrease)
Discount Rate	(0.25 %)
Expected Return on Plan Assets	(0.25 %)
Rate of Compensation Increase	0.25 %

Actuarial assumption	Increase (Decrease) Defined Benefit Asset	(Increase) Decrease Defined Benefit Liabilities	(Increase) Decrease AOCI (pre-tax)	Increase (Decrease) Net Regulatory Assets	Increase (Decrease) Defined Benefit Costs
PPL					
Discount rates	$ (19)	$ (73)	$ 26	$ 66	$ 7
Expected return on plan assets	n/a	n/a	n/a	n/a	10
Rate of compensation increase	(2)	(6)	2	6	1
PPL Electric					
Discount rates	—	(31)	—	31	2
Expected return on plan assets	n/a	n/a	—	n/a	4
Rate of compensation increase	—	(2)	—	2	1
LG&E					
Discount rates	(8)	1	n/a	9	1
Expected return on plan assets	n/a	n/a	n/a	n/a	1
Rate of compensation increase	(1)	—	n/a	1	—
KU					
Discount rates	(6)	1	n/a	7	1
Expected return on plan assets	n/a	n/a	n/a	n/a	1
Rate of compensation increase	(1)	—	n/a	1	—

Income Taxes *(All Registrants)*

Significant management judgment is required in developing the Registrants' provision for income taxes, primarily due to valuation allowances on deferred tax assets.

The need for valuation allowances to reduce deferred tax assets requires significant management judgment. Valuation allowances are initially recorded and reevaluated each reporting period by assessing the likelihood of the ultimate realization of a deferred tax asset. Management considers numerous factors in assessing the expected realization of a deferred tax asset, including the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies. Any tax planning strategy considered in this assessment must meet the recognition and measurement criteria for the valuation of a deferred tax asset. When evaluating the need for valuation allowances, the uncertainty posed by potential or expected legislative change on such factors is also considered by management. The amount of deferred tax assets ultimately realized may differ materially from the estimates utilized in the computation of valuation allowances and may materially impact the financial statements in the future.

See Note 6 to the Financial Statements for income tax disclosures.

Regulatory Assets and Liabilities *(All Registrants)*

PPL Electric, LG&E, KU and RIE are subject to cost-based rate regulation. As a result, the effects of regulatory actions are required to be reflected in the financial statements. Assets and liabilities are recorded that result from the regulated ratemaking process that may not be recorded under GAAP for non-regulated entities. Regulatory assets generally represent incurred costs that have been deferred because such costs are probable of future recovery in regulated customer rates. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. In certain cases, regulatory liabilities are recorded based on an understanding or agreement with the regulator that rates have been set to recover costs that are expected to be incurred in the future, and the regulated entity is accountable for any amounts charged pursuant to such rates and not yet expended for the intended purpose.

Management continually assesses whether the regulatory assets are probable of future recovery by considering factors such as changes in the applicable regulatory and political environments, the ability to recover costs through regulated rates, recent rate orders to the Registrants and other regulated entities, and the status of any pending or potential deregulation legislation. Based on this continual assessment, management believes the existing regulatory assets are probable of recovery. This assessment reflects the current political and regulatory climate at the state and federal levels and is subject to change in the future. If future recovery of costs ceases to be probable, the regulatory asset would be written-off. Additionally, the regulatory agencies can provide flexibility in the manner and timing of recovery of regulatory assets.

See Note 7 to the Financial Statements for regulatory assets and regulatory liabilities recorded at December 31, 2024 and 2023, as well as additional information on those regulatory assets and liabilities. All regulatory assets are either currently being recovered under specific rate orders, represent amounts that are expected to be recovered in future rates or benefit future periods based upon established regulatory practices.

Price Risk Management *(PPL)*

See "Financial Condition - Risk Management" above.

Goodwill Impairment *(PPL, LG&E and KU)*

Goodwill is tested for impairment at the reporting unit level. The reporting units of PPL include the Kentucky Regulated reporting unit, the Pennsylvania Regulated reporting unit, and the Rhode Island Regulated reporting unit. LG&E and KU are each single reporting units. A goodwill impairment test is performed annually or more frequently if events or changes in circumstances indicate that the carrying amount of the reporting unit may be greater than the reporting unit's fair value.

The fair value of a reporting unit is compared with the carrying value and an impairment charge is recognized if the carrying amount exceeds the fair value of the reporting unit.

PPL, for its reporting units, and individually, LG&E and KU, may elect either to initially make a qualitative evaluation about the likelihood of an impairment of goodwill or to bypass the qualitative evaluation and test goodwill for impairment using a quantitative test.

As of October 1, 2024, PPL, for its reporting units, and individually, LG&E and KU, elected to perform the qualitative step zero evaluation of goodwill. These evaluations considered the excess of fair value over the carrying value of each reporting unit that was calculated during step one of the quantitative impairment tests performed in the fourth quarter of 2022, and the relevant events and circumstances that occurred since those tests were performed including:

- current year financial performance versus the prior year,
- changes in planned capital expenditures,
- the consistency of forecasted free cash flows,
- earnings quality and sustainability,
- changes in market participant discount rates,
- changes in long-term growth rates,
- changes in PPL's market capitalization, and
- the overall economic and regulatory environments in which these regulated entities operate.

Based on these evaluations, management concluded it was not more likely than not that the fair value of these reporting units was less than their carrying value. As such, the step one quantitative impairment test was not performed and no impairment was recognized.

See "Long-Lived and Intangible Assets - Asset Impairment (Excluding Investments)" in Note 1 to the Financial Statements for further discussion of goodwill impairment tests. See Note 17 to the Financial Statements for information on goodwill balances by reportable segment at December 31, 2024.

Asset Retirement Obligations *(LG&E and KU)*

ARO liabilities are required to be recognized for legal obligations associated with the retirement of long-lived assets. Initial obligations are measured at estimated fair value. An ARO must be recognized when incurred if the fair value of the ARO can be reasonably estimated. An equivalent amount is recorded as an increase in the value of the capitalized asset and amortized to expense, regulatory assets or regulatory liabilities over the asset's useful life.

In determining AROs, management must make significant judgments and estimates to calculate fair value. Fair value is developed using an expected present value technique based on assumptions of market participants that consider estimated retirement costs in current period dollars, inflated to the anticipated retirement date and discounted back to the date the ARO was incurred. Changes in assumptions and estimates included within the calculations of the fair value of AROs could result in significantly different results than those identified and recorded in the financial statements. Estimated ARO costs and settlement dates, which affect the carrying value of the ARO and the related capitalized asset, are reviewed periodically to ensure that any material changes are incorporated into the ARO estimate. Any change to the capitalized asset is generally amortized over the remaining life of the associated long-lived asset.

See "Long-Lived and Intangible Assets - Asset Retirement Obligations" in Note 1, Note 7 and Note 18 to the Financial Statements for additional information on AROs.

At December 31, 2024, the total recorded balances and information on the most significant recorded AROs were as follows.

		Most Significant AROs		
	Total ARO Recorded	Amount Recorded	% of Total	Description
LG&E	$ 84	$ 63	75	Ponds, landfills and natural gas mains
KU	64	35	55	Ponds and landfills

The most significant assumptions surrounding AROs are the forecasted retirement costs (including settlement dates and the timing of cash flows), discount and inflation rates. At December 31, 2024, a 10% increase to retirement cost would increase these ARO liabilities by $8 million at LG&E and $8 million at KU. A 0.25% decrease in the discount rate would increase these ARO liabilities by $5 million at LG&E and $1 million at KU and a 0.25% increase in the inflation rate would increase these ARO liabilities by $4 million at LG&E. There would be no significant change to the annual depreciation expense of the ARO asset or the annual accretion expense of the ARO liability as a result of these changes in assumptions.

Revenue Recognition - Unbilled Revenues *(PPL, LG&E and KU)*

For RIE, LG&E and KU, revenues related to the sale of energy are recorded when service is rendered or when energy is delivered to customers. Because customers are billed on cycles which vary based on the timing of actual meter reads taken throughout the month, estimates are recorded for unbilled revenues at the end of each reporting period. Such unbilled revenue amounts reflect estimates of deliveries to customers since the date of the last reading of their meters. The unbilled revenue estimates reflect consideration of factors including daily load models, estimated usage for each customer class, the effect of current and different rate schedules, the meter read schedule, the billing schedule, actual weather data, and, where applicable, the impact of weather normalization or other regulatory provisions of rate structures.

Other Information *(All Registrants)*

PPL's Audit Committee has approved the independent auditor to provide audit and audit-related services, tax services and other services permitted by Sarbanes-Oxley and SEC rules. The audit and audit-related services include services in connection with statutory and regulatory filings, reviews of offering documents and registration statements, and internal control reviews.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

Reference is made to "Risk Management" for the Registrants in "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations."

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareowners and the Board of Directors of PPL Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of PPL Corporation and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of income, comprehensive income, equity, and cash flows, for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 13, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Assets and Liabilities– Impact of Rate-Regulation on Regulatory Assets and Liabilities and Related Disclosures – Refer to Notes 1 and 7 to the financial statements

Critical Audit Matter Description

As discussed in Note 1 to the financial statements, the Company owns and operates four cost-based rate-regulated utilities for which rates are set by regulatory commissions to enable the regulated utility to recover the costs of providing electric or gas service, as applicable, and to provide a reasonable return to shareholders. As a result, the financial statements are subject to the accounting for certain types of regulation as prescribed by generally accepted accounting principles and reflect the effects of regulatory actions.

Regulatory assets are recognized for the effect of transactions or events where future recovery of underlying costs is probable in regulated customer rates. The effect of such accounting is to defer certain or qualifying costs that would otherwise currently be charged to expense. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. The accounting for regulatory assets and regulatory liabilities is based on specific rate orders or, in certain

cases, regulatory commission precedent for transactions or events. While the Company has indicated that it expects to recover costs from customers through regulated rates, there is a risk that the regulatory commissions will not approve full recovery of and return on such costs or approve recovery on a timely basis in future regulatory decisions.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management in continually assessing whether the regulatory assets and liabilities are probable of future recovery or refund by considering factors such as changes in the applicable regulatory environments, the ability to recover costs through regulated rates, and recent rate orders. Auditing these judgments required specialized knowledge of accounting for rate regulation due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of future decisions by regulatory commissions included the following, among others:

- We tested the effectiveness of management’s internal controls over evaluating the likelihood of recovery or refund in future rates of costs deferred as regulatory assets and liabilities. We tested the effectiveness of management’s internal controls over the recognition of amounts as regulatory assets or liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates.

- We obtained and read relevant regulatory orders issued by the regulatory commissions for the Company and other publicly available information to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the treatment of similar costs under similar circumstances.

- We evaluated the Company’s disclosures related to the impacts of rate-regulation, including the balances recorded and regulatory developments.

/s/ Deloitte & Touche LLP

Morristown, New Jersey
February 13, 2025

We have served as the Company's auditor since 2015.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareowner and the Board of Directors of PPL Electric Utilities Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of PPL Electric Utilities Corporation and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of income, equity, and cash flows, for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Assets and Liabilities– Impact of Rate-Regulation on Regulatory Assets and Liabilities and Related Disclosures – Refer to Notes 1 and 7 to the financial statements

Critical Audit Matter Description

As discussed in Note 1 to the financial statements, PPL Electric Utilities Company (PPL Electric) is a cost-based rate-regulated utility for which rates are set by regulatory commissions to enable the regulated utility to recover the costs of providing electric service and to provide a reasonable return to shareholders. As a result, the financial statements are subject to the accounting for certain types of regulation as prescribed by generally accepted accounting principles and reflect the effects of regulatory actions.

Regulatory assets are recognized for the effect of transactions or events where future recovery of underlying costs is probable in regulated customer rates. The effect of such accounting is to defer certain or qualifying costs that would otherwise currently be charged to expense. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. The accounting for regulatory assets and regulatory liabilities is based on specific rate orders or, in certain

cases, regulatory commission precedent for transactions or events. While PPL Electric has indicated that it expects to recover costs from customers through regulated rates, there is a risk that the regulatory commissions will not approve full recovery of and return on such costs or approve recovery on a timely basis in future regulatory decisions.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management in continually assessing whether the regulatory assets and liabilities are probable of future recovery or refund by considering factors such as changes in the applicable regulatory environments, the ability to recover costs through regulated rates, and recent rate orders. Auditing these judgments required specialized knowledge of accounting for rate regulation due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of future decisions by regulatory commissions included the following, among others:

- We tested the effectiveness of management's internal controls over evaluating the likelihood of recovery or refund in future rates of costs deferred as regulatory assets and liabilities. We tested the effectiveness of management's internal controls over the recognition of amounts as regulatory assets or liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates.

- We obtained and read relevant regulatory orders issued by the regulatory commissions for PPL Electric and other publicly available information to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the treatment of similar costs under similar circumstances.

- We evaluated PPL Electric's disclosures related to the impacts of rate-regulation, including the balances recorded and regulatory developments.

/s/ Deloitte & Touche LLP

Morristown, New Jersey
February 13, 2025

We have served as the Company's auditor since 2015.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholder and the Board of Directors of Louisville Gas and Electric Company

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Louisville Gas and Electric Company (the "Company") as of December 31, 2024 and 2023, the related statements of income, equity, and cash flows, for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Assets and Liabilities– Impact of Rate-Regulation on Regulatory Assets and Liabilities and Related Disclosures – Refer to Notes 1 and 7 to the financial statements

Critical Audit Matter Description

As discussed in Note 1 to the financial statements, Louisville Gas & Electric Company (LG&E) is a cost-based rate-regulated utility for which rates are set by regulatory commissions to enable the regulated utility to recover the costs of providing electric or gas services, as applicable, and to provide a reasonable return to shareholders. As a result, the financial statements are subject to the accounting for certain types of regulation as prescribed by generally accepted accounting principles and reflect the effects of regulatory actions.

Regulatory assets are recognized for the effect of transactions or events where future recovery of underlying costs is probable in regulated customer rates. The effect of such accounting is to defer certain or qualifying costs that would otherwise currently be charged to expense. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. The accounting for regulatory assets and regulatory liabilities is based on specific rate orders or, in certain

cases, regulatory commission precedent for transactions or events. While LG&E has indicated that it expects to recover costs from customers through regulated rates, there is a risk that the regulatory commissions will not approve full recovery of and return on such costs or approve recovery on a timely basis in future regulatory decisions.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management in continually assessing whether the regulatory assets and liabilities are probable of future recovery or refund by considering factors such as changes in the applicable regulatory environments, the ability to recover costs through regulated rates, and recent rate orders. Auditing these judgments required specialized knowledge of accounting for rate regulation due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of future decisions by regulatory commissions included the following, among others:

- We tested the effectiveness of management's internal controls over evaluating the likelihood of recovery or refund in future rates of costs deferred as regulatory assets and liabilities. We tested the effectiveness of management's internal controls over the recognition of amounts as regulatory assets or liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates.

- We obtained and read relevant regulatory orders issued by the regulatory commissions for LG&E and other publicly available information to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the treatment of similar costs under similar circumstances.

- We evaluated LG&E's disclosures related to the impacts of rate-regulation, including the balances recorded and regulatory developments.

/s/ Deloitte & Touche LLP

Louisville, Kentucky
February 13, 2025

We have served as the Company's auditor since 2015.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholder and the Board of Directors of Kentucky Utilities Company

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Kentucky Utilities Company (the "Company") as of December 31, 2024 and 2023, the related statements of income, equity, and cash flows, for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Assets and Liabilities– Impact of Rate-Regulation on Regulatory Assets and Liabilities and Related Disclosures – Refer to Notes 1 and 7 to the financial statements

Critical Audit Matter Description

As discussed in Note 1 to the financial statements, Kentucky Utilities Company (KU) is a cost-based rate-regulated utility for which rates are set by regulatory commissions to enable the regulated utility to recover the costs of providing electric service and to provide a reasonable return to shareholders. As a result, the financial statements are subject to the accounting for certain types of regulation as prescribed by generally accepted accounting principles and reflect the effects of regulatory actions.

Regulatory assets are recognized for the effect of transactions or events where future recovery of underlying costs is probable in regulated customer rates. The effect of such accounting is to defer certain or qualifying costs that would otherwise currently be charged to expense. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. The accounting for regulatory assets and regulatory liabilities is based on specific rate orders or, in certain cases, regulatory commission precedent for transactions or events. While KU has indicated that it expects to recover costs from customers through regulated rates, there is a risk that the regulatory commissions will not approve full recovery of and return on such costs or approve recovery on a timely basis in future regulatory decisions.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management in continually assessing whether the regulatory assets and liabilities are probable of future recovery or refund by considering factors such as changes in the applicable regulatory environments, the ability to recover costs through regulated rates, and recent rate orders. Auditing these judgments required specialized knowledge of accounting for rate regulation due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of future decisions by regulatory commissions included the following, among others:

- We tested the effectiveness of management's internal controls over evaluating the likelihood of recovery or refund in future rates of costs deferred as regulatory assets and liabilities. We tested the effectiveness of management's internal controls over the recognition of amounts as regulatory assets or liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates.

- We obtained and read relevant regulatory orders issued by the regulatory commissions for KU and other publicly available information to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the treatment of similar costs under similar circumstances.

- We evaluated KU's disclosures related to the impacts of rate-regulation, including the balances recorded and regulatory developments.

/s/ Deloitte & Touche LLP

Louisville, Kentucky
February 13, 2025

We have served as the Company's auditor since 2015.

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31,
PPL Corporation and Subsidiaries
(Millions of Dollars, except share data)

	2024	2023	2022
Operating Revenues	**$ 8,462**	$ 8,312	$ 7,902
Operating Expenses			
Operation			
Fuel	**783**	733	931
Energy purchases	**1,679**	1,841	1,686
Other operation and maintenance	**2,607**	2,462	2,398
Depreciation	**1,279**	1,254	1,181
Taxes, other than income	**374**	392	332
Total Operating Expenses	**6,722**	6,682	6,528
Operating Income	**1,740**	1,630	1,374
Other Income (Expense) - net (Note 14)	**114**	(40)	54
Interest Expense	**738**	666	513
Income from Continuing Operations Before Income Taxes	**1,116**	924	915
Income Taxes	**228**	184	201
Income from Continuing Operations After Income Taxes	**888**	740	714
Income from Discontinued Operations (net of income taxes) (Note 9)	**—**	—	42
Net Income	**$ 888**	$ 740	$ 756
Earnings Per Share of Common Stock:			
Basic			
Income from Continuing Operations After Income Taxes	**$ 1.20**	$ 1.00	$ 0.97
Income from Discontinued Operations (net of income taxes)	**—**	—	0.06
Net Income Available to PPL Common Shareowners	**$ 1.20**	$ 1.00	$ 1.03
Diluted			
Income from Continuing Operations After Income Taxes	**$ 1.20**	$ 1.00	$ 0.96
Income from Discontinued Operations (net of income taxes)	**—**	—	0.06
Net Income Available to PPL Common Shareowners	**$ 1.20**	$ 1.00	$ 1.02
Weighted-Average Shares of Common Stock Outstanding (in thousands)			
Basic	**737,756**	737,036	736,027
Diluted	**739,853**	738,166	736,902

The accompanying Notes to Financial Statements are an integral part of the financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
FOR THE YEARS ENDED DECEMBER 31,
PPL Corporation and Subsidiaries

(Millions of Dollars)

	2024	2023	2022
Net income	**$ 888**	$ 740	$ 756
Other comprehensive income (loss):			
Amounts arising during the period - gains (losses), net of tax (expense) benefit:			
Equity investees' other comprehensive income (loss), net tax of $0, $0, $0	**1**	1	2
Defined benefit plans:			
Prior service costs, net of tax of $0, $0, $0	**—**	—	(1)
Net actuarial gain (loss), net of tax of $8, $15, ($2)	**(22)**	(41)	11
Reclassifications from AOCI - (gains) losses, net of tax expense (benefit):			
Qualifying derivatives, net of tax of $0, $0, ($1)	**3**	3	2
Defined benefit plans:			
Prior service costs, net of tax of $0, ($1), ($1)	**1**	1	2
Net actuarial (gain) loss, net of tax of $0, $0, ($7)	**(4)**	(3)	17
Total other comprehensive income (loss)	**(21)**	(39)	33
Comprehensive income	**$ 867**	$ 701	$ 789

The accompanying Notes to Financial Statements are an integral part of the financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31,
PPL Corporation and Subsidiaries
(Millions of Dollars)

	2024	2023	2022
Cash Flows from Operating Activities			
Net income	**$ 888**	$ 740	$ 756
Income from discontinued operations (net of income taxes)	**—**	—	(42)
Income from continuing operations (net of income taxes)	**888**	740	714
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation	**1,279**	1,254	1,181
Amortization	**78**	81	52
Defined benefit plans - expense (income)	**(72)**	(73)	(16)
Deferred income taxes and investment tax credits	**196**	322	179
Stock compensation expense	**46**	33	37
Loss on sale of Safari Holdings	**—**	—	60
Other	**(17)**	(29)	14
Change in current assets and current liabilities			
Accounts receivable	**254**	(170)	(176)
Accounts payable	**(41)**	(72)	358
Unbilled revenues	**(57)**	128	(197)
Fuel, materials and supplies	**(2)**	(60)	(90)
Prepayments	**(34)**	1	(13)
Taxes payable	**(27)**	6	(80)
Regulatory assets and liabilities, net	**(68)**	(37)	(119)
Accrued interest	**33**	27	1
Other	**(65)**	38	(76)
Other operating activities			
Defined benefit plans - funding	**(10)**	(13)	(12)
Proceeds from transfer of excess benefit plan funds	**13**	—	—
Other assets	**(96)**	(69)	(126)
Other liabilities	**42**	(349)	39
Net cash provided by operating activities	**2,340**	1,758	1,730
Cash Flows from Investing Activities			
Expenditures for property, plant and equipment	**(2,805)**	(2,390)	(2,155)
Proceeds from sale of Safari Holdings, net of cash divested	**—**	—	146
Acquisition of Narragansett Electric, net of cash acquired	**—**	—	(3,660)
Other investing activities	**(13)**	7	15
Net cash used in investing activities	**(2,818)**	(2,383)	(5,654)
Cash Flows from Financing Activities			
Issuance of long-term debt	**1,894**	3,252	850
Retirement of long-term debt	**—**	(1,854)	(264)
Payment of common stock dividends	**(747)**	(704)	(787)
Net increase (decrease) in short-term debt	**(689)**	7	916
Other financing activities	**(23)**	(51)	(6)
Net cash provided by financing activities	**435**	650	709
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	**(43)**	25	(3,215)
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	**382**	357	3,572
Cash, Cash Equivalents and Restricted Cash at End of Period	**$ 339**	$ 382	$ 357
Supplemental Disclosures of Cash Flow Information			
Cash paid (received) during the period for:			
Interest - net of amount capitalized	**$ 670**	$ 604	$ 462
Income taxes - net	**$ (123)**	$ 281	$ 163
Significant non-cash transactions:			
Accrued expenditures for property, plant and equipment at December 31,	**$ 358**	$ 220	$ 269

The accompanying Notes to Financial Statements are an integral part of the financial statements.

CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,
PPL Corporation and Subsidiaries

(Millions of Dollars, shares in thousands)

	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	**$ 306**	$ 331
Accounts receivable (less reserve: 2024, $147; 2023, $123)		
Customer	**961**	950
Other	**76**	271
Unbilled revenues (less reserve: 2024, $6; 2023, $4)	**485**	428
Fuel, materials and supplies	**511**	505
Prepayments	**136**	103
Regulatory assets	**320**	293
Other current assets	**85**	51
Total Current Assets	**2,880**	2,932
Property, Plant and Equipment		
Regulated utility plant	**40,391**	38,608
Less: accumulated depreciation - regulated utility plant	**9,682**	9,156
Regulated utility plant, net	**30,709**	29,452
Non-regulated property, plant and equipment	**79**	72
Less: accumulated depreciation - non-regulated property, plant and equipment	**29**	23
Non-regulated property, plant and equipment, net	**50**	49
Construction work in progress	**2,390**	1,917
Property, Plant and Equipment, net	**33,149**	31,418
Other Noncurrent Assets		
Regulatory assets	**2,060**	1,874
Goodwill	**2,247**	2,247
Other intangibles	**314**	306
Other noncurrent assets (less reserve for accounts receivable: 2024, $1; 2023, $2)	**419**	459
Total Other Noncurrent Assets	**5,040**	4,886
Total Assets	**$ 41,069**	$ 39,236

The accompanying Notes to Financial Statements are an integral part of the financial statements.

CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,
PPL Corporation and Subsidiaries

(Millions of Dollars, shares in thousands)

	2024	2023
Liabilities and Equity		
Current Liabilities		
Short-term debt	**$ 303**	$ 992
Long-term debt due within one year	**551**	1
Accounts payable	**1,196**	1,104
Taxes	**103**	130
Interest	**157**	124
Dividends	**186**	173
Regulatory liabilities	**223**	225
Other current liabilities	**614**	591
Total Current Liabilities	**3,333**	3,340
Long-term Debt	**15,952**	14,611
Deferred Credits and Other Noncurrent Liabilities		
Deferred income taxes	**3,356**	3,105
Investment tax credits	**111**	114
Accrued pension obligations	**317**	275
Asset retirement obligations	**136**	133
Regulatory liabilities	**3,335**	3,340
Other deferred credits and noncurrent liabilities	**452**	385
Total Deferred Credits and Other Noncurrent Liabilities	**7,707**	7,352
Commitments and Contingent Liabilities (Notes 7 and 12)		
Equity		
Common stock - $0.01 par value (a)	**8**	8
Additional paid-in capital	**12,346**	12,326
Treasury stock	**(928)**	(948)
Earnings reinvested	**2,835**	2,710
Accumulated other comprehensive loss	**(184)**	(163)
Total Equity	**14,077**	13,933
Total Liabilities and Equity	**$ 41,069**	$ 39,236

(a) 1,560,000 shares authorized; 770,215 shares issued and 738,033 shares outstanding at December 31, 2024. 1,560,000 shares authorized; 770,013 shares issued and 737,130 shares outstanding at December 31, 2023.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

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CONSOLIDATED STATEMENTS OF EQUITY
PPL Corporation and Subsidiaries
(Millions of Dollars)

	Common stock shares outstanding (a)	Common stock	Additional paid-in capital	Treasury Stock	Earnings reinvested	Accumulated other comprehensive loss	Noncontrolling interest	Total
December 31, 2021	735,112	$ 8	$ 12,303	$ (1,003)	$ 2,572	$ (157)	$ —	$ 13,723
Common stock issued	123		5					5
Treasury stock issued	1,252			36				36
Stock-based compensation			9					9
Net income					756			756
Dividends and dividend equivalents (b)					(647)			(647)
Preferred stock							3	3
Other comprehensive income (loss)						33		33
December 31, 2022	736,487	$ 8	$ 12,317	$ (967)	$ 2,681	$ (124)	$ 3	$ 13,918
Treasury stock issued	643		4	19				23
Stock-based compensation			5					5
Net income					740			740
Dividends and dividend equivalents (b)					(711)			(711)
Preferred stock							(3)	(3)
Other comprehensive income (loss)						(39)		(39)
December 31, 2023	737,130	$ 8	$ 12,326	$ (948)	$ 2,710	$ (163)	$ —	$ 13,933
Common stock issued	202							—
Treasury stock issued	701		7	20				27
Stock-based compensation			13					13
Net income					888			888
Dividends and dividend equivalents (b)					(763)			(763)
Other comprehensive income (loss)						(21)		(21)
December 31, 2024	738,033	$ 8	$ 12,346	$ (928)	$ 2,835	$ (184)	$ —	$ 14,077

(a) Shares in thousands. Each share entitles the holder to one vote on any question presented at any shareowners' meeting.
(b) Dividends declared per share of common stock at December 31, 2024, 2023 and 2022 were: $1.03, $0.960 and $0.875.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

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CONSOLIDATED STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31,
PPL Electric Utilities Corporation and Subsidiaries
(Millions of Dollars)

	2024	2023	2022
Operating Revenues	**$ 2,876**	$ 3,008	$ 3,030
Operating Expenses			
Operation			
Energy purchases	**721**	992	1,048
Other operation and maintenance	**705**	605	605
Depreciation	**401**	397	393
Taxes, other than income	**131**	143	149
Total Operating Expenses	**1,958**	2,137	2,195
Operating Income	**918**	871	835
Other Income (Expense) - net (Note 14)	**45**	39	30
Interest Income from Affiliate	**33**	—	5
Interest Expense	**246**	223	171
Income Before Income Taxes	**750**	687	699
Income Taxes	**176**	168	174
Net Income (a)	**$ 574**	$ 519	$ 525

(a) Net income equals comprehensive income.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31,
PPL Electric Utilities Corporation and Subsidiaries
(Millions of Dollars)

	2024	2023	2022
Cash Flows from Operating Activities			
Net income	**$ 574**	$ 519	$ 525
Adjustments to reconcile net income to net cash provided by (used in) operating activities			
Depreciation	**401**	397	393
Amortization	**45**	41	22
Defined benefit plans expense (income)	**(39)**	(42)	(23)
Deferred income taxes and investment tax credits	**129**	46	91
Other	**1**	(24)	(11)
Change in current assets and current liabilities			
Accounts receivable	**89**	(78)	(47)
Accounts payable	**64**	13	46
Unbilled revenues	**(10)**	75	(95)
Materials and supplies	**6**	(30)	(11)
Prepayments	**(32)**	2	(2)
Regulatory assets and liabilities, net	**(101)**	(38)	(59)
Taxes payable	**(49)**	15	5
Accrued interest	**12**	8	—
Other	**(25)**	9	(19)
Other operating activities			
Defined benefit plans - funding	**—**	(5)	—
Other assets	**(32)**	3	(47)
Other liabilities	**9**	1	(11)
Net cash provided by operating activities	**1,042**	912	757
Cash Flows from Investing Activities			
Expenditures for property, plant and equipment	**(1,229)**	(956)	(886)
Expenditures for intangible assets	**(9)**	(6)	(2)
Net (increase) decrease in notes receivable from affiliate	**(222)**	—	499
Other investing activities	**5**	4	2
Net cash used in investing activities	**(1,455)**	(958)	(387)
Cash Flows from Financing Activities			
Issuance of long-term debt	**649**	1,329	250
Retirement of long-term debt	**—**	(1,240)	(250)
Contributions from parent	**688**	206	—
Payment of common stock dividends to parent	**(375)**	(323)	(340)
Return of capital to parent	**(60)**	(250)	(170)
Net increase (decrease) in short-term debt	**(509)**	364	145
Debt issuance costs	**(7)**	(14)	—
Other financing activities	**—**	—	(1)
Net cash provided by (used in) financing activities	**386**	72	(366)
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	**(27)**	26	4
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	**51**	25	21
Cash, Cash Equivalents and Restricted Cash at End of Period	**$ 24**	$ 51	$ 25
Supplemental Disclosures of Cash Flow Information			
Cash paid during the period for:			
Interest - net of amount capitalized	**$ 224**	$ 205	$ 164
Income taxes - net	**$ 83**	$ 92	$ 111
Significant non-cash transactions:			
Accrued expenditures for property, plant and equipment at December 31,	**$ 173**	$ 122	$ 133

The accompanying Notes to Financial Statements are an integral part of the financial statements.

CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,
PPL Electric Utilities Corporation and Subsidiaries

(Millions of Dollars, shares in thousands)

	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	**$ 24**	$ 51
Accounts receivable (less reserve: 2024, $37; 2023, $46)		
Customer	**353**	434
Other	**8**	8
Accounts receivable from affiliates	**10**	10
Notes receivable from affiliate	**222**	—
Unbilled revenues (less reserve: 2024, $3; 2023, $2)	**159**	149
Materials and supplies	**104**	99
Prepayments	**74**	44
Regulatory assets	**133**	57
Other current assets	**30**	17
Total Current Assets	**1,117**	869
Property, Plant and Equipment		
Regulated utility plant	**16,469**	15,575
Less: accumulated depreciation - regulated utility plant	**4,052**	3,822
Regulated utility plant, net	**12,417**	11,753
Construction work in progress	**898**	680
Property, Plant and Equipment, net	**13,315**	12,433
Other Noncurrent Assets		
Regulatory assets	**673**	598
Intangibles	**274**	269
Other noncurrent assets (less reserve for accounts receivable: 2024, $1; 2023, $2)	**96**	125
Total Other Noncurrent Assets	**1,043**	992
Total Assets	**$ 15,475**	$ 14,294

The accompanying Notes to Financial Statements are an integral part of the financial statements.

CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,
PPL Electric Utilities Corporation and Subsidiaries
(Millions of Dollars, shares in thousands)

	2024	2023
Liabilities and Equity		
Current Liabilities		
Short-term debt	$ —	$ 509
Accounts payable	565	454
Accounts payable to affiliates	44	44
Taxes	2	51
Interest	55	43
Regulatory liabilities	57	91
Other current liabilities	83	100
Total Current Liabilities	806	1,292
Long-term Debt	5,214	4,567
Deferred Credits and Other Noncurrent Liabilities		
Deferred income taxes	1,726	1,573
Regulatory liabilities	839	836
Other deferred credits and noncurrent liabilities	160	123
Total Deferred Credits and Other Noncurrent Liabilities	2,725	2,532
Commitments and Contingent Liabilities (Notes 7 and 12)		
Equity		
Common stock - no par value (a)	364	364
Additional paid-in capital	4,668	4,040
Earnings reinvested	1,698	1,499
Total Equity	6,730	5,903
Total Liabilities and Equity	$ 15,475	$ 14,294

(a) 170,000 shares authorized; 66,368 shares issued and outstanding at December 31, 2024 and December 31, 2023.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

CONSOLIDATED STATEMENTS OF EQUITY
PPL Electric Utilities Corporation and Subsidiaries
(Millions of Dollars)

	Common stock shares outstanding (a)	Common stock	Additional paid-in capital	Earnings reinvested	Total
December 31, 2021	66,368	$ 364	$ 4,254	$ 1,118	$ 5,736
Net income				525	525
Return of capital to parent			(170)		(170)
Dividends declared on common stock				(340)	(340)
December 31, 2022	66,368	$ 364	$ 4,084	$ 1,303	$ 5,751
Net income				519	519
Capital contributions from parent			206		206
Return of capital to parent			(250)		(250)
Dividends declared on common stock				(323)	(323)
December 31, 2023	66,368	$ 364	$ 4,040	$ 1,499	$ 5,903
Net income				574	574
Capital contributions from parent			688		688
Return of capital to parent			(60)		(60)
Dividends declared on common stock				(375)	(375)
December 31, 2024	66,368	$ 364	$ 4,668	$ 1,698	$ 6,730

(a) Shares in thousands. All common shares of PPL Electric stock are owned by PPL.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

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STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31,
Louisville Gas and Electric Company

(Millions of Dollars)

	2024	2023	2022
Operating Revenues			
Retail and wholesale	**$ 1,617**	$ 1,580	$ 1,762
Electric revenue from affiliate	**31**	33	36
Total Operating Revenues	**1,648**	1,613	1,798
Operating Expenses			
Operation			
Fuel	**308**	286	346
Energy purchases	**151**	168	245
Energy purchases from affiliate	**20**	12	25
Other operation and maintenance	**349**	364	416
Depreciation	**305**	302	298
Taxes, other than income	**49**	48	48
Total Operating Expenses	**1,182**	1,180	1,378
Operating Income	**466**	433	420
Other Income (Expense) - net (Note 14)	**12**	3	4
Interest Income from Affiliates	**1**	1	—
Interest Expense	**105**	102	89
Income Before Income Taxes	**374**	335	335
Income Taxes	**77**	69	63
Net Income (a)	**$ 297**	$ 266	$ 272

(a) Net income equals comprehensive income.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31,
Louisville Gas and Electric Company
(Millions of Dollars)

	2024	2023	2022
Cash Flows from Operating Activities			
Net income	**$ 297**	$ 266	$ 272
Adjustments to reconcile net income to net cash provided by (used in) operating activities			
Depreciation	**305**	302	298
Amortization	**16**	14	5
Deferred income taxes and investment tax credits	**6**	(14)	(6)
Other	**(6)**	(7)	4
Change in current assets and current liabilities			
Accounts receivable	**(25)**	40	(19)
Accounts receivable from affiliates	**(11)**	7	(5)
Accounts payable	**12**	(40)	22
Accounts payable to affiliates	**15**	(8)	30
Unbilled revenues	**1**	24	(32)
Fuel, materials and supplies	**(13)**	24	(28)
Regulatory assets and liabilities, net	**(3)**	25	17
Taxes payable	**(1)**	—	7
Accrued interest	—	5	—
Other	—	1	5
Other operating activities			
Defined benefit plans - funding	—	1	(2)
Expenditures for asset retirement obligations	**(11)**	(11)	(13)
Other assets	**(27)**	(21)	(8)
Other liabilities	**(1)**	1	(4)
Net cash provided by operating activities	**554**	609	543
Cash Flows from Investing Activities			
Expenditures for property, plant and equipment	**(444)**	(378)	(371)
Other investing activities	—	—	11
Net cash used in investing activities	**(444)**	(378)	(360)
Cash Flows from Financing Activities			
Net increase (decrease) in notes payable with affiliates	**43**	—	(324)
Issuance of long-term debt	—	464	300
Retirement of long-term debt	—	(300)	—
Payment of common stock dividends to parent	**(187)**	(166)	(275)
Contributions from parent	**65**	67	90
Return of capital to parent	**(76)**	(161)	—
Net increase (decrease) in short-term debt	**25**	(179)	110
Other financing activities	—	(5)	—
Net cash used in financing activities	**(130)**	(280)	(99)
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	**(20)**	(49)	84
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	**44**	93	9
Cash, Cash Equivalents and Restricted Cash at End of Period	**$ 24**	$ 44	$ 93
Supplemental Disclosures of Cash Flow Information			
Cash paid during the period for:			
Interest - net of amount capitalized	**$ 101**	$ 93	$ 83
Income taxes - net	**$ 73**	$ 84	$ 57
Significant non-cash transactions:			
Accrued expenditures for property, plant and equipment at December 31,	**$ 64**	$ 30	$ 43

The accompanying Notes to Financial Statements are an integral part of the financial statements.

BALANCE SHEETS AT DECEMBER 31,
Louisville Gas and Electric Company
(Millions of Dollars, shares in thousands)

	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	**$ 8**	$ 18
Accounts receivable (less reserve: 2024, $3; 2023, $6)		
Customer	**134**	116
Other	**23**	17
Unbilled revenues (less reserve: 2024, $0; 2023, $0)	**87**	88
Accounts receivable from affiliates	**40**	29
Fuel, materials and supplies	**157**	143
Prepayments	**9**	11
Regulatory assets	**8**	7
Other current assets	**2**	—
Total Current Assets	**468**	429
Property, Plant and Equipment		
Regulated utility plant	**7,748**	7,669
Less: accumulated depreciation - regulated utility plant	**1,643**	1,549
Regulated utility plant, net	**6,105**	6,120
Construction work in progress	**443**	312
Property, Plant and Equipment, net	**6,548**	6,432
Other Noncurrent Assets		
Regulatory assets	**491**	395
Goodwill	**389**	389
Other intangibles	**12**	18
Other noncurrent assets	**84**	90
Total Other Noncurrent Assets	**976**	892
Total Assets	**$ 7,992**	$ 7,753

The accompanying Notes to Financial Statements are an integral part of the financial statements.

BALANCE SHEETS AT DECEMBER 31,
Louisville Gas and Electric Company
(Millions of Dollars, shares in thousands)

	2024	2023
Liabilities and Equity		
Current Liabilities		
Short-term debt	**$ 25**	$ —
Notes payable with affiliates	**43**	—
Long-term debt due within one year	**300**	—
Accounts payable	**158**	115
Accounts payable to affiliates	**64**	49
Customer deposits	**36**	34
Taxes	**40**	41
Regulatory liabilities	**14**	16
Interest	**21**	21
Asset retirement obligations	**11**	13
Other current liabilities	**50**	48
Total Current Liabilities	**762**	337
Long-term Debt	**2,171**	2,469
Deferred Credits and Other Noncurrent Liabilities		
Deferred income taxes	**803**	776
Investment tax credits	**30**	31
Price risk management liabilities	**3**	6
Asset retirement obligations	**73**	72
Regulatory liabilities	**815**	827
Other deferred credits and noncurrent liabilities	**64**	63
Total Deferred Credits and Other Noncurrent Liabilities	**1,788**	1,775
Commitments and Contingent Liabilities (Notes 7 and 12)		
Equity		
Common stock - no par value (a)	**424**	424
Additional paid-in capital	**1,982**	1,993
Earnings reinvested	**865**	755
Total Equity	**3,271**	3,172
Total Liabilities and Equity	**$ 7,992**	$ 7,753

(a) 75,000 shares authorized; 21,294 shares issued and outstanding at December 31, 2024 and December 31, 2023.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

STATEMENTS OF EQUITY
Louisville Gas and Electric Company
(Millions of Dollars)

	Common stock shares outstanding (a)	Common stock	Additional paid-in capital	Earnings reinvested	Total
December 31, 2021	21,294	$ 424	$ 1,997	$ 658	$ 3,079
Net income				272	272
Capital contributions from parent			90		90
Cash dividends declared on common stock				(275)	(275)
December 31, 2022	21,294	$ 424	$ 2,087	$ 655	$ 3,166
Net income				266	266
Capital contributions from parent			67		67
Return of capital to parent			(161)		(161)
Cash dividends declared on common stock				(166)	(166)
December 31, 2023	21,294	$ 424	$ 1,993	$ 755	$ 3,172
Net income				297	297
Capital contributions from parent			65		65
Return of capital to parent			(76)		(76)
Cash dividends declared on common stock				(187)	(187)
December 31, 2024	21,294	$ 424	$ 1,982	$ 865	$ 3,271

(a) Shares in thousands. All common shares of LG&E stock are owned by LKE.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

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STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31,
Kentucky Utilities Company
(Millions of Dollars)

	2024	2023	2022
Operating Revenues			
Retail and wholesale	**$ 1,944**	$ 1,872	$ 2,049
Electric revenue from affiliate	**20**	12	25
Total Operating Revenues	**1,964**	1,884	2,074
Operating Expenses			
Operation			
Fuel	**476**	447	585
Energy purchases	**25**	24	28
Energy purchases from affiliate	**31**	33	36
Other operation and maintenance	**413**	427	487
Depreciation	**403**	392	386
Taxes, other than income	**49**	45	45
Total Operating Expenses	**1,397**	1,368	1,567
Operating Income	**567**	516	507
Other Income (Expense) - net (Note 14)	**15**	8	8
Interest Expense	**137**	134	117
Interest Expense from Affiliate	**—**	1	—
Income Before Income Taxes	**445**	389	398
Income Taxes	**89**	77	76
Net Income (a)	**$ 356**	$ 312	$ 322

(a) Net income equals comprehensive income.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31,
Kentucky Utilities Company
(Millions of Dollars)

	2024	2023	2022
Cash Flows from Operating Activities			
Net income	**$ 356**	$ 312	$ 322
Adjustments to reconcile net income to net cash provided by (used in) operating activities			
Depreciation	**403**	392	386
Amortization	**21**	20	18
Defined benefit plans - expense (income)	**(5)**	(5)	(4)
Deferred income taxes and investment tax credits	**(15)**	(10)	2
Other	**(4)**	(2)	3
Change in current assets and current liabilities			
Accounts receivable	**(21)**	16	(16)
Accounts payable	**(23)**	(26)	26
Accounts payable to affiliates	**29**	(24)	37
Unbilled revenues	**(5)**	17	(23)
Fuel, materials and supplies	**14**	(17)	(41)
Regulatory assets and liabilities, net	**23**	25	(19)
Taxes payable	**5**	5	7
Accrued interest	**—**	5	1
Other	**(5)**	(4)	(3)
Other operating activities			
Defined benefit plans - funding	**—**	—	(1)
Expenditures for asset retirement obligations	**(10)**	(28)	(29)
Other assets	**(41)**	(25)	(1)
Other liabilities	**1**	(4)	(4)
Net cash provided by operating activities	**723**	647	661
Cash Flows from Investing Activities			
Expenditures for property, plant and equipment	**(643)**	(572)	(547)
Other investing activities	**—**	6	—
Net cash used in investing activities	**(643)**	(566)	(547)
Cash Flows from Financing Activities			
Net increase (decrease) in notes payable with affiliates	**73**	—	(294)
Issuance of long-term debt	**—**	459	300
Retirement of long-term debt	**—**	(313)	—
Payment of common stock dividends to parent	**(232)**	(190)	(296)
Contributions from parent	**126**	76	84
Return of capital to parent	**(103)**	(84)	—
Net increase (decrease) in short-term debt	**47**	(8)	101
Other financing activities	**—**	(4)	(1)
Net cash used in financing activities	**(89)**	(64)	(106)
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	**(9)**	17	8
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	**38**	21	13
Cash, Cash Equivalents and Restricted Cash at End of Period	**$ 29**	$ 38	$ 21
Supplemental Disclosures of Cash Flow Information			
Cash paid during the period for:			
Interest - net of amount capitalized	**$ 135**	$ 125	$ 112
Income taxes - net	**$ 102**	$ 78	$ 78
Significant non-cash transactions:			
Accrued expenditures for property, plant and equipment at December 31,	**$ 74**	$ 38	$ 56

The accompanying Notes to Financial Statements are an integral part of the financial statements.

BALANCE SHEETS AT DECEMBER 31,
Kentucky Utilities Company
(Millions of Dollars, shares in thousands)

	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	**$ 13**	$ 14
Accounts receivable (less reserve: 2024, $2; 2023, $2)		
Customer	**160**	143
Other	**22**	12
Unbilled revenues (less reserve: 2024, $0; 2023, $0)	**102**	97
Fuel, materials and supplies	**173**	185
Prepayments	**11**	13
Regulatory assets	**1**	3
Other current assets	**9**	1
Total Current Assets	**491**	468
Property, Plant and Equipment		
Regulated utility plant	**10,419**	9,896
Less: accumulated depreciation - regulated utility plant	**2,652**	2,476
Regulated utility plant, net	**7,767**	7,420
Construction work in progress	**567**	604
Property, Plant and Equipment, net	**8,334**	8,024
Other Noncurrent Assets		
Regulatory assets	**458**	439
Goodwill	**607**	607
Other intangibles	**28**	19
Other noncurrent assets	**155**	157
Total Other Noncurrent Assets	**1,248**	1,222
Total Assets	**$ 10,073**	$ 9,714

The accompanying Notes to Financial Statements are an integral part of the financial statements.

BALANCE SHEETS AT DECEMBER 31,
Kentucky Utilities Company
(Millions of Dollars, shares in thousands)

	2024	2023
Liabilities and Equity		
Current Liabilities		
Short-term debt	**$ 140**	$ 93
Notes payable with affiliates	**73**	—
Long-term debt due within one year	**250**	—
Accounts payable	**96**	80
Accounts payable to affiliates	**100**	72
Customer deposits	**39**	35
Taxes	**37**	32
Regulatory liabilities	**22**	1
Interest	**24**	24
Asset retirement obligations	**10**	13
Other current liabilities	**58**	52
Total Current Liabilities	**849**	402
Long-term Debt	**2,816**	3,064
Deferred Credits and Other Noncurrent Liabilities		
Deferred income taxes	**924**	912
Investment tax credits	**81**	83
Asset retirement obligations	**54**	53
Regulatory liabilities	**1,009**	1,018
Other deferred credits and noncurrent liabilities	**41**	30
Total Deferred Credits and Other Noncurrent Liabilities	**2,109**	2,096
Commitments and Contingent Liabilities (Notes 7 and 12)		
Equity		
Common stock - no par value (a)	**308**	308
Additional paid-in capital	**3,056**	3,033
Earnings reinvested	**935**	811
Total Equity	**4,299**	4,152
Total Liabilities and Equity	**$ 10,073**	$ 9,714

(a) 80,000 shares authorized; 37,818 shares issued and outstanding at December 31, 2024 and December 31, 2023.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

STATEMENTS OF EQUITY
Kentucky Utilities Company
(Millions of Dollars)

	Common stock shares outstanding (a)	Common stock	Additional paid-in capital	Earnings reinvested	Total
December 31, 2021	37,818	$ 308	$ 2,957	$ 663	$ 3,928
Net income				322	322
Capital contributions from parent			84		84
Cash dividends declared on common stock				(296)	(296)
December 31, 2022	37,818	$ 308	$ 3,041	$ 689	$ 4,038
Net income				312	312
Capital contributions from parent			76		76
Return of capital to parent			(84)		(84)
Cash dividends declared on common stock				(190)	(190)
December 31, 2023	37,818	$ 308	$ 3,033	$ 811	$ 4,152
Net income				356	356
Capital contributions from parent			126		126
Return of capital to parent			(103)		(103)
Cash dividends declared on common stock				(232)	(232)
December 31, 2024	37,818	$ 308	$ 3,056	$ 935	$ 4,299

(a) Shares in thousands. All common shares of KU stock are owned by LKE.

The accompanying Notes to Financial Statements are an integral part of the financial statements.

COMBINED NOTES TO FINANCIAL STATEMENTS

Index to Combined Notes to Consolidated Financial Statements

The notes to the consolidated financial statements that follow are a combined presentation. The following list indicates the Registrants to which the footnotes apply:

	Registrant			
	PPL	PPL Electric	LG&E	KU
1. Summary of Significant Accounting Policies	x	x	x	x
2. Segment and Related Information	x	x	x	x
3. Revenue from Contracts with Customers	x	x	x	x
4. Preferred Securities	x	x	x	x
5. Earnings Per Share	x			
6. Income and Other Taxes	x	x	x	x
7. Utility Rate Regulation	x	x	x	x
8. Financing Activities	x	x	x	x
9. Acquisitions, Development and Divestitures	x		x	x
10. Retirement and Postemployment Benefits	x	x	x	x
11. Jointly Owned Facilities	x		x	x
12. Commitments and Contingencies	x	x	x	x
13. Related Party Transactions		x	x	x
14. Other Income (Expense) - net	x	x	x	x
15. Fair Value Measurements	x	x	x	x
16. Derivative Instruments and Hedging Activities	x	x	x	x
17. Goodwill and Other Intangible Assets	x	x	x	x
18. Asset Retirement Obligations	x	x	x	x
19. Accumulated Other Comprehensive Income (Loss)	x			
20. New Accounting Guidance Pending Adoption	x	x	x	x

1. Summary of Significant Accounting Policies

(All Registrants)

General

Capitalized terms and abbreviations appearing in the combined notes to financial statements are defined in the glossary. Dollars are in millions, except per share data, unless otherwise noted. The specific Registrant to which disclosures are applicable is identified in parenthetical headings in italics above the applicable disclosure or within the applicable disclosure for each Registrants' related activities and disclosures. Within combined disclosures, amounts are disclosed for any Registrant when significant.

Business and Consolidation

(PPL)

PPL is a utility holding company that, through its regulated subsidiaries, is primarily engaged in: 1) the generation, transmission, distribution and sale of electricity and the distribution and sale of natural gas, primarily in Kentucky; 2) the transmission, distribution and sale of electricity in Pennsylvania; and 3) the transmission, distribution and sale of electricity and the distribution and sale of natural gas in Rhode Island. Headquartered in Allentown, PA, PPL's principal subsidiaries are LG&E, KU, RIE and PPL Electric. PPL's corporate level financing subsidiary is PPL Capital Funding.

On March 17, 2021, PPL WPD Limited entered into a share purchase agreement to sell PPL's U.K. utility business, which prior to its sale substantially represented PPL's U.K. Regulated segment, to a subsidiary of National Grid plc. The sale was completed on June 14, 2021. The results of operations of the U.K. utility business are classified as Discontinued Operations on PPL's Statements of Income for 2022. PPL has elected to separately report the cash flows of continuing and discontinued operations on the Statements of Cash Flows for 2022. Unless otherwise noted, the notes to these financial statements exclude amounts related to discontinued operations. See Note 9 for additional information.

On May 25, 2022, PPL Rhode Island Holdings, a wholly-owned subsidiary of PPL, acquired 100% of the outstanding shares of common stock of Narragansett Electric from National Grid U.S., a subsidiary of National Grid plc. Narragansett Electric, whose service area covers substantially all of Rhode Island, is primarily engaged in the transmission, distribution and sale of electricity and the distribution and sale of natural gas. The results of Narragansett Electric are included in the consolidated results of PPL from the date of the acquisition. Following the closing of the acquisition, Narragansett Electric provides services doing business under the name Rhode Island Energy (RIE). See Note 9 for additional information.

(PPL and PPL Electric)

PPL Electric's principal business is the transmission and distribution of electricity to serve retail customers in its franchised territory in eastern and central Pennsylvania and the regulated supply of electricity to retail customers in that territory as a PLR.

(PPL, LG&E and KU)

LG&E and KU are engaged in the generation, transmission, distribution and sale of electricity. LG&E also engages in the distribution and sale of natural gas. LG&E and KU maintain their separate identities and serve customers in Kentucky under their respective names. KU also serves customers in Virginia under the Old Dominion Power name.

(All Registrants)

The financial statements of the Registrants include each company's own accounts as well as the accounts of all entities in which the company has a controlling financial interest. Entities for which a controlling financial interest is not demonstrated through voting interests are evaluated based on accounting guidance for Variable Interest Entities (VIEs). The Registrants consolidate a VIE when they are determined to have a controlling interest in the VIE and, as a result, are the primary beneficiary of the entity. Amounts consolidated under the VIE guidance are not material to the Registrants.

All significant intercompany transactions have been eliminated.

The financial statements of PPL, LG&E and KU include their share of any undivided interests in jointly owned facilities, as well as their share of the related operating costs of those facilities. See Note 11 for additional information.

Regulation

(All Registrants)

PPL Electric, RIE, LG&E and KU are cost-based rate-regulated utilities for which rates are set by regulators to enable PPL Electric, RIE, LG&E and KU to recover the costs of providing electric or gas service, as applicable, and to provide a reasonable return to shareholders. Base rates are generally established based on a future test period. As a result, the financial statements are subject to the accounting for certain types of regulation as prescribed by GAAP and reflect the effects of regulatory actions. Regulatory assets are recognized for the effect of transactions or events where future recovery of underlying costs is probable in regulated customer rates. The effect of such accounting is to defer certain or qualifying costs that would otherwise currently be charged to expense. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. In certain cases, regulatory liabilities are recorded based on an understanding or agreement with the regulator that rates have been set to recover expected future costs, and the regulated entity is accountable for any amounts charged pursuant to such rates and not yet expended for the intended purpose. The accounting for regulatory assets and regulatory liabilities is based on specific ratemaking decisions or precedent for each transaction or event as prescribed by the FERC or the applicable state regulatory commissions. See Note 7 for additional details regarding regulatory matters.

Accounting Records

The system of accounts for regulated entities is maintained in accordance with the Uniform System of Accounts prescribed by the FERC and adopted by the applicable state regulatory commissions.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Loss Accruals

Potential losses are accrued when (1) information is available that indicates it is "probable" that a loss has been incurred, given the likelihood of uncertain future events and (2) the amount of loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." The Registrants continuously assess potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events. Loss accruals for environmental remediation are discounted when appropriate.

The accrual of contingencies that might result in gains is not recorded, unless realization is assured.

Earnings Per Share *(PPL)*

EPS is computed using the two-class method, which is an earnings allocation method for computing EPS that treats a participating security as having rights to earnings that would otherwise have been available to common shareowners. Share-based payment awards that provide recipients a non-forfeitable right to dividends or dividend equivalents are considered participating securities.

Price Risk Management

(All Registrants)

Interest rate contracts are used to hedge exposure to changes in the fair value of debt instruments and to hedge exposure to variability in expected cash flows associated with existing floating-rate debt instruments or forecasted fixed-rate issuances of debt. Derivative instruments pursuant to regulator approved plans to manage commodity price risk associated with natural gas purchases to reduce fluctuations in natural gas prices and costs associated with these derivatives instruments are generally recoverable through approved cost recovery mechanism. Similar derivatives may receive different accounting treatment, depending on management's intended use and documentation.

Certain contracts may not meet the definition of a derivative because they lack a notional amount or a net settlement provision. In cases where there is no net settlement provision, markets are periodically assessed to determine whether market mechanisms have evolved to facilitate net settlement. Certain derivative contracts may be excluded from the requirements of derivative accounting treatment because NPNS has been elected. These contracts are accounted for using accrual accounting. Contracts that have been classified as derivative contracts are reflected on the balance sheets at fair value.

Cash inflows and outflows related to derivative instruments are included as a component of operating, investing or financing activities on the Statements of Cash Flows, depending on the classification of the hedged items.

PPL and its subsidiaries have elected not to offset net derivative positions against the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) under master netting arrangements.

Derivative transactions may be marked to fair value through regulatory assets/liabilities at PPL Electric, RIE, LG&E and KU, if approved by the appropriate regulatory body. These transactions generally include the effect of interest rate swaps or commodity gas contracts that are included in customer rates.

See Notes 15 and 16 for additional information on derivatives.

(PPL and PPL Electric)

To meet their obligations as last resort providers of electricity supply to their customers, PPL Electric and RIE have entered into certain contracts that meet the definition of a derivative. However, NPNS has been elected for these contracts.

Revenue *(All Registrants)*

Operating revenues are primarily recorded based on energy deliveries through the end of each calendar month. Unbilled retail revenues result because customers' bills are rendered throughout the month, rather than at the end of the month. For RIE, LG&E and KU, unbilled revenues for a month are calculated by multiplying an estimate of unbilled kWh or Mcf by the estimated average price per kWh or Mcf. Any difference between estimated and actual revenues is adjusted the following month when the previous unbilled estimate is reversed and actual billings occur. For PPL Electric, unbilled revenues for a month are calculated by multiplying the actual unbilled volumes by the applicable tariff price.

PPL Electric's, RIE's, LG&E's and KU's base rates are determined based on cost of service. Some regulators have also authorized the use of additional alternative revenue programs, which enable PPL Electric, RIE, LG&E and KU to adjust future rates based on past activities or completed events. Revenues from alternative revenue programs are recognized when the specific events permitting future billings have occurred. Revenues from alternative revenue programs are required to be presented separately from revenues from contracts with customers. These amounts are, however, presented as revenues from contracts with customers, with an offsetting adjustment to alternative revenue program revenue, when they are billed to customers in future periods. See Note 3 for additional information.

Financing and Other Receivables

(All Registrants)

Accounts receivable are reported on the Balance Sheets at the gross outstanding amount adjusted for an allowance for doubtful accounts. Financing receivables include accounts receivable, with the exception of those items within accounts receivable that are not subject to the current expected credit loss model.

Financing receivable collectability is evaluated using a current expected credit loss model, consisting of a combination of factors, including past due status based on contractual terms, trends in write-offs and the age of the receivable. Specific events, such as bankruptcies, are also considered when applicable. The Registrants also evaluate the impact of observable external factors on the collectability of the financing receivables to determine if adjustments to the allowance for doubtful accounts should be made based on current conditions or reasonable and supportable forecasts. Adjustments to the allowance for doubtful accounts are made based on the results of these analyses. Accounts receivable are written off in the period in which the receivable is deemed uncollectible.

PPL Electric, RIE, LG&E and KU have identified one class of financing receivables, "accounts receivable - customer", which includes financing receivables for all billed and unbilled sales with customers. All other financing receivables are classified as other.

The changes in the allowance for doubtful accounts are included in the following table. Amounts relate to financing receivables, except as noted.

	Balance at Beginning of Period	Additions: Charged to Income	Deductions (a)	Balance at End of Period
PPL				
2024	$ 130	$ 109	$ 85	$ 154 (c)
2023	95	87	52	130 (c)
2022	69	78	52	95 (c)
PPL Electric				
2024	$ 50	$ 56	$ 65	$ 41 (b)
2023	33	52	35	50 (b)
2022	35	27	29	33 (b)
LG&E				
2024	$ 6	$ 4	$ 7	$ 3
2023	4	4	2	6
2022	3	6	5	4

	Balance at Beginning of Period	Additions Charged to Income	Deductions (a)	Balance at End of Period
KU				
2024	$ 2	$ 4	$ 4	$ 2
2023	3	3	4	2
2022	3	6	6	3

(a) Primarily related to uncollectible accounts written off.
(b) Includes $2 million, $3 million and $3 million related to other accounts receivable at December 31, 2024, 2023 and 2022.
(c) Includes $39 million, $41 million and $36 million related to other accounts receivable at December 31, 2024, 2023 and 2022.

Cash

(All Registrants)

Cash Equivalents

All highly liquid investments with original maturities of three months or less are considered to be cash equivalents.

(PPL, LG&E and KU)

Restricted Cash and Cash Equivalents

Bank deposits and other cash equivalents that are restricted by agreement or that have been clearly designated for a specific purpose are classified as restricted cash and cash equivalents. On the Balance Sheets, the current portion of restricted cash and cash equivalents is included in "Other current assets," while the noncurrent portion is included in "Other noncurrent assets." See Note 15 for a reconciliation of Cash, Cash Equivalents and Restricted Cash reported within the Balance Sheets to the amounts shown on the Statements of Cash Flows.

(All Registrants)

Fair Value Measurements

The Registrants value certain financial and nonfinancial assets and liabilities at fair value. Generally, the most significant fair value measurements relate to price risk management assets and liabilities, investments in securities in defined benefit plans, and cash and cash equivalents. PPL and its subsidiaries use, as appropriate, a market approach (generally, data from market transactions), an income approach (generally, present value techniques and option-pricing models) and/or a cost approach (generally, replacement cost) to measure the fair value of an asset or liability. These valuation approaches incorporate inputs such as observable, independent market data and/or unobservable data that management believes are predicated on the assumptions market participants would use to price an asset or liability. These inputs may incorporate, as applicable, certain risks such as nonperformance risk, which includes credit risk.

The Registrants classify fair value measurements within one of three levels in the fair value hierarchy. The level assigned to a fair value measurement is based on the lowest level input that is significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are as follows:

- **Level 1 -** quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date. Active markets are those in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

- **Level 2 -** inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for substantially the full term of the asset or liability.

- **Level 3 -** unobservable inputs that management believes are predicated on the assumptions market participants would use to measure the asset or liability at fair value.

Assessing the significance of a particular input requires judgment that considers factors specific to the asset or liability. As such, the Registrants' assessment of the significance of a particular input may affect how the assets and liabilities are classified within the fair value hierarchy.

Investments

Generally, the original maturity date of an investment and management's intent and ability to sell an investment prior to its original maturity determine the classification of investments as either short-term or long-term. Investments that would otherwise be classified as short-term, but are restricted as to withdrawal or use for other than current operations or are clearly designated for expenditure in the acquisition or construction of noncurrent assets or for the liquidation of long-term debts, are classified as long-term.

Investments in entities in which a company has the ability to exercise significant influence but does not have a controlling financial interest are accounted for under the equity method. All other investments are carried at cost or fair value. These investments are included in "Other noncurrent assets" on the Balance Sheets. Earnings from these investments are recorded in "Other Income (Expense) - net" on the Statements of Income.

Short-term investments generally include certain deposits as well as securities that are considered highly liquid or provide for periodic reset of interest rates. Investments with original maturities greater than three months and less than a year, as well as investments with original maturities of greater than a year that management has the ability and intent to sell within a year, are included in "Other current assets" on the Balance Sheets.

Long-Lived and Intangible Assets

Property, Plant and Equipment

PP&E is recorded at original cost, unless impaired. If impaired, the asset is written down to fair value at that time, which becomes the new cost basis of the asset. PP&E acquired in business combinations is recorded at fair value at the time of acquisition. Original cost for constructed assets includes material, labor, contractor costs, certain overheads and financing costs, where applicable. Included in PP&E are capitalized costs of software projects that were developed or obtained for internal use. The cost of repairs and minor replacements are charged to expense as incurred. The Registrants record costs associated with planned major maintenance projects in the period in which work is performed and costs are incurred.

AFUDC is capitalized at PPL Electric and RIE as part of the construction costs for cost-based rate-regulated projects for which a return on such costs is recovered after the project is placed in service. AFUDC is capitalized at LG&E and KU for certain projects as part of the construction cost of approved projects. LG&E and KU are generally provided a return on construction work in progress for other projects. The debt component of AFUDC is credited to "Interest Expense" and the equity component is credited to "Other Income (Expense) - net" on the Statements of Income.

The Registrants capitalize interest costs as part of construction costs. Capitalized interest, including the debt component of AFUDC, for the years ended December 31 is as follows:

	2024	2023	2022
PPL	$ 20	$ 12	$ 7
PPL Electric	9	7	5
LG&E	3	1	—
KU	4	1	—

Depreciation

Depreciation is recorded over the estimated useful lives of property using various methods including the straight-line, composite and group methods. When a component of PP&E that was depreciated under the composite or group method is retired, the original cost is charged to accumulated depreciation. When all or a significant portion of an operating unit that was depreciated under the composite or group method is retired or sold, the property and the related accumulated depreciation account is reduced and any gain or loss is included in income, unless otherwise required by regulators. RIE, LG&E and KU accrue costs of removal net of estimated salvage value through depreciation, which is included in the calculation of customer rates over the assets' depreciable lives in accordance with regulatory practices. Cost of removal amounts accrued through depreciation rates are accumulated as a regulatory liability until the removal costs are incurred. For LG&E and KU, all ARO depreciation expenses are reclassified to a regulatory asset or regulatory liability. See "Asset Retirement Obligations" below and Note 7 for additional information. PPL Electric records net costs of removal when incurred as a regulatory asset. The regulatory asset is subsequently amortized through depreciation over a five-year period, which is recoverable in customer rates in accordance with regulatory practices.

Following are the weighted-average annual rates of depreciation, for regulated utility plant, for the years ended December 31:

	2024	2023	2022
PPL	3.20 %	3.26 %	3.21 %
PPL Electric	2.52 %	2.62 %	2.75 %
LG&E	4.02 %	4.00 %	4.16 %
KU	3.86 %	3.95 %	4.01 %

Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price paid over the fair value of the identifiable net assets acquired in a business combination.

Other acquired intangible assets are initially measured based on their fair value. Intangibles that have finite useful lives are amortized over their useful lives based upon the pattern in which the economic benefits of the intangible assets are consumed or otherwise used. Costs incurred to obtain, renew or extend terms of an intangible asset are capitalized.

When determining the useful life of an intangible asset, including intangible assets that are renewed or extended, PPL and its subsidiaries consider:

- the expected use of the asset;
- the expected useful life of other assets to which the useful life of the intangible asset may relate;
- legal, regulatory, or contractual provisions that may limit the useful life;
- the company's historical experience as evidence of its ability to support renewal or extension;
- the effects of obsolescence, demand, competition, and other economic factors; and,
- the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Asset Impairment (Excluding Investments)

The Registrants review long-lived assets that are subject to depreciation or amortization, including finite-lived intangibles, for impairment when events or circumstances indicate carrying amounts may not be recoverable.

A long-lived asset classified as held and used is impaired when the carrying amount of the asset exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If impaired, the asset's carrying value is written down to its fair value.

A long-lived asset classified as held for sale is impaired when the carrying amount of the asset (disposal group) exceeds its fair value less cost to sell. If impaired, the asset's (disposal group's) carrying value is written down to its fair value less cost to sell.

PPL, LG&E and KU review goodwill for impairment at the reporting unit level annually or more frequently when events or circumstances indicate that the carrying amount of a reporting unit may be greater than the unit's fair value. Additionally, goodwill must be tested for impairment in circumstances when a portion of goodwill has been allocated to a business to be disposed. PPL's, LG&E's and KU's reporting units are primarily at the operating segment level.

Goodwill recognized upon the acquisition of Narragansett Electric was assigned for impairment testing by PPL to its reporting units expected to benefit from the acquisition, which were the Rhode Island Regulated reporting unit, the Pennsylvania Regulated reporting unit and the Kentucky Regulated reporting unit. See Note 9 for additional information regarding the acquisition.

PPL, for its reporting units, and individually, LG&E and KU, may elect either to initially make a qualitative evaluation about the likelihood of an impairment of goodwill or to bypass the qualitative evaluation and test goodwill for impairment using a quantitative test. If the qualitative evaluation (referred to as step zero) is elected and the assessment results in a determination that it is not more likely than not that the fair value of a reporting unit is less than the carrying amount, the quantitative impairment test is not necessary. However, the quantitative impairment test is required if management concludes it is more likely than not that the fair value of a reporting unit is less than the carrying amount based on the step zero assessment. If the carrying amount of the reporting unit, including goodwill, exceeds its fair value, an impairment loss is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit.

As of October 1, 2024, PPL, for its reporting units, and individually, LG&E and KU, elected to perform the qualitative step zero evaluation of goodwill. These evaluations considered the excess of fair value over the carrying value of each reporting unit that was calculated during step one of the quantitative impairment tests performed in the fourth quarter of 2022, and the relevant events and circumstances that occurred since those tests were performed including:

- current year financial performance versus the prior year,
- changes in planned capital expenditures,
- the consistency of forecasted free cash flows,
- earnings quality and sustainability,
- changes in market participant discount rates,
- changes in long-term growth rates,
- changes in PPL's market capitalization, and
- the overall economic and regulatory environments in which these regulated entities operate.

Based on these evaluations, management concluded it was not more likely than not that the fair value of these reporting units was less than their carrying value. As such, the step one quantitative impairment test was not performed and no impairment was recognized.

(*PPL, LG&E and KU*)

Asset Retirement Obligations

PPL and its subsidiaries record liabilities to reflect various legal obligations associated with the retirement of long-lived assets. Initially, this obligation is measured at fair value and offset with an increase in the value of the capitalized asset, which is depreciated over the asset's useful life. Until the obligation is settled, the liability is increased through the recognition of accretion expense classified within "Other operation and maintenance" on the Statements of Income to reflect changes in the obligation due to the passage of time. For LG&E and KU, all ARO accretion and depreciation expenses are reclassified as a regulatory asset or regulatory liability. ARO regulatory assets associated with certain CCR projects are amortized to expense in accordance with regulatory approvals. For other AROs, deferred accretion and depreciation expense is recovered through cost of removal.

Estimated ARO costs and settlement dates, which affect the carrying value of the ARO and the related capitalized asset, are reviewed periodically to ensure that any material changes are incorporated into the latest estimate of the ARO. Any change to the capitalized asset, positive or negative, is generally amortized over the remaining life of the associated long-lived asset. See Note 7 and Note 18 for additional information on AROs.

Compensation and Benefits

Defined Benefits *(All Registrants)*

Certain PPL subsidiaries sponsor various defined benefit pension and other postretirement plans. An asset or liability is recorded to recognize the funded status of all defined benefit plans with an offsetting entry to AOCI or, for LG&E, KU, RIE and PPL Electric, to regulatory assets or liabilities. Consequently, the funded status of all defined benefit plans is fully recognized on the Balance Sheets.

The expected return on plan assets is determined based on a market-related value of plan assets, which is calculated by rolling forward the prior year market-related value with contributions, disbursements and long-term expected return on investments. One-fifth of the difference between the actual value and the expected value is added (or subtracted if negative) to the expected value to determine the new market-related value.

PPL and its subsidiaries, excluding RIE, use an accelerated amortization method for the recognition of gains and losses for its defined benefit pension plans. Under the accelerated method, actuarial gains and losses in excess of 30% of the plan's projected benefit obligation are amortized on a straight-line basis over one-half of the required amortization period. Actuarial gains and losses in excess of 10% of the greater of the plan's projected benefit obligation or the market-related value of plan assets and less than 30% of the plan's projected benefit obligation are amortized on a straight-line basis over the full required amortization period. RIE uses the standard amortization method under GAAP for recognition of gains and losses for its defined benefit pension plan.

See Note 7 for a discussion of the regulatory treatment of defined benefit costs and Note 10 for a discussion of defined benefits.

Stock-Based Compensation *(PPL)*

PPL has several stock-based compensation plans for purposes of granting stock options, restricted stock, restricted stock units and performance units to certain employees as well as stock units and restricted stock units to directors. PPL grants most stock-based compensation awards in the first quarter of each year. PPL recognizes compensation expense for stock-based compensation awards based on the fair value method. Forfeitures of awards are recognized when they occur. All awards are recorded as equity or a liability on the Balance Sheets. Stock-based compensation expense is primarily included in "Other operation and maintenance" on the Statements of Income.

Taxes

Income Taxes

(All Registrants)

PPL and its domestic subsidiaries file a consolidated U.S. federal income tax return.

Significant management judgment is required in developing the Registrants' provision for income taxes, primarily due to the uncertainty related to tax positions taken or expected to be taken on tax returns and valuation allowances on deferred tax assets.

The Registrants use a two-step process to evaluate uncertain tax positions. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in its financial statements the amount of the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization upon settlement that exceeds 50%. Unrecognized tax benefits are classified as current to the extent management expects to settle the uncertain tax position by payment or receipt of cash within one year of the reporting date. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements of the Registrants in future periods. At December 31, 2024, no significant changes in unrecognized tax benefits were projected over the next 12 months.

Deferred income taxes reflect the net future tax effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and their basis for income tax purposes, as well as the tax effects of net operating losses and tax credit carryforwards.

The Registrants record valuation allowances to reduce deferred income tax assets to the amounts that are more-likely-than-not to be realized. The need for valuation allowances requires significant management judgment. If the Registrants determine that they are able to realize deferred tax assets in the future in excess of recorded net deferred tax assets, adjustments to the valuation allowances increase income by reducing tax expense in the period that such determination is made. Likewise, if the Registrants determine that they are not able to realize all or part of net deferred tax assets in the future, adjustments to the valuation allowances would decrease income by increasing tax expense in the period that such determination is made. The amount of deferred tax assets ultimately realized may differ materially from the estimates utilized in the computation of valuation allowances and may materially impact the financial statements in the future.

The Registrants defer investment tax credits when the credits are generated and amortize the deferred amounts over the average lives of the related assets. With respect to acquired renewable tax credits, pursuant to the IRA, any benefit is recognized in the period the credits can be utilized.

The Registrants recognize tax-related interest and penalties in "Income Taxes" on their Statements of Income.

The Registrants use the portfolio approach method of accounting for deferred taxes related to pre-tax OCI transactions. The portfolio approach involves a strict period-by-period cumulative incremental allocation of income taxes to the change in income and losses reflected in OCI. Under this approach, the net cumulative tax effect is ignored. The net change in unrealized gains and losses recorded in AOCI under this approach would be eliminated only on the date the investment portfolio is classified as held for sale or is liquidated.

See Note 6 to the Financial Statements for income tax disclosures.

The provision for the Registrants' deferred income taxes related to regulatory assets and liabilities is based upon the ratemaking principles reflected in rates established by relevant regulators. The difference in the provision for deferred income taxes for regulatory assets and liabilities and the amount that otherwise would be recorded under GAAP is deferred and included on the Balance Sheets in noncurrent "Regulatory assets" or "Regulatory liabilities."

(PPL Electric, LG&E and KU)

The income tax provision for PPL Electric, LG&E and KU is calculated in accordance with an intercompany tax sharing agreement, which provides that taxable income be calculated as if PPL Electric, LG&E, KU and any domestic subsidiaries each filed a separate return. Tax benefits are not shared between companies. The entity that generates a tax benefit is the entity that is entitled to the tax benefit. The effect of PPL filing a consolidated tax return is taken into account in the settlement of current taxes and the recognition of deferred taxes.

At December 31, the following intercompany tax receivables (payables) were recorded:

	2024	2023
PPL Electric	$ (2)	$ (21)
LG&E	(2)	(5)
KU	(5)	(3)

Taxes, Other Than Income *(All Registrants)*

The Registrants present sales taxes in "Other current liabilities" on the Balance Sheets. These taxes are not reflected on the Statements of Income. See Note 6 for details of taxes included in "Taxes, other than income" on the Statements of Income.

Other

(All Registrants)

Fuel, Materials and Supplies

Fuel, natural gas stored underground and materials and supplies are valued using the average cost method. Fuel costs for electricity generation are charged to expense as used. For RIE, natural gas supply costs are charged to expense when delivered to customers. For LG&E, natural gas supply costs are charged to expense as delivered to the distribution system. See Note 7 for further discussion of the fuel adjustment clauses and gas supply clause.

"Fuel, materials and supplies" on the Balance Sheets consisted of the following at December 31:

	2024			
	PPL	PPL Electric	LG&E	KU
Fuel	$ 153	$ —	$ 64	$ 89
Natural gas stored underground	49	—	29	—
Materials and supplies	309	104	64	84
Total	$ 511	$ 104	$ 157	$ 173

	2023			
	PPL	PPL Electric	LG&E	KU
Fuel	$ 144	$ —	$ 50	$ 94
Natural gas stored underground	58	—	34	—
Materials and supplies	303	99	59	91
Total	$ 505	$ 99	$ 143	$ 185

(PPL and PPL Electric)

Renewable Energy Standard Obligation

Purchased Renewable Energy Certificates (RECs) are stated at cost and are used to measure compliance with state renewable energy standards. RECs support new renewable generation standards and are held primarily to be utilized in fulfillment of RIE’s and PPL Electric's compliance obligations.

(All Registrants)

Guarantees

Generally, the initial measurement of a guarantee liability is the fair value of the guarantee at its inception. However, there are certain guarantees excluded from the scope of accounting guidance and other guarantees that are not subject to the initial recognition and measurement provisions of accounting guidance that only require disclosure. See Note 12 for further discussion of guarantees.

New Accounting Guidance Adopted *(All Registrants)*

Improvements to Reportable Segment Disclosures

Effective December 31, 2024, the Registrants retrospectively adopted accounting guidance to improve segment disclosures. The guidance requires enhanced disclosures about significant segment expenses. The standard also requires public entities to disclose the title and position of the Chief Operating Decision Maker (CODM) and explain how the CODM uses the reported measure(s) of segment profit or loss in assessing segment performance and deciding how to allocate resources. Certain segment-related disclosures that previously were required only on an annual basis will be required to be disclosed in interim periods. In addition, public entities that have a single reportable segment are now required to provide segment disclosures.

The adoption of this guidance resulted in the Registrants including the required additional disclosures within the notes to the financial statements. See Note 2 for additional information.

2. Segment and Related Information

(PPL)

PPL is organized into three segments, broken down by geographic location: Kentucky Regulated, Pennsylvania Regulated, and Rhode Island Regulated.

The Kentucky Regulated segment consists primarily of the regulated electricity generation, transmission and distribution operations conducted by LG&E and KU, as well as LG&E's regulated transmission, distribution and sale of natural gas.

The Pennsylvania Regulated segment includes the regulated electricity transmission and distribution operations of PPL Electric.

The Rhode Island Regulated segment includes the regulated electricity transmission and distribution and natural gas distribution operations of RIE, which was acquired in May of 2022.

"Corporate and Other" primarily includes corporate level financing costs, certain unallocated corporate costs, and certain non-recoverable costs incurred in conjunction with the acquisition of Rhode Island Energy and the financial results of Safari Energy, prior to its sale on November 1, 2022. "Corporate and Other" is presented to reconcile segment information to PPL's consolidated results and is not a reportable segment.

PPL's CODM is the Corporate Leadership Council (CLC), which is a management committee that is comprised of the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Technology Officer, Chief Human Resources Officer and Chief Legal Officer.

The CLC uses financial metrics including segment net income, earnings from ongoing operations, earnings per share and return on equity, as well as various operational metrics to assess segment performance and make investment and resource decisions. Segment net income is the measure of segment profit or loss that most closely aligns with GAAP and is being presented for disclosure purposes.

The tables below provide information about PPL's segments and include the reconciliation to consolidated net income for the year ended December 31, 2024:

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total
Operating Revenues from external customers (a)	$ 3,562	$ 2,876	$ 2,024	$ 8,462
Reconciliation of revenue				
Corporate and other revenues				—
Total consolidated revenues				$ 8,462
Less:				
Fuel	783	—	—	783
Energy Purchases	176	721	782	1,679
Operation and maintenance	803	705	731	2,239
Depreciation	710	401	165	1,276
Taxes, other than income	99	131	144	374
Other (income) expense - net	(29)	(78)	(24)	(131)
Interest expense	240	246	95	581
Income taxes	160	176	22	358
Segment net income	$ 620	$ 574	$ 109	$ 1,303
Reconciliation of segment profit or loss to consolidated net income				
Corporate and other net loss				(415)
Net Income				$ 888

(a) See Note 1 and Note 3 for additional information on Operating Revenues.

Other information for the segments and reconciliation to PPL's Consolidated results for the year ended December 31, 2024 are as follows:

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total Segments	Corporate and Other	Consolidated Total
Other Segment Disclosures						
Amortization (a)	$ 24	$ 45	$ 1	$ 70	$ 8	$ 78
Deferred income taxes and investment tax credits (b)	2	129	38	169	27	196
Expenditures for long lived assets	1,088	1,229	495	2,812	(7)	2,805

(a) Represents non-cash expense items that include amortization of operating lease right-of-use assets, regulatory assets and liabilities, debt discounts and premiums and debt issuance costs.
(b) Represents a non-cash expense item that is also included in "Income Taxes."

The tables below provide information about PPL's segments and include the reconciliation to consolidated net income for the year ended December 31, 2023:

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total
Operating Revenues from external customers (a)	$ 3,452	$ 3,008	$ 1,851	$ 8,311
Reconciliation of revenue				
Corporate and other revenues				1
Total consolidated revenues				$ 8,312

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total
Less:				
Fuel	733	—	—	733
Energy Purchases	192	992	658	1,842
Operation and maintenance	826	605	705	2,136
Depreciation	696	397	156	1,249
Taxes, other than income	93	143	156	392
Other (income) expense - net	(12)	(39)	(19)	(70)
Interest expense	235	223	83	541
Income taxes	137	168	16	321
Segment net income	$ 552	$ 519	$ 96	$ 1,167
Reconciliation of segment profit or loss to consolidated net income				
Corporate and other net loss				(427)
Net Income				$ 740

(a) See Note 1 and Note 3 for additional information on Operating Revenues.

Other information for the segments and reconciliation to PPL's Consolidated results for the year ended December 31, 2023 are as follows:

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total Segments	Corporate and Other	Consolidated Total
Other Segment Disclosures						
Amortization (a)	$ 33	$ 41	$ 1	$ 75	$ 6	$ 81
Deferred income taxes and investment tax credits (b)	(17)	46	48	77	245	322
Expenditures for long lived assets	950	956	454	2,360	30	2,390

(a) Represents non-cash expense items that include amortization of operating lease right-of-use assets, regulatory assets and liabilities, debt discounts and premiums and debt issuance costs.
(b) Represents a non-cash expense item that is also included in "Income Taxes."

The tables below provide information about PPL's segments and include the reconciliation to consolidated net income for the year ended December 31, 2022:

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total
Operating Revenues from external customers (a)	$ 3,811	$ 3,030	$ 1,038	$ 7,879
Reconciliation of revenue				
Corporate and other revenues				23
Total consolidated revenues				$ 7,902
Less:				
Fuel	931	—	—	931
Energy Purchases	273	1,048	365	1,686
Operation and maintenance	959	605	531	2,095
Depreciation	685	393	92	1,170
Taxes, other than income	92	149	92	333
Other (income) expense - net	(12)	(35)	(23)	(70)
Interest expense	205	171	39	415
Income taxes	129	174	(14)	289
Segment net income	$ 549	$ 525	$ (44)	$ 1,030
Reconciliation of segment profit or loss to consolidated net income				
Corporate and other net loss				(316)
Income from discontinued operations (Note 9)				42
Net Income				$ 756

(a) See Note 1 and Note 3 for additional information on Operating Revenues.

Other information for the segments and reconciliation to PPL's Consolidated results for the year ended December 31, 2022 are as follows:

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total Segments	Corporate and Other	Consolidated Total
Other Segment Disclosures						
Amortization (a)	$ 23	$ 22	$ 2	$ 47	$ 5	$ 52
Deferred income taxes and investment tax credits (b)	6	91	39	136	43	179
Expenditures for long lived assets	917	889	268	2,074	84	2,158

(a) Represents non-cash expense items that include amortization of operating lease right-of-use assets, regulatory assets and liabilities, debt discounts and premiums and debt issuance costs.
(b) Represents a non-cash expense item that is also included in "Income Taxes."

The following provides Balance Sheet data for the segments and reconciliation to PPL's consolidated results as of:

	As of December 31,	
	2024	2023
Total Assets		
Kentucky Regulated	$ 17,626	$ 17,029
Pennsylvania Regulated	15,475	14,294
Rhode Island Regulated	7,055	6,515
Corporate and Other (a)	913	1,398
Total	$ 41,069	$ 39,236

(a) Primarily consists of unallocated items, including cash, PP&E, goodwill, and the elimination of inter-segment transactions.

(PPL Electric)

PPL Electric has two operating segments, distribution and transmission, which are aggregated into a single reportable segment. PPL Electric's CODM is the President of PPL Electric.

The President uses financial metrics including segment net income, earnings from ongoing operations, earnings per share and return on equity, as well as various operational metrics to assess segment performance and make investment and resource decisions.

The significant segment expenses of and measure of profit and loss for PPL Electric regularly provided to the President are included on the face of PPL Electric's Statements of Income.

The measure of segment assets is reported on PPL Electric's Balance Sheets as total consolidated assets. The measures of significant non-cash segment expenses as well as expenditures for long lived assets are reported on PPL Electric's Statements of Cash Flows.

(LG&E and KU)

Each of LG&E and KU operates as a single operating and reportable segment, and the CODM for each of LG&E and KU is its President.

The President manages LG&E and KU as a single consolidated entity. Financial metrics including net income, earnings from ongoing operations, earnings per share and return on equity, as well as various operational metrics are used to assess segment performance and make investment and resource decisions.

The significant segment expenses of and measure of profit and loss for each of LG&E and KU regularly provided to its President are included on the face of the Statements of Income of LG&E and KU.

The measures of segment assets are reported on the Balance Sheets of LG&E and KU as total assets. The measures of significant non-cash segment expenses as well as expenditures for long lived assets are reported on the Statements of Cash Flows of LG&E and KU.

3. Revenue from Contracts with Customers

(All Registrants)

The following is a description of the principal activities from which the Registrants and PPL's segments generate their revenues.

(PPL and PPL Electric)

Pennsylvania Regulated Segment Revenue

The Pennsylvania Regulated segment generates substantially all of its revenues from contracts with customers from PPL Electric's tariff-based distribution and transmission of electricity.

Distribution Revenue

PPL Electric provides distribution services to residential, commercial, industrial, municipal and governmental end users of energy. PPL Electric satisfies its performance obligation to its distribution customers and revenue is recognized over time as electricity is delivered and simultaneously consumed by the customer. The amount of revenue recognized is the volume of electricity delivered during the period multiplied by the price per tariff, plus a monthly fixed charge. This method of recognition fairly presents PPL Electric's transfer of electric service to the customer as the calculation is based on volumes delivered, and the price per tariff and the monthly fixed charge are set by the PAPUC. Customers are typically billed monthly and outstanding amounts are normally due within 21 days of the date of the bill.

Distribution customers are "at will" customers of PPL Electric with no term contract and no minimum purchase commitment. Performance obligations are limited to the service requested and received to date. Accordingly, there is no unsatisfied performance obligation associated with PPL Electric's retail account contracts.

Certain customers have the option to obtain electricity from other suppliers where PPL Electric facilitates the delivery. In those circumstances, revenue is only recognized for providing delivery of the commodity to the customer.

Transmission Revenue

PPL Electric generates transmission revenues from a FERC-approved PJM Open Access Transmission Tariff. An annual revenue requirement for PPL Electric to provide transmission services is calculated using a formula-based rate. This revenue requirement is converted into a daily rate (dollars per day). PPL Electric satisfies its performance obligation to provide transmission services and revenue is recognized over time as transmission services are provided and consumed. This method of recognition fairly presents PPL Electric's transfer of transmission services as the daily rate is set by a FERC approved formula-based rate. PJM remits payment on a weekly basis.

PPL Electric's agreement to provide transmission services contains no minimum purchase commitment. The performance obligation is limited to the service requested and received to date. Accordingly, PPL Electric has no unsatisfied performance obligations.

(PPL)

Rhode Island Regulated Segment Revenues

The Rhode Island Regulated segment generates substantially all of its revenues from contracts with customers from RIE's regulated tariff-based transmission and distribution of electricity and regulated tariff-based distribution of natural gas.

Distribution Revenue

Distribution revenues are primarily from the sale of electricity, natural gas, and related services to retail customers. Distribution sales are regulated by the RIPUC, which is responsible for approving the rates and other terms of services as part of the rate making process. Natural gas and electric distribution revenues are derived from the regulated sale and distribution of electricity and natural gas to residential, commercial, and industrial customers within RIE's service territory under the tariff rates. The performance obligation related to distribution sales is to provide electricity and natural gas to customers on demand. The performance obligation is satisfied over time because the customer simultaneously receives and consumes the electricity or natural gas as services are provided. RIE records revenues related to the distribution sales based upon the approved tariff rate and the volume delivered to the customers, which corresponds with the amount RIE has the right to invoice. Customers are typically billed monthly and outstanding amounts are normally due within 21 days of date of the bill.

Distribution revenue also includes estimated unbilled amounts, which represent the estimated amounts due from retail customers as a result of customer's bills rendered throughout the month, rather than bills being rendered at the end of the month. Unbilled revenues are determined based on estimated unbilled sales volumes and then applying tariff rates to those volumes. Any difference between estimated and actual revenues is adjusted the following month when the previous unbilled estimate is reversed and actual billings occur. This method of recognition fairly presents RIE's transfer of electricity and natural gas to the customer as the amount recognized is based on actual and estimated volumes delivered and the tariff rate per unit of energy and any applicable fixed charges or regulatory mechanisms as approved by the respective regulatory body.

Distribution customers are "at will" customers of RIE with no term contract and no minimum purchase commitment. Performance obligations are limited to the service requested and received to date. Accordingly, there is no unsatisfied performance obligation associated with RIE's retail account contracts.

Certain customers have the option to obtain electricity or natural gas from other suppliers where RIE facilitates the delivery. In those circumstances, revenue is only recognized for providing delivery of the commodity to the customer.

Transmission Revenue

RIE’s transmission services are regulated by the FERC and coordinated with ISO – New England (ISO-NE). As of January 1, 2023, RIE is a transmission operator. These revenues arise under tariff/rate agreements and are collected primarily from RIE’s distribution customers. The revenue is recognized over time as transmission services are provided and consumed. This method of recognition fairly presents RIE’s transfer of transmission services as the daily rate is set by a FERC-approved formula-based rate.

RIE's agreement to provide transmission services contains no minimum purchase commitment. The performance obligation is limited to the service requested and received to date. Accordingly, RIE has no unsatisfied performance obligations.

(PPL, LG&E and KU)

Kentucky Regulated Segment Revenue

The Kentucky Regulated Segment generates substantially all of its revenues from contracts with customers from LG&E's and KU's regulated tariff-based sales of electricity and LG&E's regulated tariff-based sales of natural gas.

LG&E and KU are engaged in the generation, transmission, distribution and sale of electricity in Kentucky and, in KU's case, Virginia. LG&E also engages in the distribution and sale of natural gas in Kentucky. Revenue from these activities is generated from tariffs approved by applicable regulatory authorities including the FERC, KPSC and VSCC. LG&E and KU satisfy their performance obligations upon LG&E's and KU's delivery of electricity and LG&E's delivery of natural gas to customers. This revenue is recognized over time as the customer simultaneously receives and consumes the benefits provided by LG&E and KU. The amount of revenue recognized is the billed volume of electricity or natural gas delivered multiplied by a tariff rate per-unit of energy, plus any applicable fixed charges or additional regulatory mechanisms. Customers are billed monthly and outstanding amounts are typically due within 22 days of the date of the bill. Additionally, unbilled revenues are recognized as a result of customers' bills rendered throughout the month, rather than bills being rendered at the end of the month. Unbilled revenues for a month are calculated by multiplying an estimate of unbilled kWh or Mcf delivered but not yet billed by the estimated average cents per kWh or Mcf. Any difference between estimated and actual revenues is adjusted the following month when the previous unbilled estimate is reversed and actual billings occur. This method of recognition fairly presents LG&E's and KU's transfer of electricity and LG&E's transfer of natural gas to the customer as the amount recognized is based on actual and estimated volumes delivered and the tariff rate per-unit of energy and any applicable fixed charges or regulatory mechanisms as set by the respective regulatory body.

LG&E's and KU's customers generally have no minimum purchase commitment. Performance obligations are limited to the service requested and received to date. Accordingly, there is no unsatisfied performance obligation associated with these customers.

(All Registrants)

The following table reconciles "Operating Revenues" included in each Registrant's Statement of Income with revenues generated from contracts with customers for the years ended December 31:

	2024			
	PPL	PPL Electric	LG&E	KU
Operating Revenues (a)(b)	$ 8,462	$ 2,876	$ 1,648	$ 1,964
Revenues derived from:				
Alternative revenue programs (c)	5	(19)	13	16
Other (d)	(23)	(15)	(4)	(4)
Revenues from Contracts with Customers	$ 8,444	$ 2,842	$ 1,657	$ 1,976

	2023			
	PPL	PPL Electric	LG&E	KU
Operating Revenues (a)(b)	$ 8,312	$ 3,008	$ 1,613	$ 1,884
Revenues derived from:				
Alternative revenue programs (c)	1	5	(1)	(5)
Other (d)	(23)	(15)	(4)	(4)
Revenues from Contracts with Customers	$ 8,290	$ 2,998	$ 1,608	$ 1,875

	2022			
	PPL	PPL Electric	LG&E	KU
Operating Revenues (a)(b)	$ 7,902	$ 3,030	$ 1,798	$ 2,074
Revenues derived from:				
Alternative revenue programs (c)	(92)	(56)	9	5
Other (d)	(24)	(14)	(6)	(4)
Revenues from Contracts with Customers	$ 7,786	$ 2,960	$ 1,801	$ 2,075

(a) PPL includes $2,024 million, $1,851 million and $1,038 million for the twelve months ended December 31, 2024, 2023, and 2022 of revenues from external customers reported by the Rhode Island Regulated segment. PPL Electric represents revenues from external customers reported by the Pennsylvania Regulated segment and LG&E and KU, net of intercompany power sales and transmission revenues, represent revenues from external customers reported by the Kentucky Regulated segment. See Note 2 for additional information.

(b) PPL's transition services agreement associated with the RIE acquisition ended in the third quarter of 2024. In conjunction with the completion of the agreement, PPL conformed the presentation of RIE's and the Rhode Island Regulated segment's net metering charges with the presentation of the other segments, resulting in an increase in Operating Revenues and a corresponding increase in Energy purchases beginning on January 1, 2024. For the year ended December 31, 2024, net metering of $175 million was included in Energy purchases on PPL's Statement of Income. For the years ended December 31, 2023 and 2022, $146 million and $79 million of net metering was presented as a reduction of Operating Revenues on PPL's Statement of Income.

(c) This line item shows the over/under collection of rate mechanisms deemed alternative revenue programs with over-collections of revenue shown as positive amounts in the table above and under collections as negative amounts.

(d) Represents additional revenues outside the scope of revenues from contracts with customers such as leases and other miscellaneous revenues.

The following table shows revenues from contracts with customers disaggregated by customer class for the years ended December 31:

	Residential	Commercial	Industrial	Other (a)	Wholesale - municipality	Wholesale - other (b)	Transmission	Revenues from Contracts with Customers
PPL								
2024								
PA Regulated	$ 1,502	$ 418	$ 47	$ 57	$ —	$ —	$ 818	$ 2,842
RI Regulated (c)	1,150	593	91	10	—	—	176	2,020
KY Regulated	1,510	1,028	635	323	23	63	—	3,582
Total PPL	$ 4,162	$ 2,039	$ 773	$ 390	$ 23	$ 63	$ 994	$ 8,444

	Residential	Commercial	Industrial	Other (a)	Wholesale - municipality	Wholesale - other (b)	Transmission	Revenues from Contracts with Customers
2023								
PA Regulated	$ 1,649	$ 444	$ 55	$ 54	$ —	$ —	$ 796	$ 2,998
RI Regulated	640	228	20	793	—	—	170	1,851
KY Regulated	1,458	1,001	637	272	22	50	—	3,440
Corp and Other	—	—	—	1	—	—	—	1
Total PPL	$ 3,747	$ 1,673	$ 712	$ 1,120	$ 22	$ 50	$ 966	$ 8,290
2022								
PA Regulated	$ 1,647	$ 491	$ 85	$ 54	$ —	$ —	$ 683	$ 2,960
RI Regulated	299	101	9	478	—	—	101	988
KY Regulated	1,637	1,068	662	323	28	97	—	3,815
Corp and Other	—	—	—	23	—	—	—	23
Total PPL	$ 3,583	$ 1,660	$ 756	$ 878	$ 28	$ 97	$ 784	$ 7,786
PPL Electric								
2024	$ 1,502	$ 418	$ 47	$ 57	$ —	$ —	$ 818	$ 2,842
2023	$ 1,649	$ 444	$ 55	$ 54	$ —	$ —	$ 796	$ 2,998
2022	$ 1,647	$ 491	$ 85	$ 54	$ —	$ —	$ 683	$ 2,960
LG&E								
2024	$ 754	$ 518	$ 188	$ 147	$ —	$ 50	$ —	$ 1,657
2023	$ 751	$ 517	$ 189	$ 104	$ —	$ 47	$ —	$ 1,608
2022	$ 835	$ 551	$ 199	$ 141	$ —	$ 75	$ —	$ 1,801
KU								
2024	$ 756	$ 510	$ 447	$ 176	$ 23	$ 64	$ —	$ 1,976
2023	$ 707	$ 484	$ 448	$ 168	$ 22	$ 46	$ —	$ 1,875
2022	$ 802	$ 517	$ 463	$ 182	$ 28	$ 83	$ —	$ 2,075

(a) Primarily includes revenues from pole attachments, street lighting, other public authorities and other non-core businesses. For the years ended December 31, 2023 and 2022, the Rhode Island Regulated segment primarily includes open access tariff revenues, which are calculated on combined customer classes.
(b) Includes wholesale power and transmission revenues. LG&E and KU amounts include intercompany power sales and transmission revenues, which are eliminated upon consolidation at PPL.
(c) PPL's transition services agreement associated with the RIE acquisition ended in the third quarter of 2024. In conjunction with the completion of the agreement, PPL disaggregated the 2024 revenues of the Rhode Island Regulated segment in a manner consistent with that of its other segments. This resulted in certain customer revenues for the Rhode Island Regulated segment, which were previously presented in the "Other" category, being presented in the "Residential", "Commercial" or "Industrial" customer classes beginning on January 1, 2024. Applying the previous methodology to 2024 revenues would result in $469 million of Residential, $372 million of Commercial and $88 million of Industrial for the Rhode Island Regulated segment being presented as "Other" for the year ended December 31, 2024.

As discussed in Note 2, PPL segments its business by geographic location. Revenues from external customers for each segment/geographic location are reconciled to revenues from contracts with customers in the footnotes to the tables above. PPL Electric's revenues from contracts with customers are further disaggregated by distribution and transmission as indicated in the above tables.

Contract receivables from customers are primarily included in "Accounts receivable - Customer" and "Unbilled revenues" on the Balance Sheets.

The following table shows the accounts receivable and unbilled revenues balances that were impaired for the year ended December 31:

	2024	2023	2022
PPL(a)	$ 103	$ 79	$ 70
PPL Electric	52	47	21
LG&E	4	4	6
KU	4	2	6

(a) Includes $23 million for the twelve months ended December 31, 2022 related to the commitment to forgive customer arrearages for low-income and protected residential customers at RIE. See Note 9 for additional information.

The following table shows the balances and certain activity of contract liabilities resulting from contracts with customers:

	PPL	PPL Electric	LG&E	KU
Contract liabilities as of December 31, 2024	$ 39	$ 28	$ 5	$ 6
Contract liabilities as of December 31, 2023	43	29	6	7
Revenue recognized during the year ended December 31, 2024 that was included in the contract liability balance at December 31, 2023	26	12	6	7
Contract liabilities as of December 31, 2023	$ 43	$ 29	$ 6	$ 7
Contract liabilities as of December 31, 2022	34	23	5	6
Revenue recognized during the year ended December 31, 2023 that was included in the contract liability balance at December 31, 2022	21	10	5	6
Contract liabilities as of December 31, 2022	$ 34	$ 23	$ 5	$ 6
Contract liabilities as of December 31, 2021	42	25	6	6
Revenue recognized during the year ended December 31, 2022 that was included in the contract liability balance at December 31, 2021	25	12	6	6

Contract liabilities result from recording contractual billings in advance for customer attachments to the Registrants' infrastructure and payments received in excess of revenues earned to date. Advanced billings for customer attachments are recognized as revenue ratably over the billing period. Payments received in excess of revenues earned to date are recognized as revenue as services are delivered in subsequent periods.

4. Preferred Securities

(PPL)

PPL is authorized to issue up to 10 million shares of preferred stock. No PPL preferred stock was issued or outstanding in 2024, 2023 or 2022.

(PPL Electric)

PPL Electric is authorized to issue up to 20,629,936 shares of preferred stock. No PPL Electric preferred stock was issued or outstanding in 2024, 2023 or 2022.

(LG&E)

LG&E is authorized to issue up to 1,720,000 shares of preferred stock at a $25 par value and 6,750,000 shares of preferred stock without par value. LG&E had no preferred stock issued or outstanding in 2024, 2023 or 2022.

(KU)

KU is authorized to issue up to 5,300,000 shares of preferred stock and 2,000,000 shares of preference stock without par value. KU had no preferred or preference stock issued or outstanding in 2024, 2023 or 2022.

5. Earnings Per Share

(PPL)

Basic EPS is computed by dividing income available to PPL common shareowners by the weighted-average number of common shares outstanding during the applicable period. Diluted EPS is computed by dividing income available to PPL common shareowners by the weighted-average number of common shares outstanding, increased by the number of incremental shares that would be outstanding if potentially dilutive share-based payment awards were converted to common shares as calculated using the Two-Class Method or Treasury Stock Method. Incremental non-participating securities that have a dilutive impact are detailed in the table below.

Reconciliations of the amounts of income and shares of PPL common stock (in thousands) for the periods ended December 31, used in the EPS calculation are:

	2024	2023	2022
Income (Numerator)			
Income from continuing operations after income taxes	$ 888	$ 740	$ 714
Less amounts allocated to participating securities	2	1	1
Income from continuing operations after income taxes available to PPL common shareowners - Basic and Diluted	$ 886	$ 739	$ 713
Income from discontinued operations (net of income taxes) available to PPL common shareowners - Basic and Diluted	$ —	$ —	$ 42
Net income attributable to PPL	$ 888	$ 740	756
Less amounts allocated to participating securities	2	1	1
Net income available to PPL common shareowners - Basic and Diluted	$ 886	$ 739	$ 755
Shares of Common Stock (Denominator)			
Weighted-average shares - Basic EPS	737,756	737,036	736,027
Add: Dilutive share-based payment awards (a)	2,097	1,130	875
Weighted-average shares - Diluted EPS	739,853	738,166	736,902
Basic EPS			
Available to PPL common shareowners:			
Income from continuing operations after income taxes	$ 1.20	$ 1.00	$ 0.97
Income from discontinued operations (net of income taxes)	—	—	0.06
Net Income available to PPL common shareowners	$ 1.20	$ 1.00	$ 1.03
Diluted EPS			
Available to PPL common shareowners:			
Income from continuing operations after income taxes	$ 1.20	$ 1.00	$ 0.96
Income from discontinued operations (net of income taxes)	—	—	0.06
Net Income available to PPL common shareowners	$ 1.20	$ 1.00	$ 1.02

(a) The Treasury Stock Method was applied to non-participating share-based payment awards.

For the years ended December 31, PPL issued common stock related to stock-based compensation plans as follows (in thousands):

	2024	2023
DRIP	202	—

For the years ended December 31, the following shares (in thousands) were excluded from the computations of diluted EPS because the effect would have been antidilutive:

	2024	2023	2022
Stock-based compensation awards	—	243	93

6. Income and Other Taxes

(PPL)

"Income from Continuing Operations Before Income Taxes" is from domestic operations.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and their basis for income tax purposes and the tax effects of net operating loss and tax credit carryforwards. The provision for PPL's deferred income taxes for regulated assets and liabilities is based upon the ratemaking principles of the applicable jurisdiction. See Notes 1 and 7 for additional information.

Net deferred tax assets have been recognized based on management's estimates of future taxable income.

Significant components of PPL's deferred income tax assets and liabilities were as follows:

	2024	2023
Deferred Tax Assets		
Deferred investment tax credits	28	28
Regulatory liabilities	133	123
Income taxes due to customers	418	436
Accrued pension and postretirement costs	112	101
State loss carryforwards	224	253
Federal and state tax credit carryforwards	24	67
Internal Revenue Code Section 197 intangibles	72	78
Contributions in aid of construction	163	149
Bad debt	37	28
Other	114	111
Valuation allowances	(224)	(245)
Total deferred tax assets	1,101	1,129
Deferred Tax Liabilities		
Plant - net	3,898	3,749
Regulatory assets	432	376
Prepayments	39	47
Goodwill	38	22
Other	38	30
Total deferred tax liabilities	4,445	4,224
Net deferred tax liability	$ 3,344	$ 3,095

State deferred taxes are determined by entity and by jurisdiction. As a result, $12 million and $9 million of net deferred tax assets are shown as "Other noncurrent assets" on the Balance Sheets for 2024 and 2023.

At December 31, 2024, PPL had the following loss and tax credit carryforwards, related deferred tax assets and valuation allowances recorded against the deferred tax assets:

	Gross	Deferred Tax Asset	Valuation Allowance	Expiration
Loss and other carryforwards				
State net operating losses	$ 5,011	$ 224	$ (221)	2025-2044
State charitable contributions	10	1	(1)	2025-2029
Foreign capital loss	8	2	(2)	Indefinite

	Gross	Deferred Tax Asset	Valuation Allowance	Expiration
Credit carryforwards				
Federal - other		14	—	2044
State recycling credit		8	—	2028
State - other		2	—	Indefinite

Valuation allowances have been established for the amount that, more likely than not, will not be realized. The changes in deferred tax valuation allowances were as follows:

	Balance at Beginning of Period	Additions: Charged to Income	Additions: Charged to Other Accounts	Deductions	Balance at End of Period
2024	$ 245	$ 3	$ 1	$ 25 (a)	$ 224
2023	213	54 (b)	—	22 (c)	245
2022	462	10	—	259 (d)	213

(a) In 2024, PPL recorded a $23 million decrease in a valuation allowance on a 2004 state net operating loss carryforward that expired in 2024.
(b) PPL has a Pennsylvania net operating loss fully offset by a valuation allowance. In 2023, PPL adjusted the net operating loss and related valuation allowance to be recorded at the current estimate of the applicable rate at which each portion of the net operating loss that will expire and be written off as the rate is reduced annually by one half a percentage point until the rate reaches to 4.99% in 2031.
(c) In 2023, PPL recorded a $22 million decrease in a valuation allowance on a 2003 state net operating loss carryforward that expired in 2023.
(d) In 2022, PPL recorded a $36 million decrease in a valuation allowance on a 2002 state net operating loss carryforward that expired in 2022 and a $213 million decrease in the valuation allowance due to the Pennsylvania rate change. See reconciliation of income tax table below.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were as follows:

	2024	2023	2022
Income Tax Expense (Benefit)			
Current - Federal (a)	$ 23	$ (175)	$ (2)
Current - State	9	37	24
Total Current Expense (Benefit)	32	(138)	22
Deferred - Federal (a)	137	286	122
Deferred - State	64	48	68
Total Deferred Expense (Benefit), excluding operating loss carryforwards	201	334	190
Amortization of investment tax credit	(3)	(3)	(3)
Tax expense (benefit) of operating loss carryforwards			
Deferred - Federal	1	3	2
Deferred - State	(3)	(12)	(10)
Total Tax Expense (Benefit) of Operating Loss Carryforwards	(2)	(9)	(8)
Total income tax expense (benefit)	$ 228	$ 184	$ 201
Total income tax expense (benefit) - Federal	$ 158	$ 111	$ 119
Total income tax expense (benefit) - State	70	73	82
Total income tax expense (benefit)	$ 228	$ 184	$ 201

(a) In 2023, PPL purchased approximately $300 million of renewable tax credits and recorded a current tax benefit and a deferred tax expense for utilization of approximately $250 million of the credits in 2023 and prior years, per the three-year carry-back rule.

In the table above, the following income tax expense (benefit) are excluded from income taxes:

	2024	2023	2022
Discontinued operations	$ —	$ —	$ (42)
Other comprehensive income	(8)	(14)	11
Valuation allowance recorded to other comprehensive income	—	(1)	—
Total	$ (8)	$ (15)	$ (31)

	2024	2023	2022
Reconciliation of Income Tax Expense (Benefit)			
Federal income tax on Income Before Income Taxes at statutory tax rate - 21%	$ 234	$ 194	$ 192
State income taxes, net of federal income tax benefit	65	58	68
Valuation allowance adjustments (a)	2	12	9
Income tax credits (b)	(8)	(22)	(3)
Utility rate-making tax adjustments (c)	(21)	(10)	(8)
Amortization of excess deferred federal and state income taxes	(45)	(48)	(54)
Other	1	—	(3)
Total increase (decrease)	(6)	(10)	9
Total income tax expense (benefit)	$ 228	$ 184	$ 201
Effective income tax rate	20.4%	19.9%	22.0%

(a) In 2024, 2023, and 2022, PPL recorded deferred income tax expense of $3 million, $11 million and $5 million for valuation allowances primarily related to increased Pennsylvania net operating loss carryforwards expected to be unutilized.
(b) In 2023, PPL purchased approximately $300 million of renewable tax credits and recorded a current tax benefit and a deferred tax expense for utilization of approximately $250 million of the credits in 2023 and prior years, per the three-year carry-back rule.
(c) Primarily consists of tax impacts of AFUDC equity and related depreciation across PPL utilities and flow through tax impacts. Flow through occurs when the regulator excludes deferred tax expense or benefit from recoverable costs when determining income tax expense.

	2024	2023	2022
Taxes, other than income			
State gross earnings and state gross receipts	$ 167	$ 195	$ 175
Property and other	207	197	157
Total	$ 374	$ 392	$ 332

(PPL Electric)

The provision for PPL Electric's deferred income taxes for regulated assets and liabilities is based upon the ratemaking principles reflected in rates established by the PAPUC and the FERC. The difference in the provision for deferred income taxes for regulated assets and liabilities and the amount that otherwise would be recorded under GAAP is deferred and included in "Regulatory assets" or "Regulatory liabilities" on the Balance Sheets.

Significant components of PPL Electric's deferred income tax assets and liabilities were as follows:

	2024	2023
Deferred Tax Assets		
Accrued pension and postretirement costs	$ 36	$ 30
Contributions in aid of construction	120	105
Regulatory liabilities	40	43
Income taxes due to customers	184	191
Other	22	27
Total deferred tax assets	402	396
Deferred Tax Liabilities		
Electric utility plant - net	1,934	1,810
Regulatory assets	160	119
Prepayments	30	36
Other	4	4
Total deferred tax liabilities	2,128	1,969
Net deferred tax liability	$ 1,726	$ 1,573

PPL Electric expects to have adequate levels of taxable income to realize its recorded deferred income tax assets.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were as follows:

	2024	2023	2022
Income Tax Expense (Benefit)			
Current - Federal	$ 44	$ 91	$ 63
Current - State	4	31	20
Total Current Expense (Benefit)	48	122	83
Deferred - Federal	86	28	60
Deferred - State	42	18	31
Total Deferred Expense (Benefit), excluding operating loss carryforwards	128	46	91
Total income tax expense (benefit)	$ 176	$ 168	$ 174
Total income tax expense (benefit) - Federal	$ 130	$ 119	$ 123
Total income tax expense (benefit) - State	46	49	51
Total income tax expense (benefit)	$ 176	$ 168	$ 174

	2024	2023	2022
Reconciliation of Income Tax Expense (Benefit)			
Federal income tax on Income Before Income Taxes at statutory tax rate - 21%	$ 158	$ 144	$ 147
Increase (decrease) due to:			
State income taxes, net of federal income tax benefit	47	49	54
Utility rate-making tax adjustments (a)	(16)	(9)	(7)
Amortization of excess deferred federal income taxes (b)	(10)	(11)	(12)
State income tax rate change (c)	—	—	(9)
Other	(3)	(5)	1
Total increase (decrease)	18	24	27
Total income tax expense (benefit)	$ 176	$ 168	$ 174
Effective income tax rate	23.5%	24.5%	24.9%

(a) Primarily consists of tax impacts of AFUDC equity and related depreciation across PPL utilities and flow through tax impacts. Flow through occurs when the regulator excludes deferred tax expense or benefit from recoverable costs when determining income tax expense.
(b) In 2024, 2023, and 2022, PPL Electric recorded lower income tax expense for the amortization of excess deferred taxes that primarily resulted from the U.S. federal corporate income tax rate reduction from 35% to 21% enacted by the TCJA. This amortization represents each year's refund amount, prior to a tax gross-up, to be paid to customers for previously collected deferred taxes at higher income tax rates.
(c) 2022 includes a deferred tax benefit of $9 million due to the corporate net income tax rate reduction.

	2024	2023	2022
Taxes, other than income			
State gross receipts	$ 122	$ 136	$ 142
Property and other	9	7	7
Total	$ 131	$ 143	$ 149

(LG&E)

The provision for LG&E's deferred income taxes for regulated assets and liabilities is based upon the ratemaking principles reflected in rates established by the KPSC and the FERC. The difference in the provision for deferred income taxes for regulated assets and liabilities and the amount that otherwise would be recorded under GAAP is deferred and included in "Regulatory assets" or "Regulatory liabilities" on the Balance Sheets.

Significant components of LG&E's deferred income tax assets and liabilities were as follows:

	2024	2023
Deferred Tax Assets		
Contributions in aid of construction	$ 18	$ 18
Regulatory liabilities	18	19
Accrued pension and postretirement costs	4	3
Deferred investment tax credits	7	8
Income taxes due to customers	110	115
State tax credit carryforwards	6	8
Lease liabilities	4	4
Valuation allowances	(6)	(8)
Other	6	8
Total deferred tax assets	167	175
Deferred Tax Liabilities		
Plant - net	875	877
Regulatory assets	88	67
Lease right-of-use assets	4	3
Other	3	4
Total deferred tax liabilities	970	951
Net deferred tax liability	$ 803	$ 776

At December 31, 2024, LG&E had $6 million of state credit carryforwards that expire in 2028 and a $6 million valuation allowance related to state credit carryforwards due to insufficient projected Kentucky taxable income.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were:

	2024	2023	2022
Income Tax Expense (Benefit)			
Current - Federal	$ 60	$ 70	$ 60
Current - State	11	13	9
Total Current Expense (Benefit)	71	83	69
Deferred - Federal	1	(15)	(10)
Deferred - State	6	2	5
Total Deferred Expense (Benefit)	7	(13)	(5)
Amortization of investment tax credit - Federal	(1)	(1)	(1)
Total income tax expense (benefit)	$ 77	$ 69	$ 63
Total income tax expense (benefit) - Federal	$ 60	$ 54	$ 49
Total income tax expense (benefit) - State	17	15	14
Total income tax expense (benefit)	$ 77	$ 69	$ 63

	2024	2023	2022
Reconciliation of Income Tax Expense (Benefit)			
Federal income tax on Income Before Income Taxes at statutory tax rate - 21%	$ 79	$ 70	$ 70
Increase (decrease) due to:			
State income taxes, net of federal income tax benefit	14	13	13
Amortization of excess deferred federal and state income taxes	(13)	(13)	(18)
Other	(3)	(1)	(2)
Total increase (decrease)	(2)	(1)	(7)
Total income tax expense (benefit)	$ 77	$ 69	$ 63
Effective income tax rate	20.6%	20.6%	18.8%

	2024	2023	2022
Taxes, other than income			
Property and other	$ 49	$ 48	$ 48
Total	$ 49	$ 48	$ 48

(KU)

The provision for KU's deferred income taxes for regulated assets and liabilities is based upon the ratemaking principles reflected in rates established by the KPSC, the VSCC and the FERC. The difference in the provision for deferred income taxes for regulated assets and liabilities and the amount that otherwise would be recorded under GAAP is deferred and included in "Regulatory assets" or "Regulatory liabilities" on the Balance Sheets.

Significant components of KU's deferred income tax assets and liabilities were as follows:

	2024	2023
Deferred Tax Assets		
Contributions in aid of construction	$ 12	$ 10
Regulatory liabilities	29	23
Deferred investment tax credits	20	21
Income taxes due to customers	124	131
State tax credit carryforwards	4	4
Lease liabilities	6	5
Valuation allowances	(2)	(2)
Other	4	5
Total deferred tax assets	197	197
Deferred Tax Liabilities		
Plant - net	1,053	1,045
Regulatory assets	55	50
Pension and postretirement costs	6	7
Lease right-of-use assets	6	5
Other	1	2
Total deferred tax liabilities	1,121	1,109
Net deferred tax liability	$ 924	$ 912

At December 31, 2024, KU had $4 million of state credit carryforwards of which $2 million will expire in 2028 and $2 million that has an indefinite carryforward period. At December 31, 2024, KU had a $2 million valuation allowance related to state credit carryforwards due to insufficient projected Kentucky taxable income.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were:

	2024	2023	2022
Income Tax Expense (Benefit)			
Current - Federal	$ 87	$ 73	$ 63
Current - State	17	13	11
Total Current Expense (Benefit)	104	86	74
Deferred - Federal	(15)	(11)	(3)
Deferred - State	2	4	7
Total Deferred Expense (Benefit)	(13)	(7)	4
Amortization of investment tax credit - Federal	(2)	(2)	(2)
Total income tax expense (benefit)	$ 89	$ 77	$ 76
Total income tax expense (benefit) - Federal	$ 70	$ 60	$ 58
Total income tax expense (benefit) - State	19	17	18
Total income tax expense (benefit)	$ 89	$ 77	$ 76

	2024	2023	2022
Reconciliation of Income Tax Expense (Benefit)			
Federal income tax on Income Before Income Taxes at statutory tax rate - 21%	$ 93	$ 82	$ 84
Increase (decrease) due to:			
State income taxes, net of federal income tax benefit	16	15	16
Amortization of investment tax credit	(2)	(2)	(2)
Amortization of excess deferred federal and state income taxes	(17)	(17)	(21)
Other	(1)	(1)	(1)
Total decrease	(4)	(5)	(8)
Total income tax expense (benefit)	$ 89	$ 77	$ 76
Effective income tax rate	20.0%	19.8%	19.1%

	2024	2023	2022
Taxes, other than income			
Property and other	$ 49	$ 45	$ 45
Total	$ 49	$ 45	$ 45

(All Registrants)

Unrecognized Tax Benefits

PPL or its subsidiaries file tax returns in four major tax jurisdictions. The income tax provisions for PPL Electric, LG&E and KU are calculated in accordance with an intercompany tax sharing agreement, which provides that taxable income be calculated as if each domestic subsidiary filed a separate consolidated return. PPL Electric or its subsidiaries indirectly or directly file tax returns in three major tax jurisdictions, and LG&E and KU indirectly or directly file tax returns in two major tax jurisdictions. With few exceptions, at December 31, 2024, these jurisdictions, as well as the tax years that are no longer subject to examination, were as follows.

	PPL	PPL Electric	LG&E	KU
U.S. (federal)	2020 and prior	2020 and prior	2020 and prior	2020 and prior
Pennsylvania (state)	2020 and prior	2020 and prior		
Kentucky (state)	2019 and prior	2019 and prior	2019 and prior	2019 and prior

Other

Transfer of Certain Credits under the Inflation Reduction Act (PPL)

The IRS released the final Internal Revenue Code Section 6418 regulations related to the transfer of certain credits under the Inflation Reduction Act. The regulations became effective on July 1, 2024 and did not and are not expected to have a material impact on the financial statements regarding prior or future credit transfers.

IRS Revenue Procedure 2023-15 (PPL and LG&E)

On April 14, 2023, the IRS issued Revenue Procedure 2023-15, which provides a safe harbor method of accounting that taxpayers may use to determine whether expenses to repair, maintain, replace, or improve natural gas transmission and distribution property must be capitalized for tax purposes. PPL and LG&E are currently reviewing the revenue procedure to determine what impact the guidance may have on their financial statements.

7. Utility Rate Regulation

Regulatory Assets and Liabilities

(All Registrants)

PPL, PPL Electric, LG&E and KU reflect the effects of regulatory actions in the financial statements for their rate-regulated utility operations. Regulatory assets and liabilities are classified as current if, upon initial recognition, the entire amount related to an item will be recovered or refunded within a year of the balance sheet date.

(PPL)

RIE is subject to the jurisdiction of the RIPUC, the Rhode Island Division of Public Utilities and Carriers, and the FERC. RIE operates under a FERC-approved open access transmission tariff. RIE's base distribution rates are calculated based on recovery of costs as well as a return on rate base. Certain other recovery mechanisms exist to recover expenses and capital investments with a return on rate base separate from the base distribution rate case process.

(PPL, LG&E and KU)

LG&E is subject to the jurisdiction of the KPSC and the FERC, and KU is subject to the jurisdiction of the KPSC, the VSCC and the FERC.

LG&E's and KU's Kentucky base rates are calculated based on recovery of costs as well as a return on capitalization (common equity, long-term debt and short-term debt) including adjustments for certain net investments and costs recovered separately through other means. As such, LG&E and KU generally earn a return on regulatory assets.

(PPL and KU)

KU's Virginia base rates are calculated based on recovery of costs as well as a return on rate base (net utility plant plus working capital less accumulated deferred income taxes and miscellaneous deductions). As all regulatory assets and liabilities, except for regulatory assets and liabilities related to the levelized fuel factor, accumulated deferred income taxes, pension and postretirement benefits, and AROs related to certain CCR impoundments, are excluded from the return on rate base utilized in the calculation of Virginia base rates, no return is earned on the related assets.

KU's rates to municipal customers for wholesale power requirements are calculated based on annual updates to a formula rate that utilizes a return on rate base (net utility plant plus working capital less accumulated deferred income taxes and miscellaneous deductions). As all regulatory assets and liabilities, except accumulated deferred income taxes, are excluded from the return on rate base utilized in the development of municipal rates, no return is earned on the related assets.

(PPL and PPL Electric)

PPL Electric is subject to the jurisdiction of the PAPUC and the FERC. PPL Electric's distribution base rates are calculated based on recovery of costs as well as a return on distribution rate base (net utility plant plus a working capital allowance less plant-related deferred taxes and other miscellaneous additions and deductions). PPL Electric's transmission revenues are billed in accordance with a FERC tariff that allows for recovery of transmission costs incurred, a return on transmission-related rate base (net utility plant plus a working capital allowance less plant-related deferred taxes and other miscellaneous additions and deductions) and an automatic annual update. See "Transmission Formula Rate" below for additional information on this tariff. All regulatory assets and liabilities are excluded from distribution and transmission return on investment calculations; therefore, generally no return is earned on PPL Electric's regulatory assets.

(All Registrants)

The following table provides information about the regulatory assets and liabilities of cost-based rate-regulated utility operations at December 31:

	PPL		PPL Electric		LG&E		KU	
	2024	2023	2024	2023	2024	2023	2024	2023
Current Regulatory Assets:								
Rate adjustment mechanism	$ 95	$ 118	$ —	$ —	$ —	$ —	$ —	$ —
Renewable energy certificates	14	14	—	—	—	—	—	—
Derivative instruments	3	51	—	—	—	—	—	—
Smart meter rider	7	6	7	6	—	—	—	—
Storm damage expense rider	68	12	68	12	—	—	—	—
Transmission service charge	44	43	27	31	—	—	—	—
Transmission formula rate	14	5	2	—	—	—	—	—
ISR deferral	22	11	—	—	—	—	—	—
Gas line tracker	4	—	—	—	4	—	—	—
TCJA customer refund and recovery	21	—	21	—	—	—	—	—
DSIC	8	7	8	7	—	—	—	—
Other	20	26	—	1	4	7	1	3
Total current regulatory assets	$ 320	$ 293	$ 133	$ 57	$ 8	$ 7	$ 1	$ 3
Noncurrent Regulatory Assets:								
Defined benefit plans	$ 967	$ 887	$ 473	$ 417	$ 226	$ 217	$ 149	$ 136
Plant outage cost	30	38	—	—	7	10	23	28
Net metering	147	112	—	—	—	—	—	—
Environmental cost recovery	96	99	—	—	—	—	—	—
Storm costs	113	97	22	—	20	15	29	14
Unamortized loss on debt	20	22	3	3	9	10	6	7
Interest rate swaps	4	7	—	—	4	7	—	—
Terminated interest rate swaps	53	58	—	—	31	34	22	24
Accumulated cost of removal of utility plant	173	178	173	178	—	—	—	—
AROs	280	289	—	—	75	76	205	213
Retired asset recovery	83	—	—	—	83	—	—	—
Derivative instruments	1	8	—	—	—	—	—	—
Gas line inspections	24	21	—	—	22	19	2	2
Advanced metering infrastructure	28	15	—	—	14	7	14	8
Other	41	43	2	—	—	—	8	7
Total noncurrent regulatory assets	$ 2,060	$ 1,874	$ 673	$ 598	$ 491	$ 395	$ 458	$ 439

	PPL		PPL Electric		LG&E		KU	
	2024	2023	2024	2023	2024	2023	2024	2023
Current Regulatory Liabilities:								
Generation supply charge	$ 52	$ 51	$ 52	$ 51	$ —	$ —	$ —	$ —
TCJA customer refund and recovery	—	5	—	5	—	—	—	—
Act 129 compliance rider	2	15	2	15	—	—	—	—
Transmission formula rate	1	21	—	18	—	—	—	—
Rate adjustment mechanism	71	72	—	—	—	—	—	—
Energy efficiency	25	23	—	—	—	—	—	—
Gas supply clause	—	15	—	—	—	15	—	—
DSM	17	1	—	—	7	—	10	1
Environmental cost recovery	12	—	—	—	6	—	6	—
Other	43	22	3	2	1	1	6	—
Total current regulatory liabilities	$ 223	$ 225	$ 57	$ 91	$ 14	$ 16	$ 22	$ 1

	PPL		PPL Electric		LG&E		KU	
	2024	2023	2024	2023	2024	2023	2024	2023
Noncurrent Regulatory Liabilities:								
Accumulated cost of removal of utility plant	$ 1,022	$ 996	$ —	$ —	$ 314	$ 306	$ 408	$ 399
Power purchase agreement - OVEC	10	19	—	—	7	13	3	6
Net deferred taxes	1,899	1,977	739	763	439	459	498	523
Defined benefit plans	294	252	100	73	24	20	65	59
Terminated interest rate swaps	54	57	—	—	27	29	27	28
Energy efficiency	16	5	—	—	—	—	—	—
Other	40	34	—	—	4	—	8	3
Total noncurrent regulatory liabilities	$ 3,335	$ 3,340	$ 839	$ 836	$ 815	$ 827	$ 1,009	$ 1,018

Following is an overview of selected regulatory assets and liabilities detailed in the preceding tables. Specific developments with respect to certain of these regulatory assets and liabilities are discussed in "Regulatory Matters."

Defined Benefit Plans

(All Registrants)

Defined benefit plan regulatory assets and liabilities represent prior service cost and net actuarial gains and losses that will be recovered in defined benefit plans expense through future base rates based upon established regulatory practices and, generally, are amortized over the average remaining service lives of plan participants. These regulatory assets and liabilities are adjusted at least annually or whenever the funded status of defined benefit plans is remeasured.

(PPL, LG&E and KU)

As a result of previous rate case settlements and orders, the difference between pension cost calculated in accordance with LG&E's and KU's pension accounting policy and pension cost calculated using a 15-year amortization period for actuarial gains and losses and settlements are recorded as a regulatory asset. As of December 31, 2024, the balances were $79 million for PPL, $44 million for LG&E and $35 million for KU. As of December 31, 2023, the balances were $86 million for PPL, $46 million for LG&E and $40 million for KU.

(PPL)

RIE is subject to a pension rate adjustment mechanism whereby the difference in amounts allowed to be recovered in rates versus actual costs of RIE's pension and other postretirement benefit plans that are to be recovered from or passed back to customers in future periods, are also recorded as regulatory assets and liabilities.

(All Registrants)

Storm Costs

PPL Electric, LG&E and KU have the ability to request from the PAPUC, the KPSC and the VSCC, as applicable, the authority to treat expenses related to specific extraordinary storms as a regulatory asset and defer such costs for regulatory accounting and reporting purposes. Once such authority is granted, LG&E and KU can request recovery of those expenses in a base rate case and begin amortizing the costs when recovery starts. PPL Electric can recover qualifying expenses caused by major storm events, as defined in its retail tariff, over three years through the Storm Damage Expense Rider commencing in the application year after the storm occurred. LG&E's and KU's regulatory assets for storm costs approved for base rate recovery are being amortized through various dates ending in 2031.

As provided in the Amended Settlement Agreement (ASA), RIE has the authority from the RIPUC to treat certain incremental O&M expenses related to specific extraordinary storms as a regulatory asset and defer such costs for regulatory accounting and reporting purposes. Once all expenses for the extraordinary storm have been finalized, RIE files a final accounting of those storm expenses with the RIPUC that is subject to review by the RIPUC and the Rhode Island Division of Public Utilities and Carriers.

Unamortized Loss on Debt

Unamortized loss on reacquired debt represents losses on long-term debt refinanced, reacquired or redeemed that have been deferred and will be amortized and recovered over either the original life of the extinguished debt or the life of the replacement debt (in the case of refinancing). Such costs are being amortized through 2053 for PPL Electric, through 2042 for KU, and through 2044 for LG&E.

Accumulated Cost of Removal of Utility Plant

RIE, LG&E and KU charge costs of removal through depreciation expense with an offsetting credit to a regulatory liability. The regulatory liability is relieved as costs are incurred.

PPL Electric does not accrue for costs of removal. When costs of removal are incurred, PPL Electric records the costs as a regulatory asset. Such deferral is included in rates and amortized over the subsequent five-year period.

Net Deferred Taxes

Regulatory liabilities associated with net deferred taxes represent the future revenue impact from the adjustment of deferred income taxes required primarily for excess deferred taxes and unamortized investment tax credits, largely a result of the TCJA.

(PPL and PPL Electric)

Distribution System Improvement Charge (DSIC)

The DSIC is authorized under Act 11 and is considered an alternative ratemaking mechanism providing more timely cost recovery of qualifying distribution system capital improvements. DSIC is charged to all customers taking distribution service as a percentage of total distribution revenue (excluding State Tax Adjustment Surcharge). DSIC is capped at 5% of the total amount billed to all customers for distribution service (including reconcilable riders) which provides a safeguard for customers. PPL Electric is permitted to utilize the DSIC mechanism so long as the rolling 12-month ROE for the applicable period does not exceed the PAPUC ROE in the company's PAPUC quarterly financial report filing. The DSIC contains a reconciliation mechanism whereby any over- or under-recovery from customers is either refunded to, or recovered from, customers through the adjustment factor determined for the subsequent year.

Generation Supply Charge (GSC)

The GSC is a cost recovery mechanism that permits PPL Electric to recover costs incurred to provide generation supply to PLR customers who receive basic generation supply service. The recovery includes charges for generation supply, as well as administration of the acquisition process. In addition, the GSC contains a reconciliation mechanism whereby any over- or under-recovery from prior periods is refunded to, or recovered from, customers through the adjustment factor determined for the subsequent rate filing period.

Transmission Service Charge (TSC)

PPL Electric is charged by PJM for transmission service-related costs applicable to its PLR customers. PPL Electric passes these costs on to customers, who receive basic generation supply service through the PAPUC-approved TSC cost recovery mechanism. The TSC contains a reconciliation mechanism whereby any over- or under-recovery from customers is either refunded to, or recovered from, customers through the adjustment factor determined for the subsequent year.

RIE arranges transmission service on behalf of its customers and bills the costs of those services to customers, pursuant to its Transmission Service Cost Adjustment Provision. The TSC contains a reconciliation mechanism whereby any over- or under-recovery from customers is either refunded to, or recovered from, customers through the adjustment factor determined for the subsequent year.

Transmission Formula Rate

PPL Electric's transmission revenues are billed in accordance with a FERC-approved Open Access Transmission Tariff that utilizes a formula-based rate recovery mechanism. Under this formula, beginning in 2023, rates are put into effect on January 1st of each year based upon actual expenditures from the most recently filed FERC Form 1, forecasted capital additions, and other data based on PPL Electric's books and records. 2023 was considered a transitional period as the calendar year rate approved by FERC became effective April 1, 2023. Rates are compared during the year to the estimated annual expenses and capital additions that will be filed in PPL Electric's annual FERC Form 1, filed under the FERC's Uniform System of Accounts. Under the mechanism, any difference between the revenue requirement in effect and actual expenditures incurred for that year is recorded as a regulatory asset or regulatory liability, and the regulatory asset or regulatory liability is to be recovered from or returned to customers starting one year after the conclusion of the rate year.

Storm Damage Expense Rider (SDER)

The SDER is a reconcilable automatic adjustment clause under which PPL Electric annually will compare actual storm costs to storm costs allowed in base rates and refund or recover any differences from customers. In the 2015 rate case settlement approved by the PAPUC in November 2015, it was determined that reportable storm damage expenses to be recovered annually through base rates will be set at $20 million. The SDER will recover from or refund to customers the applicable expenses from reportable storms as compared to the $20 million recovered annually through base rates.

Act 129 Compliance Rider

In compliance with Pennsylvania's Act 129 of 2008 and implementing regulations, PPL Electric is currently in Phase IV of the energy efficiency and conservation plan which was approved in March 2021. Phase IV allows PPL Electric to recover the maximum $313 million over the five-year period, June 1, 2021 through May 31, 2026. The plan includes programs intended to reduce electricity consumption. The recoverable costs include direct and indirect charges, including design and development costs, general and administrative costs and applicable state evaluator costs. The rates are applied to customers who receive distribution service through the Act 129 Compliance Rider. The actual Phase IV program costs are reconcilable after each 12-month period, and any over- or under-recovery from customers will be refunded or recovered over the next rate filing period.

Smart Meter Rider (SMR)

Act 129 requires each electric distribution company (EDC) with more than 100,000 customers to have a PAPUC approved Smart Meter Technology Procurement and Installation Plan (SMP). As of December 31, 2019, PPL Electric replaced substantially all of its old meters with meters that meet the Act 129 requirements under its SMP. In accordance with Act 129, EDCs are able to recover the costs and earn a return on capital of providing smart metering technology. PPL Electric uses the SMR to recover the costs to implement its SMP. The SMR is a reconciliation mechanism whereby any over- or under-recovery from prior years is refunded to, or recovered from, customers through the adjustment factor determined for the subsequent quarters.

Universal Service Rider (USR)

The USR provides for recovery of costs associated with universal service programs, OnTrack and Winter Relief Assistance Program (WRAP), provided by PPL Electric to residential customers. OnTrack is a special payment program for low-income households and WRAP provides low-income customers a means to reduce electric bills through energy saving methods. The USR rate is applied to residential customers who receive distribution service. The actual program costs are reconcilable, and any over- or under-recovery from customers will be refunded or recovered annually in the subsequent year.

TCJA Customer Refund and Recovery

As a result of the reduced U.S federal corporate income tax rate as enacted by the TCJA, the PAPUC ruled that these tax benefits should be refunded to customers. Timing differences between the recognition of these tax benefits and the refund of the benefit to the customer creates a regulatory liability. PPL Electric's liability is being credited back to distribution customers through a temporary negative surcharge and remains in place until PPL Electric files and the PAPUC approves new base rates. The TCJA is reconcilable, and any over- or under-recovery from customers will be refunded or recovered annually in the subsequent year.

(PPL, LG&E and KU)

Fuel Adjustment Clauses

LG&E's and KU's retail electric rates contain a fuel adjustment clause, whereby variances in power purchases and the cost of fuel to generate electricity, including transportation costs, from the costs embedded in base rates are adjusted in LG&E's and KU's rates. The KPSC requires formal reviews at six-month intervals to examine past fuel adjustments and at two-year intervals to review past operations of the fuel adjustment clause and, to the extent appropriate, may conduct public hearings and reestablish the fuel charge included in base rates. The regulatory assets or liabilities represent the amounts that have been under- or over-recovered due to timing or adjustments to the mechanism and are typically recovered within 12 months.

KU also employs a levelized fuel factor mechanism for Virginia customers using an average fuel cost factor based primarily on projected fuel costs and load for the fuel year (12 months ending March 31). The Virginia levelized fuel factor allows fuel recovery based on projected fuel costs for the fuel year plus an adjustment for any under- or over-recovery of fuel expenses from the prior fuel year. The regulatory assets or liabilities represent the amounts that have been under- or over-recovered due to timing or adjustments to the mechanism and are typically recovered or refunded within 12 months.

AROs

As discussed in Note 1, for LG&E and KU, all ARO accretion and depreciation expenses are reclassified as a regulatory asset or regulatory liability. ARO regulatory assets associated with certain CCR projects are amortized to expense in accordance with regulatory approvals. For other AROs, deferred accretion and depreciation expense is recovered through cost of removal.

Power Purchase Agreement - OVEC

As a result of purchase accounting associated with PPL's acquisition of LG&E and KU, the fair values of the OVEC power purchase agreement were recorded on the balance sheets of LG&E and KU with offsets to regulatory liabilities. The regulatory liabilities are being amortized using the units-of-production method until March 2026, the expiration date of the agreement at the date of the acquisition. LG&E's and KU's customer rates continue to reflect the original contracts. See Notes 12 and 17 for additional discussion of the power purchase agreement.

Interest Rate Swaps

LG&E's unrealized gains and losses are recorded as regulatory assets or regulatory liabilities until they are realized as interest expense. Interest expense from existing swaps is realized and recovered over the terms of the associated debt, which matures in 2033.

Terminated Interest Rate Swaps

Net realized gains and losses on all interest rate swaps are recovered through regulated rates. As such, any gains and losses on these derivatives are included in regulatory assets or liabilities and are primarily recognized in "Interest Expense" on the Statements of Income over the life of the associated debt.

Plant Outage Costs

From July 1, 2017 through June 30, 2021, plant outage costs were normalized for ratemaking purposes based on an average level of expenses. Plant outage expenses that were greater or less than the average will be collected from or returned to customers, through future base rates. Effective July 1, 2021, under-recovered plant outage costs are being amortized through 2029 for LG&E and KU.

Advanced Metering Infrastructure

In 2021 orders from the KPSC, LG&E and KU received approval to record regulatory assets comprised of the operating expenses associated with implementation of the AMI project and the incremental difference between AFUDC accrued at LG&E’s and KU’s weighted average cost of capital and that calculated using the methodology approved by the FERC. Recovery of these costs will be determined in the base rate case proceeding following the completion of the AMI implementation project.

(PPL)

Derivative Instruments

Derivative instruments that qualify for recovery from, or refund to, customers through future rates are recorded at fair value, with changes in fair value recorded as regulatory assets or regulatory liabilities in the period in which the change occurs. The balance is reconcilable, and any over- or under-recovery from customers will be refunded or recovered annually in the subsequent year.

Energy Efficiency

The energy efficiency mechanism is designed to collect the estimated costs of RIE’s energy efficiency plan for the upcoming calendar year. Any differences between revenue billed to customers through RIE's energy efficiency charge and the costs of RIE’s energy efficiency programs, as approved by the RIPUC, are recorded as regulatory assets or regulatory liabilities. The final annual over or under collection is reconciled in the next year's energy efficiency plan filing, as part of the reconciliation factor calculation. RIE may file to change the energy efficiency plan charge at any time should significant over-or under-recoveries occur.

Net Metering

The net metering mechanism provides for recovery of costs associated with customer-installed on-site generation facilities, including the costs of renewable generation credits. Net metering is reconcilable annually, and any over- or under-recovery from customers will be refunded to, or recovered from, customers through the adjustment factor determined for the subsequent year.

Rate Adjustment Mechanisms

In addition to commodity costs, RIE is subject to a number of additional rate adjustment mechanisms whereby a regulatory asset or regulatory liability is recognized resulting from differences between actual revenues and the underlying cost being recovered or differences between actual revenues and targeted amounts as approved by the RIPUC. The rate adjustment mechanisms are reconcilable, and any over- or under-recovery from customers are to be refunded or recovered annually in the subsequent year.

Renewable Energy Certificates

The Renewable Energy Certificates regulatory asset represents deferred costs associated with RIE's compliance obligation with the Rhode Island Renewable Portfolio Standard (RPS). The RPS is legislation established to foster the development of new renewable energy sources. The regulatory asset will be recovered over the next year.

Taxes Recoverable through Future Rates

Taxes recoverable through future rates represent the portion of future income taxes that are anticipated to be recovered through future rates based upon established regulatory practices. Accordingly, this regulatory asset is recognized when the offsetting deferred tax liability is recognized. For general-purpose financial reporting, this regulatory asset and the deferred tax liability are not offset; rather, each is displayed separately. This regulatory asset is expected to be recovered over the period that the underlying book-tax timing differences reverse and the actual cash taxes are incurred.

(PPL, LG&E and KU)

Environmental Cost Recovery

Kentucky law permits LG&E and KU to recover the costs, including a return of operating expenses and a return of and on capital invested, of complying with the Clean Air Act and those federal, state or local environmental requirements, which apply to coal combustion wastes and by-products from coal-fired electricity generating facilities. The KPSC requires reviews of the past operations of the environmental surcharge for six-month and two-year billing periods to evaluate the related charges, credits and rates of return, as well as to provide for the roll-in of ECR amounts to base rates each two-year period. The KPSC has authorized return on equity of 9.35% for existing approved ECR projects. The ECR regulatory asset or liability represents the amount that has been under- or over-recovered due to timing or adjustments to the mechanism and is typically recovered or refunded within 12 months.

RIE's rate plans provide for specific rate allowances for RIE's share of the estimated costs to investigate and perform certain remediation activities at sites with which it may be associated, with variances deferred for future recovery from, or return to, customers. RIE believes future costs, beyond the expiration of current rate plans, will continue to be recovered through rates. The regulatory asset represents the excess of amounts incurred for RIE's actual site investigation and remediation costs versus amounts received in rates.

(PPL and LG&E)

Gas Supply Clause

LG&E's natural gas rates contain a gas supply clause, whereby the expected cost of natural gas supply and variances between actual and expected costs and customer usage from prior periods are adjusted quarterly in LG&E's rates, subject to approval by the KPSC. The gas supply clause previously included a separate natural gas procurement incentive mechanism, which allowed LG&E's rates to be adjusted annually to share savings between the actual cost of gas purchases and market indices, with the shareholders and the customers during each performance-based rate year (12 months ending October 31). The operation of this incentive mechanism expired on October 31, 2024, but savings achieved through October 31, 2024 will be included in LG&E’s rates through October 31, 2026. The regulatory assets or liabilities represent the total amounts that have been under- or over-recovered due to timing or adjustments to the mechanisms and are typically recovered or refunded within 18 months.

Retired Asset Recovery (RAR) Rider

The RAR rider was established by KPSC orders in 2021 to provide recovery of and return on the remaining investment in certain electric generating units, including the remaining net book value of each unit, materials and supplies that cannot be used at other plants and any associated removal costs, upon their retirement over a ten-year period following retirement. Costs included as of December 31, 2024 represent the remaining net book value and materials and supplies that cannot be used as a result of the retirement of Mill Creek Unit 1. The associated removal costs will be added to the RAR rider regulatory asset or regulatory liability as costs are incurred.

Regulatory Matters

Rhode Island Activities *(PPL)*

Advanced Metering Functionality (AMF)

In 2021, RIE filed its Updated AMF Business Case and Grid Modernization Plan (GMP) with the RIPUC in accordance with the Amended Settlement Agreement (ASA) approved by the RIPUC in August 2018, and which among other things, sought approval to deploy smart meters throughout the service territory. After PPL completed the acquisition of RIE, RIE filed a new AMF Business Case with the RIPUC in 2022, consisting of a detailed proposal for full-scale deployment of AMF across its electric service territory.

On September 27, 2023, the RIPUC unanimously approved RIE to deploy an AMF-based metering system for the electric distribution business. RIE is authorized to seek recovery of the approved capital investment through the ISR process with an overall multi-year cap on recovery at approximately $153 million, subject to certain terms, conditions and limitations with respect to the potential offsets and recoverability of certain costs. RIE is required to continue spending even if above the recovery cap, until it achieves the functionalities outlined in the AMF Business Case. RIE filed with the RIPUC for approval of (i) an updated electric Service Quality Plan on December 27, 2023, (ii) additional compliance tariff provisions regarding recovery and updated cost schedules to reflect the RIPUC's decision on December 22, 2023, and (iii) electric and gas tariff advice filings for RIPUC Automatic Meter Reading/AMF meter opt-out tariff provision on September 19, 2024. The RIPUC approved RIE’s revised service quality metrics with certain modifications on August 1, 2024 and October 30, 2024. In addition, the RIPUC approved RIE’s AMR/AMF opt-out tariff provisions for electric and natural gas with modifications on December 19, 2024 for effect January 1, 2025, and approved the proposed updated fees to be assessed at the start of the AMF roll-out. On January 7, 2025, RIE filed compliance tariffs to reflect the RIPUC’s ruling, which they approved at their January 23, 2025 Open Meeting.

Grid Modernization Plan (GMP)

RIE filed a new GMP with the RIPUC on December 30, 2022. The new GMP filing consists of a holistic suite of grid modernization investments that will provide RIE with the tools and capability to manage the electric distribution system more granularly considering a range of distributed energy resources adoption levels, accelerated by Rhode Island's climate mandates, while at the same time maintaining a safe and reliable electric distribution system. The GMP is an informational guidance document that supports the grid modernization investments to be proposed in future electric ISR plans. Consequently, RIE did not request approval from the RIPUC for any specific investments or seek cost recovery as part of the GMP; rather, RIE requested the RIPUC issues an order affirming RIE's compliance with its obligation to file a GMP that meets the requirements of the ASA. At an Open Meeting on November 21, 2024, the RIPUC unanimously ruled that RIE satisfied the requirement to file a GMP. This decision does not represent a ruling on the GMP and the docket will remain open, though RIE does not expect further action on this docket.

FY 2025 Gas ISR Plan

On December 22, 2023, RIE filed its FY 2025 Gas ISR Plan with the RIPUC with a budget that includes $185 million of capital investment spend plus up to an additional $11 million of contingency plan spending in connection with the PHMSA's potential enactment of regulations during FY 2025 that, if enacted would significantly alter RIE's leak detection and repair obligations under federal regulations. RIE also filed its proposed gas ISR plan budgetary and reconciliation framework, addressing issues raised in connection with its FY submission, with its FY 2025 ISR Plan. The RIPUC held hearings in March 2024, and on March 26, 2024, approved, the plan, including the proposed budgetary and reconciliation framework, with a total approved FY 2025 Gas ISR Plan of $180 million of which $168 million is for capital investment spend and $12 million spend for paving costs as operations and maintenance (O&M), plus the potential additional $11 million available if the above-mentioned regulations are implemented by the PHMSA. On March 28, 2024, the RIPUC approved RIE's compliance filing for rates effective April 1, 2024.

FY 2026 Gas ISR Plan

On December 31, 2024, RIE filed its FY 2026 Gas ISR Plan with the RIPUC with a budget that includes $187 million of capital investment spend and up to $15 million of additional contingency plan spend in connection with the PHMSA's potential enactment of regulations during FY 2026 that, if enacted, would significantly alter RIE's leak detection and repair obligations under federal regulations. The Plan also includes proposed spending on curb-to-curb paving of $22 million. A decision from the RIPUC on the Plan is expected by March 31, 2025. RIE cannot predict the outcome of this matter.

FY 2025 Electric ISR Plan

On December 21, 2023, RIE filed its FY 2025 Electric ISR Plan with the RIPUC with a budget that includes $141 million of capital investment spend, $13 million of vegetation management O&M spend and $1 million of Other O&M spend. RIE also filed its proposed electric ISR plan budgetary and reconciliation framework addressing issues raised in connection with its FY 2024 submission, with its FY 2025 ISR Plan. The RIPUC held hearings in March 2024, and on March 26, 2024, approved the plan, including the proposed budgetary and reconciliation framework, with modifications to the proposed capital investment spend, resulting in a total approved FY 2025 Electric ISR Plan of $132 million for capital investment spend, $13 million for vegetation management O&M spend, and $1 million for Other O&M spend. On March 28, 2024, the RIPUC approved RIE's compliance filing for rates effective April 1, 2024.

FY 2026 Electric ISR Plan

On December 23, 2024, RIE filed its FY 2026 Electric ISR Plan with the RIPUC with a budget that includes $160 million of capital investment spend, $14 million of vegetation O&M spend and $1 million of Other O&M spend. In addition, the FY 2026 Electric ISR Plan includes $88 million of capital investment spend for Advanced Metering Functionality (AMF) which, together with the $160 million of capital investment spend, results in total capital investment spend of $248 million. A decision from the RIPUC is expected by March 31, 2025. RIE cannot predict the outcome of this matter.

Kentucky Activities *(PPL, LG&E and KU)*

Kentucky January 2025 Storm

In January 2025, LG&E and KU experienced snow, ice, sleet and freezing rain in their service territories, resulting in substantial damage to certain of LG&E's and KU's assets. On January 31, 2025, LG&E and KU submitted a filing with the KPSC requesting regulatory asset treatment of the extraordinary operations and maintenance expenses portion of the costs incurred related to the storm. These are estimated to be $2 million for LG&E and $8 million for KU. LG&E and KU cannot predict the outcome of this matter.

Kentucky September 2024 Storm

In September 2024, LG&E and KU experienced significant winds and rain activity in their service territories, resulting in substantial damage to certain of LG&E's and KU's assets. On October 15, 2024, LG&E and KU submitted a filing with the KPSC requesting regulatory asset treatment of the extraordinary operations and maintenance expenses portion of the costs incurred related to the storm. On December 4, 2024, the KPSC issued an order approving LG&E’s and KU’s request for regulatory asset accounting treatment, with recovery amounts and amortization thereof to be determined in subsequent base rate proceedings. LG&E and KU cannot predict the outcome of this matter. As of December 31, 2024, LG&E and KU recorded regulatory assets related to the storm of $2 million and $11 million.

Kentucky May 2024 Storm

In May 2024, LG&E and KU experienced significant windstorm activity in their service territories, resulting in substantial damage to certain of LG&E's and KU's assets. On June 13, 2024, LG&E and KU submitted a filing with the KPSC requesting regulatory asset treatment of the extraordinary operations and maintenance expenses portion of the costs incurred related to the storm. On July 2, 2024, the KPSC issued an order provisionally approving the request for accounting purposes, noting that the decision on approval of recovery would be determined in the future. On November 21, 2024, the KPSC issued an order confirming the approval of LG&E’s and KU’s request for regulatory asset accounting treatment, with recovery amounts and amortization thereof to be determined in subsequent base rate proceedings. LG&E and KU cannot predict the outcome of this matter. As of December 31, 2024, LG&E and KU recorded regulatory assets related to the storm of $4 million and $5 million.

KPSC Investigation Related to Winter Storm Elliott

On December 22, 2023, the KPSC initiated an investigation into the practices of LG&E and KU regarding the provision of electric service from December 23, 2022 through December 25, 2022, during a period of extreme temperatures during Winter Storm Elliott. The investigation was the result of LG&E's and KU's need to implement brief service interruptions to approximately 55,000 customers during this period. The purpose of the investigation was to supplement discovery and examination already completed through LG&E's and KU's CPCN proceedings, a legislative hearing completed in February 2023 and reports completed by the NERC and the FERC related to the issue. Additionally, the investigation was to evaluate LG&E's and KU's actions taken, or planned to be taken, since Winter Storm Elliott that affect their ability to provide service during periods of variable weather and power system stress. LG&E and KU believe actions taken during the period under question were necessary and appropriate. A hearing on the matter occurred on May 23, 2024. On January 7, 2025, the KPSC issued an Order finding that LG&E and KU did not willfully violate a regulation, statute or KPSC Order associated with the Winter Storm Elliot event. The case is now closed and removed from the KPSC’s docket.

Mill Creek Unit 1 and Unit 2 Retired Asset Recovery (RAR) (PPL and LG&E)

In November 2023, the KPSC issued an order approving, among other items, the requested retirement of Mill Creek Units 1 and 2.

On October 4, 2024, LG&E submitted an application related to the retirement of Mill Creek Unit 1, which occurred on December 31, 2024, requesting recovery of associated costs under the RAR rider. LG&E expects these costs to be approximately $125 million and proposes to begin application of the RAR rider with bills issued in May 2025. On October 28, 2024, the KPSC issued an order to establish a procedural schedule regarding its investigation of the reasonableness of the proposed tariff. The KPSC intends to rule on the matter by February 28, 2025. LG&E cannot predict the outcome of this proceeding.

Mill Creek Unit 2 is expected to be retired in 2027. LG&E anticipates the recovery of associated costs, including the remaining net book value, for Mill Creek Unit 2 through the RAR rider. The remaining net book value of Mill Creek Unit 2 was approximately $221 million at December 31, 2024 and LG&E is continuing to depreciate using the current approved rates through its retirement date in 2027. LG&E expects to reclassify the net book value remaining at retirement, which is expected to total approximately $161 million, to a regulatory asset to be amortized over a period of ten years in accordance with the RAR.

Pennsylvania Activities *(PPL and PPL Electric)*

PAPUC investigation into billing issues

On January 31, 2023, the PAPUC initiated an investigation focused on billing issues related to estimated, irregular bills and customer service concerns following customer complaints, which for many customers were driven by increased prices for electricity supply. Certain bills issued during the time period of December 20, 2022 through January 9, 2023 were estimated due to a technical issue that prevented PPL Electric from providing actual collected meter data to customer facing and other internal systems. Customers also reported difficulties accessing PPL Electric's website and contacting the customer service call center. The PAPUC's Bureau of Investigation & Enforcement (I&E) has directed PPL Electric to respond to certain inquiries and document requests. PPL Electric submitted its responses to the information request and cooperated fully with the investigation. PPL Electric reached a Settlement Agreement with I&E on November 21, 2023. In the settlement, PPL Electric agreed to pay a civil penalty of $1 million, make certain remedial improvements to its billing systems and processes, and agreed to not seek recovery for extraordinary costs incurred in responding to or resulting from the billing event. On November 21, 2023, PPL Electric and I&E submitted a Joint Petition for Approval of Settlement to the PAPUC. On January 18, 2024, the PAPUC issued an Order requesting public comment prior to the PAPUC entering a Final Order on the petition. Comments were due on February 28, 2024, and comments were filed by the Office of Consumer Advocate, CAUSE-PA (low-income advocate), and individual customers. On March 19, 2024, PPL Electric filed reply comments. On April 25, 2024, the PAPUC announced at its public meeting that it would be issuing an order approving the Settlement Agreement with modifications. The modifications included converting the $1 million civil penalty to a $1 million donation to PPL Electric's hardship fund, Operation HELP, and requiring PPL Electric to make various progress reports on efforts to remediate the billing issue. PPL Electric and I&E had 20 business days from the issuance of the PAPUC order to accept or reject the proposed modifications to the Settlement Agreement. The time period to withdraw from the Settlement Agreement expired on June 14, 2024, without PPL Electric or I&E withdrawing from the Settlement Agreement, and the terms of the Settlement Agreement, as modified by the PAPUC's order, are now final. PPL Electric is in the process of complying with the terms of the Settlement Agreement, and made the required contribution to Operation HELP on June 24, 2024.

PPL Electric incurred expenses, primarily related to billing write-offs, of $18 million and $34 million for the years ended December 31, 2024 and 2023 related to the billing issue. PPL Electric will not seek regulatory recovery of these costs.

DSIC Petition

On April 26, 2024, PPL Electric filed a Petition with the PAPUC requesting that the PAPUC waive PPL Electric's DSIC cap of 5% of billed revenues and increase the maximum allowable DSIC to 9% for bills rendered on or after January 1, 2025. On November 21, 2024, the Administrative Law Judge in the proceeding issued a Recommended Decision recommending the denial of PPL Electric's DSIC Cap Waiver Petition. PPL Electric filed exceptions to the Recommended Decision on December 11, 2024. Several of the other parties filed Reply Exceptions on December 23, 2024. The Administrative Law Judge's Recommended Decision and the Exceptions and Reply Exceptions are currently before the PAPUC for a final order. PPL Electric cannot predict the timing or outcome of that decision.

Act 129

The Pennsylvania Public Utility Code requires EDCs to meet, by specified dates, specified goals for reduction in customer electricity usage and peak demand. EDCs not meeting the requirements of Act 129 are subject to significant penalties. PPL Electric filed with the PAPUC its Act 129 Phase IV Energy Efficiency and Conservation Plan on November 30, 2020, for the five-year period starting June 1, 2021 and ending on May 31, 2026. PPL Electric's Phase IV Act 129 Plan was approved by the PAPUC at its March 25, 2021, public meeting.

The Pennsylvania Public Utility Code also requires EDCs to act as a default service provider (DSP), which provides electricity generation supply service to customers pursuant to a PAPUC-approved default service procurement plan. A DSP is able to recover the costs associated with its default service procurement plan.

In March 2024, PPL Electric filed a Petition for Approval of a new default service program and procurement plan with the PAPUC for the period June 1, 2025 through May 31, 2029. In August 2024, PPL Electric submitted a Joint Petition for Settlement in the proceeding. In September 2024, the Administrative Law Judge issued an Interim Order approving the proposed settlement without modification. The PAPUC adopted the Interim Order on November 7, 2024, without modification which finalized the settlement.

Federal Matters

FERC Transmission Rate Filing (PPL, LG&E and KU)

In 2018, LG&E and KU applied to the FERC requesting elimination of certain on-going waivers and credits to a sub-set of transmission customers relating to the 1998 merger of LG&E's and KU's parent entities and the 2006 withdrawal of LG&E and KU from the Midcontinent Independent System Operator, Inc. (MISO), a regional transmission operator and energy market. The application sought termination of LG&E's and KU's commitment to provide certain Kentucky municipalities mitigation for certain horizontal market power concerns arising out of the 1998 LG&E and KU merger and 2006 MISO withdrawal. The amounts at issue are generally waivers or credits granted to a limited number of Kentucky municipalities for either certain LG&E and KU or MISO transmission charges incurred for transmission service received. In 2019, the FERC granted LG&E's and KU's request to remove the ongoing credits, conditioned upon the implementation by LG&E and KU of a transition mechanism for certain existing power supply arrangements, which was subsequently filed, modified, and approved by the FERC in 2020 and 2021. In 2020, LG&E and KU and other parties filed appeals with the U.S. Court of Appeals - D.C. Circuit (D.C. Circuit Court of Appeals) regarding the FERC's orders on the elimination of the mitigation and required transition mechanism. In August 2022, the D.C. Circuit Court of Appeals issued an order remanding the proceedings back to the FERC. On May 18, 2023, the FERC issued an order on remand reversing its 2019 decision and requiring LG&E and KU to refund credits previously withheld, including under such transition mechanism. LG&E and KU filed a petition for review of the FERC's May 18, 2023 order with the D.C. Circuit Court of Appeals and provided refunds in accordance with the FERC order on December 1, 2023. The FERC issued an order on LG&E's and KU's compliance filing on November 16, 2023, and LG&E and KU filed a petition for review of this November 16, 2023 order on February 14, 2024. The FERC issued the substantive order on rehearing on March 21, 2024, reaffirming its prior decision. Oral argument before the D.C. Circuit Court of Appeals occurred on January 21, 2025. LG&E and KU cannot predict the ultimate outcome of the proceedings or any other post decision process but do not expect the annual impact to have a material effect on their operations or financial condition. LG&E and KU currently receive recovery of certain waivers and credits primarily through base rates increases, provided, however, that increases associated with the FERC's May 18, 2023 order are expected to be subject to future rate proceedings.

Recovery of Transmission Costs (PPL)

Until December 2022, RIE's transmission facilities were operated in combination with the transmission facilities of National Grid's New England affiliates, Massachusetts Electric Company (MECO) and New England Power (NEP), as a single integrated system with NEP designated as the combined operator. As of January 1, 2023, RIE operates its own transmission facilities. ISO-NE allocates RIE's costs among transmission customers in New England, in accordance with the ISO Open Access Transmission Tariff (ISO-NE OATT). According to the FERC orders, RIE is compensated for its actual monthly transmission costs, with its authorized maximum Return on Equity (ROE) of 11.74% on its transmission assets.

The ROE for transmission rates under the ISO-NE OATT is the subject of four complaints that are pending before the FERC. On October 16, 2014, the FERC issued an order on the first complaint, Opinion No. 531-A, resetting the base ROE applicable to transmission assets under the ISO-NE OATT from 11.14% to 10.57% effective as of October 16, 2014 and establishing a maximum ROE of 11.74%. On April 14, 2017, this order was vacated and remanded by the D. C. Circuit Court of Appeals (Court of Appeals). After the remand, the FERC issued an order on October 16, 2018 applicable to all four pending cases where it proposed a new base ROE methodology that, with subsequent input and support from the New England Transmission Owners (NETO), yielded a base ROE of 10.41%. Subsequent to the FERC's October 2018 order in the New England Transmission Owners cases, the FERC further refined its ROE methodology in another proceeding and has applied that refined methodology to transmission owners' ROEs in other jurisdictions, and the NETOs filed further information in the New England matters to distinguish their case. Those determinations in other jurisdictions have recently been vacated and remanded back to the FERC for further proceedings by the D.C. Circuit Court of Appeals. The proceeding and the final base rate ROE determination in the New England matters remain open, pending a final order from the FERC. PPL cannot predict the outcome of this matter, and an estimate of the impact cannot be determined.

Other

Purchase of Receivables Program

(PPL and PPL Electric)

In accordance with a PAPUC-approved purchase of accounts receivable program, PPL Electric purchases certain accounts receivable from alternative electricity suppliers at a discount, which reflects a provision for uncollectible accounts. The alternative electricity suppliers have no continuing involvement or interest in the purchased accounts receivable. Accounts receivable that are acquired are initially recorded at fair value on the date of acquisition. During 2024, 2023 and 2022, PPL Electric purchased $1.5 billion, $1.5 billion and $1.3 billion of accounts receivable from alternative suppliers.

(PPL)

In 2021 and 2022, the RIPUC approved various components of a Purchase of Receivables Program (POR) in Rhode Island for effect on April 1, 2022. Municipal aggregators and non-regulated power producers (collectively, Competitive Suppliers) are eligible to participate in accordance with RIE's approved electric tariffs for municipal aggregation and non-regulated power producers. Under the POR program, RIE will purchase the Competitive Suppliers' accounts receivables, including existing receivables, at discounted rates, regardless of whether RIE has collected the owed monies from customers. The program is intended to make RIE whole through the implementation of a discount rate or Standard Complete Bill Percentage (SCBP) paid by Competitive Suppliers. RIE calculates the SCBP for each customer class and files the calculations with the RIPUC for review and approval by February 15 of each year. At an Open Meeting on March 26, 2024, the RIPUC approved the SCBP for effect beginning on April 1, 2024, for a one-year period.

8. Financing Activities

Credit Arrangements and Short-term Debt

(All Registrants)

The Registrants maintain credit facilities to enhance liquidity, provide credit support and provide a backstop to commercial paper programs. For reporting purposes, on a consolidated basis, the credit facilities and commercial paper programs of PPL Electric, LG&E and KU also apply to PPL. The amounts listed in the borrowed column below are recorded as "Short-term debt" on the Balance Sheets. The following credit facilities were in place at:

	December 31, 2024					December 31, 2023	
	Expiration Date	Capacity	Borrowed	Letters of Credit and Commercial Paper Issued (d)	Unused Capacity	Borrowed	Letters of Credit and Commercial Paper Issued (d)
PPL							
PPL Capital Funding							
Syndicated Credit Facility (a) (b) (c)	Dec 2028	$ 1,250	$ —	$ 138	$ 1,112	$ —	$ 390
Bilateral Credit Facility (a) (b)	Feb 2025	100	—	—	100	—	—
Bilateral Credit Facility (a) (b)	Feb 2025	100	—	15	85	—	13
Total PPL Capital Funding Credit Facilities		$ 1,450	$ —	$ 153	$ 1,297	$ —	$ 403
PPL Electric							
Syndicated Credit Facility (a) (b)	Dec 2028	650	—	1	649	—	511
Total PPL Electric Credit Facilities		$ 650	$ —	$ 1	$ 649	$ —	$ 511

		December 31, 2024				December 31, 2023	
	Expiration Date	Capacity	Borrowed	Letters of Credit and Commercial Paper Issued (d)	Unused Capacity	Borrowed	Letters of Credit and Commercial Paper Issued (d)
LG&E							
Syndicated Credit Facility (a) (b)	Dec 2028	500	—	25	475	—	—
Total LG&E Credit Facilities		$ 500	$ —	$ 25	$ 475	$ —	$ —
KU							
Syndicated Credit Facility (a) (b)	Dec 2028	400	—	140	260	—	93
Total KU Credit Facilities		$ 400	$ —	$ 140	$ 260	$ —	$ 93

(a) Each company pays customary fees under its respective facility and borrowings generally bear interest at applicable secured overnight financing rates or base rates, plus an applicable margin.
(b) The facilities contain a financial covenant requiring debt to total capitalization not to exceed 70% for PPL Capital Funding, RIE, PPL Electric, LG&E and KU, as calculated in accordance with the facilities and other customary covenants. Additionally, subject to certain conditions, PPL Capital Funding may request that the capacity of one of its bilateral credit facilities expiring in February 2025 be increased by up to $30 million and that the capacity of its syndicated credit facility be increased by up to $400 million. PPL Electric, LG&E and KU may each request up to a $250 million increase in its syndicated credit facility's capacity, subject to regulatory approval of the increased capacity. Participation in any such increase is at the sole discretion of each lender.
(c) Includes a $250 million borrowing sublimit for RIE and a $1 billion sublimit for PPL Capital Funding at December 31, 2024 and 2023. At December 31, 2024, PPL Capital Funding had $138 million of commercial paper outstanding and RIE had no commercial paper outstanding. At December 31, 2023, PPL Capital Funding had $365 million of commercial paper outstanding and RIE had $25 million of commercial paper outstanding. RIE's obligations under the facility are not guaranteed by PPL.
(d) Commercial paper issued reflects the undiscounted face value of the issuance.

(PPL)

In January 2025, PPL Capital Funding amended and restated its existing $1.25 billion syndicated credit facility to extend the termination date from December 6, 2028 to December 6, 2029 and to increase the borrowing capacity under the facility to $1.5 billion.

(PPL and PPL Electric)

In January 2025, PPL Electric amended and restated its existing $650 million syndicated credit facility to extend the termination date from December 6, 2028 to December 6, 2029 and to increase the borrowing capacity under the facility to $750 million.

(PPL and LG&E)

In January 2025, LG&E amended and restated its existing $500 million syndicated credit facility to extend the termination date from December 6, 2028 to December 6, 2029 and to increase the borrowing capacity under the facility to $600 million.

(PPL and KU)

In January 2025, KU amended and restated its existing $400 million syndicated credit facility to extend the termination date from December 6, 2028 to December 6, 2029 and to increase the borrowing capacity under the facility to $600 million.

(All Registrants)

The Registrants maintain commercial paper programs to provide an additional financing source to fund short-term liquidity needs. Commercial paper issuances, included in "Short-term debt" on the Balance Sheets, are supported by the respective Registrant's credit facilities. The following commercial paper programs were in place at:

	December 31, 2024				December 31, 2023	
	Weighted - Average Interest Rate	Capacity	Commercial Paper Issuances (c)	Unused Capacity	Weighted - Average Interest Rate	Commercial Paper Issuances (c)
PPL Capital Funding (a)	4.76%	$ 1,350	$ 138	$ 1,212	5.66%	$ 365
RIE (b)		250	—	250	5.72%	25
PPL Electric		650	—	650	5.67%	510
LG&E	4.72%	500	25	475		—
KU	4.71%	400	140	260	5.64%	93
Total		$ 3,150	$ 303	$ 2,847		$ 993

(a) PPL Capital Funding's obligations are fully and unconditionally guaranteed by PPL.
(b) Issuances under the PPL Capital Funding and RIE commercial paper programs are supported by the PPL Capital Funding syndicated credit facility, which, at December 31, 2024, had a total capacity of $1.25 billion and under which they are both borrowers. PPL Capital Funding’s Commercial paper program is also backed by a separate bilateral credit facility for $100 million. The PPL Capital Funding syndicated credit facility includes a borrowing sublimit for RIE, which at December 31, 2024 was set at $250 million with the remaining $1 billion allocated to PPL Capital Funding. RIE's obligations under the facility are not guaranteed by PPL. The sublimits of each borrower may be decreased or increased at the borrowers’ option up to a prescribed amount such that all borrowings under the syndicated credit facility cannot exceed the size of the credit facility of $1.25 billion.
(c) Commercial paper issued reflects the undiscounted face value of the issuance.

(PPL Electric, LG&E and KU)

See Note 13 for a discussion of intercompany borrowings.

Long-term Debt *(All Registrants)*

	Weighted-Average Rate (d)	Maturities (d)	December 31, 2024	December 31, 2023
PPL				
Senior Unsecured Notes	4.34 %	2026 - 2047	$ 4,316	$ 3,066
Senior Secured Notes/First Mortgage Bonds (a) (b) (c)	4.38 %	2025 - 2053	10,878	10,229
Exchangeable Senior Unsecured Notes	2.88 %	2028	1,000	1,000
Junior Subordinated Notes	7.25 %	2067	480	480
Total Long-term Debt before adjustments			16,674	14,775
Unamortized premium and (discount), net			(57)	(55)
Unamortized debt issuance costs			(114)	(108)
Total Long-term Debt			16,503	14,612
Less current portion of Long-term Debt			551	1
Total Long-term Debt, noncurrent			$ 15,952	$ 14,611
PPL Electric				
Senior Secured Notes/First Mortgage Bonds (a) (b)	4.64 %	2027 - 2053	$ 5,299	$ 4,649
Total Long-term Debt Before Adjustments			5,299	4,649
Unamortized discount			(42)	(42)
Unamortized debt issuance costs			(43)	(40)
Total Long-term Debt			5,214	4,567
Less current portion of Long-term Debt			—	—
Total Long-term Debt, noncurrent			$ 5,214	$ 4,567

	Weighted-Average Rate (d)	Maturities (d)	December 31, 2024	December 31, 2023
LG&E				
Senior Secured Notes/First Mortgage Bonds (a) (c)	4.01 %	2025 - 2049	$ 2,489	$ 2,489
Total Long-term Debt Before Adjustments			2,489	2,489
Unamortized discount			(4)	(4)
Unamortized debt issuance costs			(14)	(16)
Total Long-term Debt			2,471	2,469
Less current portion of Long-term Debt			300	—
Total Long-term Debt, noncurrent			$ 2,171	$ 2,469
KU				
Senior Secured Notes/First Mortgage Bonds (a) (c)	4.22 %	2025 - 2050	$ 3,089	$ 3,089
Total Long-term Debt Before Adjustments			3,089	3,089
Unamortized premium			4	5
Unamortized discount			(8)	(9)
Unamortized debt issuance costs			(19)	(21)
Total Long-term Debt			3,066	3,064
Less current portion of Long-term Debt			250	—
Total Long-term Debt, noncurrent			$ 2,816	$ 3,064

(a) Includes PPL Electric's senior secured and first mortgage bonds that are secured by the lien of PPL Electric's 2001 Mortgage Indenture, which covers substantially all of PPL Electric’s tangible distribution properties and certain of its tangible transmission properties located in Pennsylvania, subject to certain exceptions and exclusions. The carrying value of PPL Electric's property, plant and equipment was approximately $13.3 billion and $12.4 billion at December 31, 2024 and 2023.

Includes LG&E's first mortgage bonds that are secured by the lien of the LG&E 2010 Mortgage Indenture which creates a lien, subject to certain exceptions and exclusions, on substantially all of LG&E's real and tangible personal property located in Kentucky and used or to be used in connection with the generation, transmission and distribution of electricity and the storage and distribution of natural gas. The aggregate carrying value of the property subject to the lien was $6.0 billion and $5.9 billion at December 31, 2024 and 2023.

Includes KU's first mortgage bonds that are secured by the lien of the KU 2010 Mortgage Indenture which creates a lien, subject to certain exceptions and exclusions, on substantially all of KU's real and tangible personal property located in Kentucky and used or to be used in connection with the generation, transmission and distribution of electricity. The aggregate carrying value of the property subject to the lien was $7.5 billion and $7.3 billion at December 31, 2024 and 2023.

(b) Includes PPL Electric's series of senior secured bonds that secure its obligations to make payments with respect to each series of Pollution Control Bonds that were issued by the LCIDA on behalf of PPL Electric. These senior secured bonds were issued in the same principal amount, contain payment and redemption provisions that correspond to and bear the same interest rate as such Pollution Control Bonds. These senior secured bonds were issued under PPL Electric's 2001 Mortgage Indenture and are secured as noted in (a) above. The tax-exempt revenue bonds are subject to mandatory redemption upon determination that the interest rate on the bonds would be included in the holders' gross income for federal tax purposes.

(c) Includes LG&E's and KU's series of first mortgage bonds that were issued to the respective trustees of tax-exempt revenue bonds to secure its respective obligations to make payments with respect to each series of bonds. The first mortgage bonds were issued in the same principal amounts, contain payment and redemption provisions that correspond to and bear the same interest rate as such tax-exempt revenue bonds. These first mortgage bonds were issued under the LG&E 2010 Mortgage Indenture and the KU 2010 Mortgage Indenture and are secured as noted in (a) above. The related tax-exempt revenue bonds were issued by various governmental entities, principally counties in Kentucky, on behalf of LG&E and KU. The related revenue bond documents allow LG&E and KU to convert the interest rate mode on the bonds from time to time to a commercial paper rate, daily rate, weekly rate, term rate of at least one year or, in some cases, an auction rate or a SOFR index rate. At December 31, 2024, the aggregate tax-exempt revenue bonds issued on behalf of LG&E and KU that were in a term rate mode totaled $894 million for PPL, comprised of $538 million and $356 million for LG&E and KU. At December 31, 2024, the aggregate tax-exempt revenue bonds issued on behalf of LG&E and KU that were in a variable rate mode totaled $66 million and $33 million for LG&E and KU. These variable rate tax-exempt revenue bonds are subject to tender for purchase by LG&E and KU at the option of the holder and to mandatory tender for purchase by LG&E and KU upon the occurrence of certain events.

(d) The table reflects principal maturities only, based on stated maturities, sinking fund requirements, or earlier put dates, and the weighted-average rates as of December 31, 2024.

The aggregate maturities of long-term debt, based on sinking fund requirements, stated maturities or earlier put dates, for the periods 2025 through 2029 and thereafter are as follows:

	PPL	PPL Electric	LG&E	KU
2025	$ 551	$ —	$ 300	$ 250
2026	904	—	90	164
2027	428	108	260	60
2028	1,350	—	—	—
2029	116	116	—	—
Thereafter	13,325	5,075	1,839	2,615
Total	$ 16,674	$ 5,299	$ 2,489	$ 3,089

(PPL)

In March 2024, RIE issued $500 million of 5.35% Senior Notes due 2034. RIE received proceeds of $496 million, net of discounts and underwriting fees, to be used to repay short-term debt and for other general corporate purposes.

In August 2024, PPL Capital Funding issued $750 million of 5.25% Senior Notes due 2034. PPL Capital Funding received proceeds of $741 million, net of discounts and underwriting fees, to be used to repay short-term debt and for other general corporate purposes.

(PPL and PPL Electric)

In January 2024, PPL Electric issued $650 million of 4.85% First Mortgage Bonds due 2034. PPL Electric received proceeds of $644 million, net of discounts and underwriting fees, to be used to repay short-term debt and for other general corporate purposes.

(PPL Electric, LG&E and KU)

See Note 13 for additional information related to intercompany borrowings.

Legal Separateness *(All Registrants)*

The subsidiaries of PPL are separate legal entities. PPL's subsidiaries are not liable for the debts of PPL. Accordingly, creditors of PPL may not satisfy their debts from the assets of PPL's subsidiaries absent a specific contractual undertaking by a subsidiary to pay PPL's creditors or as required by applicable law or regulation. Similarly, other than PPL's guarantee of PPL Capital Funding's obligations, PPL is not liable for the debts of its subsidiaries, nor are its subsidiaries liable for the debts of one another. Accordingly, creditors of PPL's subsidiaries may not satisfy their debts from the assets of PPL or its other subsidiaries absent a specific contractual undertaking by PPL or its other subsidiaries to pay the creditors or as required by applicable law or regulation.

Similarly, the subsidiaries of PPL Electric are each separate legal entities. These subsidiaries are not liable for the debts of PPL Electric. Accordingly, creditors of PPL Electric may not satisfy its debts from the assets of its subsidiaries absent a specific contractual undertaking by a subsidiary to pay the creditors or as required by applicable law or regulation. Similarly, PPL Electric is not liable for the debts of its subsidiaries, nor are its subsidiaries liable for the debts of one another. Accordingly, creditors of these subsidiaries may not satisfy their debts from the assets of PPL Electric (or its other subsidiaries) absent a specific contractual undertaking by PPL Electric or any such other subsidiary to pay such creditors or as required by applicable law or regulation.

(PPL)

Distributions and Related Restrictions

In November 2024, PPL declared its quarterly common stock dividend, payable January 2, 2025, at 25.75 cents per share (equivalent to $1.03 per annum). On February 13, 2025, PPL announced a quarterly common stock dividend of 27.25 cents per share, payable April 1, 2025, to shareowners of record as of March 10, 2025. Future dividends will be declared at the discretion of the Board of Directors and will depend upon future earnings, cash flows, financial and legal requirements and other factors.

Neither PPL Capital Funding nor PPL may declare or pay any cash dividend or distribution on its capital stock during any period in which PPL Capital Funding defers interest payments on its 2007 Series A Junior Subordinated Notes due 2067. At December 31, 2024, no interest payments were deferred.

(All Registrants)

PPL relies on dividends or loans from its subsidiaries to fund PPL's dividends to its common shareholders. The net assets of certain PPL subsidiaries are subject to legal restrictions. LG&E, KU, PPL Electric and RIE are subject to Section 305(a) of the Federal Power Act, which makes it unlawful for a public utility to make or pay a dividend from any funds "properly included in capital account." The meaning of this limitation has never been clarified under the Federal Power Act. LG&E, KU, PPL Electric and RIE believe, however, that this statutory restriction, as applied to their circumstances, would not be construed or applied by the FERC to prohibit the payment from retained earnings of dividends that are not excessive and are for lawful and legitimate business purposes. In February 2012, LG&E and KU petitioned the FERC requesting authorization to pay dividends in the future based on retained earnings balances calculated without giving effect to the impact of purchase accounting adjustments for PPL's 2010 acquisition of LG&E and KU. In May 2012, the FERC approved the petitions with the further condition that each utility may not pay dividends if such payment would cause its adjusted equity ratio to fall below 30% of total capitalization. Accordingly, at December 31, 2024, net assets of $1.5 billion for LG&E and $2.0 billion for KU were restricted for purposes of paying dividends to LKE, and net assets of $1.8 billion for LG&E and $2.3 billion for KU were available for payment of dividends to LKE. LG&E and KU believe they will not be required to change their current dividend practices as a result of the foregoing requirement. In addition, under Virginia law, KU is prohibited from making loans to affiliates without the prior approval of the VSCC. There are no comparable statutes under Kentucky law applicable to LG&E and KU, or under Pennsylvania law applicable to PPL Electric. However, orders from the KPSC require LG&E and KU to obtain prior consent or approval before lending amounts to PPL.

9. Acquisitions, Development and Divestitures

(PPL)

Acquisitions

Acquisition of Narragansett Electric

On May 25, 2022, PPL Rhode Island Holdings acquired 100% of the outstanding shares of common stock of Narragansett Electric from National Grid U.S., a subsidiary of National Grid plc (the Acquisition). Narragansett Electric, whose service area covers substantially all of Rhode Island, is primarily engaged in the transmission and distribution of electricity and distribution of natural gas. The Acquisition expands PPL's portfolio of regulated natural gas and electricity transmission and distribution assets, has improved PPL's credit metrics and is expected to enhance long term earnings growth. Following the closing of the Acquisition, Narragansett Electric provides services doing business under the name Rhode Island Energy (RIE).

The consideration for the Acquisition consisted of approximately $3.8 billion in cash and approximately $1.5 billion of long-term debt assumed through the transaction. The fair value of the consideration paid for Narragansett Electric was as follows (in billions):

Aggregate enterprise consideration	$	5.3
Less: fair value of assumed long-term debt outstanding		1.5
Total cash consideration	$	3.8

The $3.8 billion total cash consideration paid was funded with proceeds from PPL's 2021 sale of its U.K. utility business.

In connection with the Acquisition, National Grid USA Service Company, Inc., National Grid U.S. and Narragansett Electric entered into a transition services agreement (TSA), pursuant to which the National Grid entities agreed to provide certain transition services to Narragansett Electric to facilitate the transition of the operation of Narragansett Electric to PPL following the Acquisition, as agreed upon in the Narragansett share purchase agreement. The TSA was for an initial two-year term and was completed in the third quarter of 2024. TSA costs of $137 million, $228 million, and $123 million were incurred for the years ended December 31, 2024, 2023, and 2022.

Commitments to the Rhode Island Division of Public Utilities and Carriers and the Attorney General of the State of Rhode Island

As a condition to the Acquisition, PPL made certain commitments to the Rhode Island Division of Public Utilities and Carriers and the Attorney General of the State of Rhode Island. As a result:

- RIE provided a credit to all its electric and natural gas distribution customers in the total amount of $50 million ($40 million net of tax benefit). Based on the relative number of electric distribution customers and natural gas distribution customers as of November 1, 2022, RIE refunded, in the form of a bill credit, $33 million to electric customers and $17 million to natural gas customers of amounts collected from customers since the Acquisition date. Each electric customer received the same credit, and each natural gas customer received the same credit. A reduction of revenue and a regulatory liability of $50 million for the amounts refunded were recorded during the quarter ended September 30, 2022. These credits were issued during the fourth quarter of 2022. The amounts refunded did not impact RIE's earnings sharing regulatory mechanism.
- RIE forgave approximately $44 million ($21 million net of allowance for doubtful accounts) in arrearages for low-income and protected residential customers, which represents 100% of the arrearages over 90 days for those customers as of March 31, 2022. PPL deemed these accounts uncollectible and fully reserved for them as of September 30, 2022, resulting in an increase to "Other operations and maintenance expense" on the Statement of Income of $23 million for the year ended December 31, 2022.
- RIE will not file a base rate case seeking an increase in base distribution rates for natural gas and/or electric service sooner than three years from the Acquisition date, and RIE will not submit a request for a change in base rates unless and until there is at least twelve months of operating experience under PPL's exclusive leadership and after the TSA with National Grid terminates.
- RIE will forgo potential recovery of any and all transition costs, which includes (1) the installation of certain information technology systems; (2) modification and enhancements to physical facilities in Rhode Island; and (3) incurring costs related to severance payments, communications and branding changes, and other transition related costs. These costs, which are being expensed as incurred, were $307 million, $262 million, and $181 million for the years ended December 31, 2024, 2023, and 2022.
- RIE will not seek to recover any transaction costs related to the Acquisition, which were $28 million through December 31, 2024, including an immaterial amount for the years ended December 31, 2024 and 2023, and $18 million for the year ended December 31, 2022. These amounts were recorded in "Other operations and maintenance" on the Statement of Income.
- RIE will not seek to recover in rates any markup charged by National Grid U.S. and/or its affiliates under the TSA which were $10 million, $7 million, and $3 million for the years ended December 31, 2024, 2023, and 2022.
- In June 2022, RIE expensed $20 million of regulatory assets as of the Acquisition date for the Gas Business Enablement (GBE) project and for certain Cybersecurity/IT investments related to GBE. The expense was recorded to "Other operations and maintenance" on the Statements of Income for the year ended December 31, 2022. RIE will not seek to recover these regulatory assets from customers in any future proceedings.
- RIE will exclude all goodwill from the ratemaking capital structure.
- RIE will hold harmless Rhode Island customers from any changes to Accumulated Deferred Income Taxes (ADIT) as a result of the Acquisition. RIE reserves the right to seek rate adjustments based on future changes to ADIT that are not related to the Acquisition.
- RIE will not increase its revenue requirement to a level higher than what would exist in the absence of the Acquisition as a result of any restatement of pension and other post-retirement benefits plan assets and liabilities to fair value after the close of the Acquisition.
- Rhode Island Holdings contributed $2.5 million to the Rhode Island Commerce Corporation's Renewable Energy Fund and will not use any of the $2.5 million to meet its pre-existing renewable energy credit goals in Rhode Island or any other state. This contribution was made during the year ended December 31, 2022 and was recorded in "Other Income (Expense)" on the Statement of Income.
- RIE will make available up to $2.5 million for the Rhode Island Attorney General to utilize as needed in evaluating PPL's report on RIE's specific decarbonization goals to support Rhode Island's 2021 Act on Climate or to assess the future of the gas distribution business in Rhode Island. This amount was accrued during the year ended December 31, 2022 and was recorded in "Other Income (Expense) - net" on the Statement of Income.
- Various other operational and reporting commitments have been established.

Purchase Price Allocation

The operations of Narragansett Electric are subject to the accounting for certain types of regulation as prescribed by GAAP. The carrying value of Narragansett Electric's assets and liabilities subject to rate-setting and cost recovery provisions provide revenues derived from costs, including a return on investment of net assets and liabilities included in rate base. Therefore, the fair values of these assets and liabilities equal their carrying values. Accordingly, neither the assets acquired nor liabilities assumed reflect any adjustments related to these amounts.

Total goodwill resulting from the acquisition was $1,585 million. PPL has elected to not reflect the effects of purchase accounting in the separate financial statements of RIE or PPL's Rhode Island Regulated segment. Accordingly, the Rhode

Island Regulated segment includes $725 million of acquired legacy goodwill. The remaining excess purchase price of $860 million is included in PPL's Corporate and Other category for segment reporting purposes. The goodwill reflects the value paid for the expected continued growth of a rate-regulated business located in a defined service area with a constructive regulatory environment, the ability of PPL to leverage its assembled workforce to take advantage of those growth opportunities and the attractiveness of stable, growing cash flows. The tax goodwill is deductible for income tax purposes over a 15 year period, and as such, deferred taxes will be recorded as the tax deductions are taken.

The table below shows the allocation of the purchase price to the assets acquired and liabilities assumed that were recorded in PPL’s Consolidated Balance Sheet as of the Acquisition date. The allocation was subject to change during the one-year measurement period as additional information was obtained about the facts and circumstances that existed at closing. Adjustments to certain assets acquired and liabilities assumed during the year ended December 31, 2023 resulted in a decrease in goodwill of $1 million since the purchase price allocation as of December 31, 2022.

	Final Purchase Price Allocation
Assets	
Current Assets	
Cash and Cash Equivalents	$ 154
Accounts Receivable (a)	195
Unbilled Revenues	54
Price Risk Management Assets	99
Regulatory Assets	75
Other Current Assets	65
Total Current Assets	**642**
Noncurrent Assets	
Property, Plant and Equipment, net	3,992
Regulatory Assets	393
Goodwill	1,585
Other Noncurrent Assets	164
Total Noncurrent Assets	**6,134**
Total Assets	**$ 6,776**
Liabilities	
Current Liabilities	
Long-Term Debt Due Within One Year	$ 14
Accounts Payable	180
Taxes Accrued	44
Regulatory Liabilities	239
Other Current Liabilities	198
Total Current Liabilities	**675**
Noncurrent Liabilities	
Long-Term Debt	1,496
Regulatory Liabilities	643
Other Deferred Credits and Noncurrent Liabilities	142
Noncurrent Liabilities	**2,281**
Total Purchase Price (Balance Sheet Net Assets)	**$ 3,820**

(a) Amounts represent fair value as of May 25, 2022. The gross contractual amount is $255 million. Cash flows not expected to be collected as of May 25, 2022 were $60 million.

Pro Forma Financial Information

The actual RIE Operating Revenues and Net income attributable to PPL included in PPL's Statement of Income for the period ended December 31, 2022, and PPL's unaudited pro forma 2022 Operating Revenues and Net Income (Loss) attributable to PPL, including RIE, as if the Acquisition had occurred prior to January 1, 2022 are as follows.

	Operating Revenues	Net Income (Loss)
Actual RIE results included from May 25, 2022 - December 31, 2022 (a)	$ 1,038	$ (44)
PPL Pro Forma for the year ended 2022	8,667	790

(a) Net Income (Loss) includes expenses of $98 million (pre-tax) related to commitments made as a condition of the Acquisition.

The pro forma financial information presented above has been derived from the historical consolidated financial statements of PPL and Narragansett Electric. Non-recurring items included in the 2022 pro forma financial information include: (a) $18 million (pre-tax) of transaction costs related to the Acquisition, primarily for advisory, accounting and legal fees incurred, (b) $223 million (pre-tax) of Acquisition integration costs, (c) a $50 million reduction of revenue (pre-tax), write-offs of $43 million (pre-tax) of certain accounts receivable and regulatory assets of RIE and $5 million (pre-tax) of expenses accrued in support of Rhode Island's decarbonization goals, all of which were conditions of the Acquisition, and (d) the income tax effect of these items, which was tax effected at the statutory federal income tax rate of 21%.

Developments *(PPL, LG&E and KU)*

Mill Creek Unit 5 Construction

In December 2022, LG&E and KU filed a CPCN with the KPSC requesting approval to construct a 640 MW net summer rating Natural Gas Combined Cycle (NGCC) combustion turbine at LG&E's Mill Creek Generating Station. In November 2023, the KPSC issued an order approving the request as well as the requested AFUDC accounting treatment for associated financing costs relating to the NGCC. The new NGCC facility will be jointly owned by LG&E (31%) and KU (69%). In February 2024, LG&E and KU entered into agreements to begin construction of Mill Creek Unit 5. Total project costs are estimated at approximately $1.0 billion, including AFUDC. Commercial operation of the facility is anticipated to begin in mid-2027.

See Note 7 for additional information on the CPCN filing.

Divestitures *(PPL)*

Sale of Safari Holdings

On September 29, 2022, PPL signed a definitive agreement to sell all of Safari Holdings membership interests to Aspen Power Services, LLC (Aspen Power). On November 1, 2022, PPL completed the sale (the Transaction).

Final closing adjustments were completed during the year ended December 31, 2023, resulting in an increase to the loss on sale of $6 million ($5 million net of tax), which was recorded in "Other operation and maintenance" on the Statements of Income for the year ended December 31, 2023. A loss on sale of $60 million ($46 million net of tax benefit) was recorded in "Other operation and maintenance" on the Statements of Income for the year ended December 31, 2022.

In connection with the closing of the Transaction, PPL provided certain guarantees and other assurances. Certain of these guarantees and other assurances have been terminated as of January 8, 2024. See Note 12 to the Financial Statements for additional information.

Discontinued Operations

Summarized Results of Discontinued Operations

On June 14, 2021, PPL WPD Limited completed the sale of PPL's U.K. utility business to National Grid Holdings One plc (National Grid U.K.), a subsidiary of National Grid plc. For the year ended December 31, 2022, the operations of the U.K. utility business are included in "Income from Discontinued Operations (net of income taxes)" on the Statements of Income, with the only component being an income tax benefit of $42 million. There were no discontinued operations activities for the years ended December 31, 2024 or 2023.

10. Retirement and Postemployment Benefits

(All Registrants)

Defined Benefits

Certain employees of PPL's subsidiaries are eligible for pension benefits under non-contributory defined benefit pension plans with benefits based on length of service and final average pay, as defined by the plans.

Effective January 1, 2012, PPL's primary defined benefit pension plan was closed to all newly hired salaried employees. Effective July 1, 2014, PPL's primary defined benefit pension plan was closed to all newly hired bargaining unit employees. Newly hired employees are eligible to participate in the PPL Retirement Savings Plan, a 401(k) savings plan with enhanced employer contributions.

The defined benefit pension plans of LKE and its subsidiaries were closed to new salaried and bargaining unit employees hired after December 31, 2005. Employees hired after December 31, 2005 receive additional company contributions above the standard matching contributions to their savings plans. The pension plans sponsored by LKE and LG&E were merged effective January 1, 2020 into the LG&E and KU Pension Plan. The merged plan is sponsored by LKE. LG&E and KU participate in this plan.

The RIE defined benefit plans provide most union employees, as well as non-union employees hired before January 1, 2011, with a retirement benefit. Supplemental non-qualified, non-contributory executive retirement programs provide additional defined pension benefits for certain executives.

PPL and certain of its subsidiaries also provide supplemental retirement benefits to executives and other key management employees through unfunded nonqualified retirement plans.

Certain employees of PPL's subsidiaries are eligible for certain health care and life insurance benefits upon retirement through contributory plans. Effective January 1, 2014, the PPL Postretirement Medical Plan was closed to all newly hired salaried employees. Effective July 1, 2014, the PPL Postretirement Medical Plan was closed to all newly hired bargaining unit employees. Effective January 1, 2024, newly hired salaried employees and certain bargaining unit employees of LKE will no longer be eligible for postretirement medical benefits under the LKE Postretirement Plan. Postretirement health benefits may be paid from 401(h) accounts established as part of the PPL Retirement Plan and the LG&E and KU Pension Plan within the PPL Services Corporation Master Trust, funded VEBA trusts and company funds.

The Rhode Island postretirement benefit plans provide health care and life insurance coverage to eligible retired employees. Eligibility is based on age and length of service requirements and, in most cases, retirees must contribute to the cost of their coverage.

(PPL)

The following table provides the components of net periodic defined benefit costs (credits) for PPL's pension and other postretirement benefit plans for the years ended December 31.

	Pension Benefits			Other Postretirement Benefits		
	2024	2023	2022	2024	2023	2022
Net periodic defined benefit costs (credits):						
Service cost	$ 35	$ 34	$ 51	$ 6	$ 6	$ 7
Interest cost	183	188	144	29	30	20
Expected return on plan assets	(299)	(309)	(276)	(30)	(30)	(28)
Amortization of:						
Prior service cost (credit)	3	6	8	1	1	1
Actuarial (gain) loss	10	2	51	(5)	(5)	(5)
Net periodic defined benefit costs (credits) prior to settlements and termination benefits	(68)	(79)	(22)	1	2	(5)
Settlements (a)	—	—	23	—	—	—
Net periodic defined benefit costs (credits)	$ (68)	$ (79)	$ 1	$ 1	$ 2	$ (5)
Other Changes in Plan Assets and Benefit Obligations Recognized in OCI and Regulatory Assets/Liabilities - Gross:						
Net (loss)/gain allocated at acquisition	$ —	$ —	$ 33	$ —	$ —	$ (49)
Settlement	—	—	(23)	—	—	—
Net (gain) loss	134	193	242	1	(6)	—
Prior service cost (credit)	(13)	2	—	—	—	—
Amortization of:						
Prior service (cost) credit	(3)	(6)	(8)	(1)	(1)	(1)
Actuarial gain (loss)	(10)	(2)	(51)	5	5	5
Total recognized in OCI and regulatory assets/liabilities	108	187	193	5	(2)	(45)
Total recognized in net periodic defined benefit costs, OCI and regulatory assets/liabilities	$ 40	$ 108	$ 194	$ 6	$ —	$ (50)

(a) Settlement charges incurred as a result of the amount of lump sum payment distributions, primarily from the LKE qualified pension plan. In accordance with existing regulatory accounting treatment, LG&E and KU have primarily maintained the settlement charge in regulatory assets to be amortized in accordance with existing regulatory practice. The portion of the settlement attributed to LKE's operations outside of the jurisdiction of the KPSC has been charged to expense.

For PPL's pension and postretirement benefits, the amounts recognized in OCI and regulatory assets/liabilities for the years ended December 31 were as follows:

	Pension Benefits			Other Postretirement Benefits		
	2024	2023	2022	2024	2023	2022
OCI	$ 25	$ 52	$ 142	$ 2	$ —	$ 13
Regulatory assets/liabilities	83	135	51	3	(2)	(58)
Total recognized in OCI and regulatory assets/liabilities	$ 108	$ 187	$ 193	$ 5	$ (2)	$ (45)

(PPL)

PPL uses base mortality tables issued by the Society of Actuaries for all defined benefit pension and other postretirement benefit plans. The Pri-2012 base table and the MP-2020 projection scale with varying adjustment factors based on the underlying demographic and geographic differences and experience of the plan participants was used for all periods.

The following weighted-average assumptions were used in the valuation of the benefit obligations at December 31.

	Pension Benefits		Other Postretirement Benefits	
	2024	2023	2024	2023
PPL				
Discount rate	5.93 %	5.52 %	5.91 %	5.54 %
Rate of compensation increase	3.43 %	3.43 %	3.44 %	3.43 %

The following weighted-average assumptions were used to determine the net periodic defined benefit costs for the years ended December 31.

	Pension Benefits			Other Postretirement Benefits		
	2024	2023	2022	2024	2023	2022
PPL						
Discount rate	5.52 %	5.52 %	3.35 %	5.54 %	5.54 %	3.54 %
Rate of compensation increase	3.43 %	3.43 %	3.74 %	3.43 %	3.43 %	2.84 %
Expected return on plan assets	8.25 %	8.25 %	7.25 %	7.28 %	7.38 %	6.52 %

(a) The expected long-term rates of return for pension and other postretirement benefits are based on management's projections using a best-estimate of expected returns, volatilities and correlations for each asset class. Each plan's specific current and expected asset allocations are also considered in developing a reasonable return assumption.

The following table provides the assumed health care cost trend rates for the years ended December 31:

	2024	2023	2022
PPL			
Health care cost trend rate assumed for next year			
– obligations	7.00 %	6.25 %	6.50 %
– cost	6.25 %	6.50 %	6.25 %
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)			
– obligations	5.00 %	5.00 %	5.00 %
– cost	5.00 %	5.00 %	5.00 %
Year that the rate reaches the ultimate trend rate			
– obligations	2033	2029	2029
– cost	2029	2029	2027

The funded status of PPL's plans at December 31 was as follows:

	Pension Benefits		Other Postretirement Benefits	
	2024	2023	2024	2023
Change in Benefit Obligation				
Benefit Obligation, beginning of period	$ 3,454	$ 3,333	$ 538	$ 534
Service cost	35	34	6	6
Interest cost	183	188	29	30
Participant contributions	—	—	8	9
Plan amendments	(13)	3	—	—
Actuarial (gain) loss	(131)	179	(4)	18
Settlements	—	(3)	—	—
Gross benefits paid	(284)	(280)	(56)	(59)
Federal subsidy	—	—	2	—
Benefit Obligation, end of period	3,244	3,454	523	538
Change in Plan Assets				
Plan assets at fair value, beginning of period	3,176	3,149	438	417
Actual return on plan assets	34	297	25	54
Employer contributions	10	13	14	16
Participant contributions	—	—	7	7
Transfer out (a)	—	—	(13)	—
Settlements	—	(3)	—	—
Gross benefits paid	(284)	(280)	(54)	(56)
Plan assets at fair value, end of period	2,936	3,176	417	438
Funded Status, end of period	$ (308)	$ (278)	$ (106)	$ (100)
Amounts recognized in the Balance Sheets consist of:				
Noncurrent asset	$ 19	$ 7	$ 8	$ 10
Current liability	(10)	(10)	(13)	(14)
Noncurrent liability	(317)	(275)	(101)	(96)
Net amount recognized, end of period	$ (308)	$ (278)	$ (106)	$ (100)
Amounts recognized in AOCI and regulatory assets/liabilities (pre-tax) consist of:				
Prior service cost (credit)	$ (6)	$ 11	$ 9	$ 10
Net actuarial (gain) loss	1,164	1,017	(90)	(96)
Total	$ 1,158	$ 1,028	$ (81)	$ (86)
Total accumulated benefit obligation for defined benefit pension plans	$ 3,116	$ 3,312		

(a) Transfer of excess funds from the PPL Bargaining Unit Retiree Health Plan VEBA to be used to pay medical claims of active bargaining unit employees.

For PPL's pension and other postretirement benefit plans, the amounts recognized in AOCI and regulatory assets/liabilities at December 31 were as follows:

	Pension Benefits		Other Postretirement Benefits	
	2024	2023	2024	2023
AOCI	$ 283	$ 235	$ 16	$ 14
Regulatory assets/liabilities	875	793	(97)	(100)
Total	$ 1,158	$ 1,028	$ (81)	$ (86)

The actuarial gain for pension plans in 2024 was primarily related to a change in the discount rate used to measure the benefit obligations of those plans. The actuarial loss for pension plans in 2023 was related to a change in the discount rate used to measure the benefit obligations of those plans.

The following tables provide information on pension plans where the projected benefit obligation (PBO) or accumulated benefit obligation (ABO) exceed the fair value of plan assets:

	PBO in excess of plan assets	
	2024	2023
Projected benefit obligation	$ 2,719	$ 2,891
Fair value of plan assets	2,392	2,606

	ABO in excess of plan assets	
	2024	2023
Accumulated benefit obligation	$ 2,618	$ 1,773
Fair value of plan assets	2,392	1,594

(PPL Electric)

Although PPL Electric does not directly sponsor any defined benefit plans, it is allocated a portion of the funded status and costs of plans sponsored by PPL Services based on its participation in those plans, which management believes are reasonable. The actuarially determined obligations of current active employees and retirees are used as a basis to allocate total plan activity, including active and retiree costs and obligations. Allocations to PPL Electric resulted in assets/(liabilities) at December 31 as follows:

	2024	2023
Pension	$ (83)	$ (65)
Other postretirement benefits	(60)	(55)

(LG&E)

Although LG&E does not directly sponsor any defined benefit plans, it is allocated a portion of the funded status and costs of plans sponsored by LKE. LG&E is also allocated costs of defined benefits plans from LKS for defined benefit plans sponsored by LKE. See Note 13 for additional information on costs allocated to LG&E from LKS. These allocations are based on LG&E's participation in those plans, which management believes are reasonable. The actuarially determined obligations of current active employees and retired employees of LG&E are used as a basis to allocate total plan activity, including active and retiree costs and obligations. Allocations to LG&E resulted in assets/(liabilities) at December 31 as follows:

	2024	2023
Pension	$ 29	$ 34
Other postretirement benefits	(44)	(44)

(KU)

Although KU does not directly sponsor any defined benefit plans, it is allocated a portion of the funded status and costs of plans sponsored by LKE. KU is also allocated costs of defined benefit plans from LKS for defined benefit plans sponsored by LKE. See Note 13 for additional information on costs allocated to KU from LKS. These allocations are based on KU's participation in those plans, which management believes are reasonable. The actuarially determined obligations of current active employees and retired employees of KU are used as a basis to allocate total plan activity, including active and retiree costs and obligations. Allocations to KU resulted in assets/(liabilities) at December 31 as follows.

	2024	2023
Pension	$ 46	$ 51
Other postretirement benefits	(8)	(9)

Plan Assets - Pension Plans

(PPL)

All of PPL's qualified pension plans are invested in the PPL Services Corporation Master Trust (the Master Trust) that also includes 401(h) accounts that are restricted for certain other postretirement benefit obligations of PPL, RIE and LKE. The investment strategy for the Master Trust is to achieve a risk-adjusted return on a mix of assets that, in combination with PPL's funding policy, will ensure that sufficient assets are available to provide long-term growth and liquidity for benefit payments, while also managing the duration of the assets to complement the duration of the liabilities. The Master Trust benefits from a wide diversification of asset types, investment fund strategies and external investment fund managers, and therefore has no significant concentration of risk.

The investment policy of the Master Trust outlines investment objectives and defines the responsibilities of the EBPB, external investment managers, investment advisor and trustee and custodian. The investment policy is reviewed annually by PPL's Board of Directors.

The EBPB created a risk management framework around the trust assets and pension liabilities. This framework considers the trust assets as being composed of three sub-portfolios: growth, immunizing and liquidity portfolios. The growth portfolio is comprised of investments that generate a return at a reasonable risk, including equity securities, certain debt securities and alternative investments. The immunizing portfolio consists of debt securities, generally with long durations, and derivative positions. The immunizing portfolio is designed to offset a portion of the change in the pension liabilities due to changes in interest rates. The liquidity portfolio consists primarily of cash and cash equivalents.

Target allocation ranges have been developed for each portfolio based on input from external consultants with a goal of limiting funded status volatility. The EBPB monitors the investments in each portfolio and seeks to obtain a target portfolio that emphasizes reduction of risk of loss from market volatility. In pursuing that goal, the EBPB establishes revised guidelines from time to time. EBPB investment guidelines as of the end of 2024 are presented below.

The asset allocation for the trust and the target allocation by portfolio at December 31 are as follows:

	Percentage of trust assets		2024
	2024	2023	Target Asset Allocation
Growth Portfolio	**55 %**	**54 %**	**55 %**
Equity securities	30 %	31 %	
Debt securities (a)	13 %	12 %	
Alternative investments	12 %	11 %	
Immunizing Portfolio	**43 %**	**43 %**	**43 %**
Debt securities (a)	35 %	36 %	
Derivatives (b)	8 %	7 %	
Liquidity Portfolio	**2 %**	**3 %**	**2 %**
Total	100 %	100 %	100 %

(a) Includes commingled debt funds, which PPL treats as debt securities for asset allocation purposes.
(b) Includes posted collateral to support derivative instruments subject to counterparty risk.

(PPL)

The fair value of net assets in the Master Trust by asset class and level within the fair value hierarchy was:

	December 31, 2024				December 31, 2023			
		Fair Value Measurements Using				Fair Value Measurements Using		
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
PPL Services Corporation Master Trust								
Cash and cash equivalents	$ 212	$ 212	$ —	$ —	$ 226	$ 226	$ —	$ —
Equity securities:								
U.S. Equity	63	63	—	—	36	36	—	—
U.S. Equity fund measured at NAV (a)	461	—	—	—	542	—	—	—
International equity fund at NAV (a)	376	—	—	—	431	—	—	—
Commingled debt measured at NAV (a)	461	—	—	—	528	—	—	—
Debt securities:								
U.S. Treasury and U.S. government sponsored agency	150	149	1	—	159	159	—	—
Corporate	867	—	848	19	915	—	906	9
Other	13	—	13	—	14	—	13	1
Alternative investments:								
Real estate measured at NAV (a)	72	—	—	—	61	—	—	—
Private equity measured at NAV (a)	114	—	—	—	105	—	—	—
Private credit partnerships measured at NAV (a)	16	—	—	—	13	—	—	—
Hedge funds measured at NAV (a)	181	—	—	—	192	—	—	—
Derivatives	(38)	—	(38)	—	93	—	93	—
PPL Services Corporation Master Trust assets, at fair value	2,948	$ 424	$ 824	$ 19	3,315	$ 421	$ 1,012	$ 10
Receivables and payables, net (b)	102				(16)			
401(h) accounts restricted for other postretirement benefit obligations	(114)				(124)			
Total PPL Services Corporation Master Trust pension assets	$ 2,936				$ 3,175			

(a) In accordance with accounting guidance, certain investments that are measured at fair value using the net asset value per share (NAV), or its equivalent, have not been classified in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.
(b) Receivables and payables, net represents amounts for investments sold/purchased but not yet settled along with interest and dividends earned but not yet received.

A reconciliation of the Master Trust assets classified as Level 3 at December 31, 2024 is as follows:

	Corporate debt
Balance at beginning of period	$ 10
Actual return on plan assets:	
Relating to assets still held at the reporting date	(2)
Relating to assets sold during the period	7
Purchases, sales and settlements	4
Balance at end of period	$ 19

A reconciliation of the Master Trust assets classified as Level 3 at December 31, 2023 is as follows:

	Corporate debt
Balance at beginning of period	$ 16
Actual return on plan assets:	
Relating to assets still held at the reporting date	(2)
Relating to assets sold during the period	4
Purchases, sales and settlements	(8)
Balance at end of period	$ 10

Cash and cash equivalents include deposits in banks, collateral accounts with brokers, and short-term investment funds, for which the carrying amounts disclosed approximate fair value based on their short-term nature.

The market approach is used to measure fair value of equity securities. The fair value measurements of equity securities (excluding commingled funds), which are generally classified as Level 1, are based on quoted prices in active markets. These securities represent actively and passively managed investments that are managed against various equity indices.

Investments in commingled equity and debt funds are categorized as equity securities. Investments in commingled equity funds include funds that invest in U.S. and international equity securities. Investments in commingled debt funds include funds that invest in a diversified portfolio of emerging market debt obligations, as well as funds that invest in investment grade long-duration fixed-income securities.

The fair value measurements of debt securities are generally based on evaluations that reflect observable market information, such as actual trade information for identical securities or for similar securities, adjusted for observable differences. The fair value of debt securities is generally measured using a market approach, including the use of pricing models, which incorporate observable inputs. Common inputs include benchmark yields, relevant trade data, broker/dealer bid/ask prices, benchmark securities and credit valuation adjustments. When necessary, the fair value of debt securities is measured using the income approach, which incorporates similar observable inputs as well as payment data, future predicted cash flows, collateral performance and new issue data. For the Master Trust, these securities represent investments in securities issued by U.S. Treasury and U.S. government sponsored agencies; investments securitized by residential mortgages, auto loans, credit cards and other pooled loans; investments in investment grade and non-investment grade bonds issued by U.S. companies across several industries; investments in debt securities issued by foreign governments and corporations.

Investments in real estate represent an investment in a partnership whose purpose is to manage investments in U.S. real estate properties diversified geographically and across major property types (e.g., office, industrial, retail, etc.). The partnership has limitations on the amounts that may be redeemed based on available cash to fund redemptions. Additionally, the general partner may decline to accept redemptions when necessary to avoid adverse consequences for the partnership, including legal and tax implications, among others. The fair value of the investment is based upon a partnership unit value.

Investments in private equity represent interests in partnerships in multiple early-stage venture capital funds and private equity fund of funds that use a number of diverse investment strategies. The partnerships have limited lives of at least 10 years, after which liquidating distributions will be received. Prior to the end of each partnership's life, the investment cannot be redeemed with the partnership; however, the interest may be sold to other parties, subject to the general partner's approval. Fair value is based on an ownership interest in partners' capital to which a proportionate share of net assets is attributed.

Investments in private credit represent pools of actively managed loans that span capital structure and borrower type. Strategies carry different types and levels of risk. Returns from those strategies will vary in terms of yield, fees generated, loan loss rates and the pace of principal repayment. Investments have limited lives of approximately 2-8 years. The investment cannot be redeemed with the general partner; however, the interest may be sold to other parties, subject to the general partner’s approval. Fair value is based on an ownership interest in partners’ capital to which a proportionate share of net assets is attributed.

At December 31, 2024, the Master Trust had unfunded commitments of $59 million that may be required during the lives of the real estate, private equity and private credit partnerships. Investments in hedge funds represent investments in a fund of hedge funds. Hedge funds seek a return utilizing a number of diverse investment strategies. The strategies, when combined, aim to reduce volatility and risk while attempting to deliver positive returns under most market conditions. Major investment strategies for the fund of hedge funds include long/short equity, tactical trading, event driven, and relative value. Shares may be redeemed with 45 days prior written notice. The fund is subject to short term lockups and other restrictions. The fair value for the fund has been estimated using the net asset value per share.

The fair value measurements of derivative instruments utilize various inputs that include quoted prices for similar contracts or market-corroborated inputs. In certain instances, these instruments may be valued using models, including standard option valuation models and standard industry models. These securities primarily represent investments in treasury futures, total return swaps, interest rate swaps and swaptions (the option to enter into an interest rate swap), which are valued based on quoted prices, changes in the value of the underlying exposure or on the swap details, such as swap curves, notional amount, index and term of index, reset frequency, volatility and payer/receiver credit ratings.

Plan Assets - Other Postretirement Benefit Plans

The investment strategy with respect to other postretirement benefit obligations is to fund VEBA trusts and/or 401(h) accounts with voluntary contributions and to invest in a tax efficient manner. Excluding the 401(h) accounts included in the Master Trust, other postretirement benefit plans are invested in a mix of assets for long-term growth with an objective of earning returns that provide liquidity as required for benefit payments. These plans benefit from diversification of asset types, investment fund strategies and investment fund managers and, therefore, have no significant concentration of risk. Equity securities include investments in a large-cap commingled fund and a global equity exchange-traded fund. Ownership interests in commingled funds that invest entirely in debt securities are classified as equity securities, but treated as debt securities for asset allocation and target allocation purposes. Ownership interests in money market funds are treated as cash and cash equivalents for asset allocation and target allocation purposes. The asset allocation for the PPL VEBA trusts and the target allocation, by asset class, at December 31 are detailed below.

	Percentage of plan assets		Target Asset Allocation
	2024	2023	2024
Asset Class			
Equity securities	45 %	46 %	45 %
Debt securities (a)	49 %	48 %	49 %
Cash and cash equivalents (b)	6 %	6 %	6 %
Total	100 %	100 %	100 %

(a) Includes commingled debt funds and debt securities.
(b) Includes money market funds.

The fair value of assets in the other postretirement benefit plans by asset class and level within the fair value hierarchy was:

	December 31, 2024				December 31, 2023			
		Fair Value Measurement Using				Fair Value Measurement Using		
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Money market funds	$ 19	$ 19	$ —	$ —	$ 20	$ 20	$ —	$ —
Equity securities:								
Large-cap equity fund measure at NAV (a)	71	—	—	—	76	—	—	—
Commingled debt fund measured at NAV (a)	78	—	—	—	84	—	—	—
Global equity exchange-traded fund	70	70	—	—	72	72	—	—
Long-term bond exchange-traded fund	74	74	—	—	74	74	—	—
Total VEBA trust assets, at fair value	312	$ 163	$ —	$ —	326	$ 166	$ —	$ —
Receivables and payables, net (b)	(9)				(12)			
401(h) account assets	114				124			
Total other postretirement benefit plan assets	$ 417				$ 438			

(a) In accordance with accounting guidance certain investments that are measured at fair value using the net asset value per share (NAV), or its equivalent, have not been classified in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.
(b) Receivables and payables represent amounts for investments sold/purchased but not yet settled along with interest and dividends earned but not yet received.

Investments in money market funds represent investments in funds that invest primarily in a diversified portfolio of investment grade money market instruments, including, but not limited to, commercial paper, notes, repurchase agreements and other evidences of indebtedness with a maturity not exceeding 13 months from the date of purchase. The primary objective of the fund is a level of current income consistent with stability of principal and liquidity. Redemptions can be made daily on this fund.

Investments in large-cap equity securities represent investments in a passively managed equity index fund that invests in securities and a combination of other collective funds. Fair value measurements are not obtained from a quoted price in an active market but are based on firm quotes of net asset values per share as provided by the trustee of the fund. Redemptions can be made daily on this fund.

Investments in commingled debt securities represent investments in a fund that invests in a diversified portfolio of investment grade long-duration fixed income securities. Redemptions can be made daily on these funds.

Investments in global equity exchange-traded fund represents a passively-managed pooled investment vehicle that invests in developed market equities and is designed to track the performance of the MSCI World Index. Fair value measurements can be obtained from a quoted price on the exchange. Redemptions can be made daily on this fund.

Investments in long-term bond exchange-traded fund represents a passively-managed pooled investment vehicle that is designed to track the performance of the Bloomberg U.S. Long Government/Credit Float Adjusted Index, which includes all medium and larger issues of U.S. Government, investment-grade corporate and investment-grade international dollar-denominated bonds that have maturities of greater than 10 years. Fair value measurements can be obtained from a quoted price on the exchange. Redemptions can be made daily on this fund.

Expected Cash Flows - Defined Benefit Plans *(PPL)*

PPL does not plan to contribute to its pension plans in 2025, as PPL's defined benefit pension plans have the option to utilize available prior year credit balances to meet current and future contribution requirements.

PPL sponsors various non-qualified supplemental pension plans for which no assets are segregated from corporate assets. PPL expects to make approximately $10 million of benefit payments under these plans in 2025.

PPL is not required to make contributions to its other postretirement benefit plans that are funded through VEBA trusts and 401(h) accounts. However, postretirement benefits for certain non-union employees are not funded in such trusts. PPL pays for these benefits from its general assets and expects to make $13 million of postretirement benefit plan payments for these employees in 2025.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid by the plans and the following federal subsidy payments are expected to be received by PPL.

		Other Postretirement	
	Pension	Benefit Payment	Expected Federal Subsidy
2025	$ 304	$ 50	$ —
2026	297	49	—
2027	288	49	—
2028	282	48	—
2029	276	47	—
2030-2034	1,298	218	—

Savings Plans *(All Registrants)*

Substantially, all employees of PPL's subsidiaries are eligible to participate in deferred savings plans (401(k)s). Employer contributions to the plans were:

	2024	2023	2022
PPL	$ 53	$ 48	$ 36
PPL Electric	9	8	6
LG&E	8	8	7
KU	6	6	5

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11. Jointly Owned Facilities

(PPL, LG&E and KU)

At December 31, 2024 and 2023, the Balance Sheets reflect the owned interests in the generating plants listed below.

	Ownership Interest	Electric Plant	Accumulated Depreciation	Construction Work in Progress
PPL				
December 31, 2024				
Trimble County Unit 1	75.00 %	$ 462	$ 124	$ 1
Trimble County Unit 2	75.00 %	1,549	323	10
December 31, 2023				
Trimble County Unit 1	75.00 %	$ 464	$ 110	$ —
Trimble County Unit 2	75.00 %	1,490	300	49
LG&E				
December 31, 2024				
E.W. Brown Units 6-7	38.00 %	$ 53	$ 29	$ —
Paddy's Run Unit 13 & E.W. Brown Unit 5	53.00 %	52	30	—
Trimble County Unit 1	75.00 %	462	124	1
Trimble County Unit 2	14.25 %	472	79	5
Trimble County Units 5-6	29.00 %	37	19	—
Trimble County Units 7-10	37.00 %	82	41	1
Cane Run Unit 7	22.00 %	137	27	—
E.W. Brown Solar Unit	39.00 %	10	4	—
Solar Share	44.00 %	3	—	—
Mercer Solar	37.00 %	10	—	1
Mill Creek 5	31.00 %	—	—	74
Brown Wind	36.00 %	—	—	—
December 31, 2023				
E.W. Brown Units 6-7	38.00 %	$ 53	$ 27	$ —
Paddy's Run Unit 13 & E.W. Brown Unit 5	53.00 %	52	29	—
Trimble County Unit 1	75.00 %	464	110	—
Trimble County Unit 2	14.25 %	447	74	25
Trimble County Units 5-6	29.00 %	37	17	—
Trimble County Units 7-10	37.00 %	82	39	—
Cane Run Unit 7	22.00 %	127	25	3
E.W. Brown Solar Unit	39.00 %	10	3	—
Solar Share	44.00 %	3	—	—
Mercer Solar	37.00 %	7	—	—
Mill Creek 5	31.00 %	—	—	2
Brown Wind	36.00 %	—	—	—

	Ownership Interest	Electric Plant	Accumulated Depreciation	Construction Work in Progress
KU				
December 31, 2024				
E.W. Brown Units 6-7	62.00 %	$ 87	$ 48	$ —
Paddy's Run Unit 13 & E.W. Brown Unit 5	47.00 %	46	26	—
Trimble County Unit 2	60.75 %	1,077	224	5
Trimble County Units 5-6	71.00 %	87	44	—
Trimble County Units 7-10	63.00 %	136	69	1
Cane Run Unit 7	78.00 %	485	95	1
E.W. Brown Solar Unit	61.00 %	16	6	—
Solar Share	56.00 %	4	1	—
Mercer Solar	63.00 %	16	—	2
Mill Creek 5	69.00 %	—	—	164
Brown Wind	64.00 %	1	—	—
December 31, 2023				
E.W. Brown Units 6-7	62.00 %	$ 87	$ 45	$ —
Paddy's Run Unit 13 & E.W. Brown Unit 5	47.00 %	46	25	—
Trimble County Unit 2	60.75 %	1,043	227	24
Trimble County Units 5-6	71.00 %	86	41	—
Trimble County Units 7-10	63.00 %	135	65	—
Cane Run Unit 7	78.00 %	449	90	10
E.W. Brown Solar Unit	61.00 %	16	5	—
Solar Share	56.00 %	4	—	—
Mercer Solar	63.00 %	12	—	1
Mill Creek 5	69.00 %	—	—	3
Brown Wind	64.00 %	1	—	—

Each subsidiary owning these interests provides its own funding for its share of the facility. Each receives a portion of the total output of the generating plants equal to its percentage ownership. The share of fuel and other operating costs associated with the plants is included in the corresponding operating expenses on the Statements of Income.

12. Commitments and Contingencies

Energy Purchase Commitments

(PPL, LG&E and KU)

LG&E and KU enter into purchase contracts to supply the coal and natural gas requirements for generation facilities and LG&E's retail natural gas supply operations. These contracts include the following commitments:

Contract Type	Maximum Maturity Date
Natural Gas Fuel	2026
Natural Gas Retail Supply	2025
Coal	2030
Coal Transportation and Fleeting Services	2033
Natural Gas Transportation	2055

LG&E and KU have a PPA with OVEC expiring in June 2040. See footnote (d) to the table in "Guarantees and Other Assurances" below for information on the OVEC power purchase contract. Future obligations for power purchases from OVEC are demand payments, comprised of debt-service payments and contractually-required reimbursements of plant operating, maintenance and other expenses, and are projected as follows:

	LG&E	KU	Total
2025	$ 25	$ 11	$ 36
2026	27	12	39
2027	27	12	39
2028	25	11	36
2029	25	11	36
Thereafter	177	79	256
Total	$ 306	$ 136	$ 442

LG&E and KU had total energy purchases under the OVEC PPA for the years ended December 31 as follows:

	2024	2023	2022
LG&E	$ 21	$ 20	$ 21
KU	9	9	9
Total	$ 30	$ 29	$ 30

(PPL)

RIE enters into purchase contracts to supply electricity for electricity distribution operations and for the delivery, storage and supply of natural gas for RIE's retail natural gas operations.

These contracts include the following commitments:

Contract Type	Maximum Maturity Date
Electric power	2027
Gas-related	Beyond 2030

RIE's commitments under these long-term contracts subsequent to December 31, 2024 are summarized in the table below.

	Total	2025	2026-2027	2028-2029	Thereafter
Energy Purchase Obligations	$ 936	$ 274	$ 240	$ 122	$ 300

Long-term Contracts for Renewable Energy *(PPL)*

Several of the obligations included in the table above relate to certain long-term contracts for renewable energy, including:

- the Deepwater Wind PPA, involving a proposal for a small-scale renewable energy generation project of up to eight offshore wind turbines with an aggregate nameplate capacity of up to 30 MW to benefit the Town of New Shoreham and an underwater cable to Block Island, which entered into service in October 2016;
- the Three-State Procurement, involving six clean energy long-term contracts pursuant to the Rhode Island Long-Term Contracting Standard (LTCS) of which 36.427 MW is currently operational and with respect to which RIE collects 2.75% remunerations in the annual payments pursuant to the LTCS; and
- the Offshore Wind Energy Procurement, pursuant to a 20-year PPA with Deep Water Wind Rev I, LLC (Revolution Wind), with an expected nameplate capacity of 408 MW expected to be operational in 2026; this contract was approved without remuneration but allows RIE to seek costs incurred under the agreement.

In addition, RIE is obligated under the LTCS (as amended in 2014) to annually solicit for renewable projects until 90 MW of renewable contracting capacity has been secured. The RIPUC-approved solicitations currently in service include: (i) a 15-year PPA with Orbit Energy Rhode Island, LLC for a 3.2 MW nameplate anaerobic digester biogas project located in Johnston, Rhode Island, placed in service in 2017, (ii) a 15-year PPA with Black Bear Development Holdings, LLC for a 3.9 MW nameplate run-of-river hydroelectric plant located in Orono, Maine, placed in service in 2013, (iii) a 15-year PPA with Copenhagen Wind Farm, LLC for an 80 MW nameplate land-based wind project located in Denmark, New York, placed in service in 2018, and (iv) a 15-year PPA with Rhode Island LFG Genco, LLC for a 32.1 MW nameplate combined cycle combustion turbine generating facility fueled by a landfill gas project located in Johnston, Rhode Island, placed in service in 2013. On October 7, 2024, RIE issued an RFP soliciting 20 MW through 150 MW of nameplate capacity of renewable contracting capacity; this solicitation is driven by a terminated PPA and is required in order to fulfill the 90 MW under LTCS.

In addition to the LTCS, RIE has conditionally awarded 200 MW under the 2023 Rhode Island Offshore Wind RFP for newly developed offshore wind energy projects, under the Affordable Clean Energy Security Act (ACES), as amended in 2022. RIE is currently in the contract negotiation period. RIE must negotiate in good faith to achieve a commercially reasonable contract and may file such contract with the RIPUC for approval once negotiations are complete, which is tentatively scheduled for March 2025.

As approved by the RIPUC, RIE is allowed to pass through commodity-related/purchased power costs to customers and collect remuneration equal to 2.75% for long-term contracts approved prior to January 1, 2022, pursuant to LTCS as amended in 2022, and that have achieved commercial operation. For long-term contracts approved pursuant to LTCS or ACES, both as amended, on or after January 1, 2022, RIE is entitled to financial remuneration equal to 1.0% through December 31, 2026, for those projects that are commercially operating. For long-term contracts approved pursuant to LTCS or ACES on or after January 1, 2027, RIE is not entitled to any financial remuneration, unless otherwise granted by the RIPUC. Also, the 2022 amendments to LTCS and ACES added a provision, which provides that for any calendar year in which RIE's actual return on equity exceeds the return on equity allowed by the RIPUC in the last general rate case, the RIPUC may adjust any or all remuneration to assure that such remuneration does not result in or contribute toward RIE earning above its allowed return for such calendar year.

Legal Matters

(All Registrants)

PPL and its subsidiaries are involved in legal proceedings, claims and litigation in the ordinary course of business. PPL and its subsidiaries cannot predict the outcome of such matters, or whether such matters may result in material liabilities, unless otherwise noted.

Narragansett Electric Litigation *(PPL)*

Energy Efficiency Programs Investigation

Narragansett Electric, while under the ownership of National Grid, performed an internal investigation into conduct associated with its energy efficiency programs. On June 27, 2022, the RIPUC opened a new docket (RIPUC Docket No. 22-05-EE) to investigate RIE's actions and the actions of employees of National Grid USA and affiliates during the time RIE was a National Grid USA affiliate being provided services by National Grid USA Service Company, Inc. relating to the manipulation of the reporting of invoices affecting the calculation of past energy efficiency shareholder incentives and the resulting impact on customers. The Rhode Island Attorney General and National Grid USA intervened in the docket and the Rhode Island Division of Public Utilities and Carriers (the Division) is an automatic party in the docket.

On January 19, 2023, the Division filed a motion to dismiss RIPUC Docket No. 22-05-EE without prejudice. As grounds for its motion, the Division stated that sufficient evidence exists in the docket to warrant an independent summary investigation by the Division. If the Division finds sufficient grounds, the Division may proceed to a formal hearing regarding the matters under investigation. Upon the conclusion of its investigation, the Division will provide the RIPUC with a report outlining the Division's findings and final decision. On January 30, 2023, the Rhode Island Attorney General filed an objection to the Division's motion to dismiss; RIE and National Grid USA each filed responses with the RIPUC requesting that any additional action taken by the RIPUC or the Division be considered after National Grid USA completes its internal investigation report, which National Grid USA filed with the RIPUC on March 10, 2023. On February 24, 2023, the Division initiated the independent summary investigation that it had referenced in its motion to dismiss. The RIPUC held a hearing on March 28, 2023 to hear oral arguments regarding the Division's motion to dismiss and subsequently denied the motion. On November 27, 2023, the Division filed testimony recommending the RIPUC disallow a portion of the performance incentive awarded from 2012 through 2021. On January 19, 2024, the Division and the Rhode Island Attorney General filed their respective briefs recommending that the RIPUC assess financial penalties on the company. The Division also recommended that the RIPUC consider further regulatory investigations and analysis within each of the energy efficiency dockets from 2012 through 2020, to confirm the accuracy of claimed savings and to document all conduct and actions that would trigger penalties. On April 2, 2024, the RIPUC issued an amended order that expressly expands the scope of the proceeding to address issues of accountability and the question of whether statutory penalties should be assessed against RIE relating to the manipulation of the reporting of invoices affecting the recovery of past shareholder incentives and the resulting impact on RIE's customers. This RIPUC proceeding remains open and, in parallel, the Division's summary investigation remains ongoing. In the RIPUC proceeding, RIE and National Grid USA filed testimony on June 14, 2024, supporting their position that the appropriate amount to be refunded to the energy efficiency program is less than $1 million. The Division's current position is that $11 million is the appropriate amount to be refunded to the energy efficiency program. This testimony does not address potential statutory penalties and the Division's testimony on potential statutory penalties is due February 28, 2025. The Division's testimony on accountability and potential statutory penalties is currently due February 21, 2025, and RIE's and National Grid's reply testimony will occur at the evidentiary hearings scheduled for March 2025. At this time, it is not possible to predict the final outcome, or determine the total amount of any additional liabilities that may be incurred by RIE in connection with this matter or the Division's summary investigation. RIE does not expect this matter will have a material adverse effect on its results of operations, financial position or cash flows.

E.W. Brown Environmental Assessment *(PPL and KU)*

KU is undertaking extensive remedial measures at the E.W. Brown plant including closure of the former ash pond, implementation of a groundwater remedial action plan and performance of a corrective action plan including aquatic study of adjacent surface waters and risk assessment. The aquatic study and risk assessment are being undertaken pursuant to a 2017 agreed Order with the Kentucky Energy and Environment Cabinet (KEEC). KU conducted sampling of Herrington Lake in 2017 and 2018. In June 2019, KU submitted to the KEEC the required aquatic study and risk assessment, conducted by an independent third-party consultant, finding that discharges from the E.W. Brown plant have not had any significant impact on Herrington Lake and that the water in the lake is safe for recreational use and meets safe drinking water standards. On May 31, 2021, the KEEC approved the report and released a response to public comments. On August 6, 2021, KU submitted a *Supplemental Remedial Alternatives Analysis* report to the KEEC that outlines proposed additional fish, water, and sediment testing. On February 18, 2022, the KEEC provided approval to KU to proceed with the proposed sampling, which commenced in the spring of 2022. On November 17, 2022, KU submitted a *Supplemental Performance Monitoring Report* to the KEEC finding that there are no significant unaddressed risks to human health or the environment at the plant. KU revised the *Supplemental Performance Monitoring Report* on June 8, 2023, in response to KEEC comments from April 24, 2023. On September 1, 2023, the KEEC requested KU to propose additional monitoring or remedial measures. KU submitted a revised *Supplemental Performance Monitoring and Corrective Action Completion* on December 28, 2023. In August 2024, KU submitted a proposed environmental covenant to the KEEC specifying certain site restrictions. Discussions between KU and the KEEC are ongoing.

Water/Waste *(PPL, LG&E and KU)*

ELGs

In 2015, the EPA finalized ELGs for wastewater discharge permits for new and existing steam electricity generating facilities. These guidelines require deployment of additional control technologies providing physical, chemical and biological treatment and mandate operational changes including "zero discharge" requirements for certain wastewaters. The implementation date for individual generating stations was to be determined by the states on a case-by-case basis according to criteria provided by the EPA. In September 2017, the EPA issued a rule to postpone the compliance date for certain requirements. In October 2020, the EPA issued revisions to its best available technology standards for certain wastewaters and potential extensions to compliance dates (the Reconsideration Rule). On May 9, 2024, the EPA issued a final rule modifying the 2020 ELG revisions. The rule increases the stringency of previous control technology and zero discharge requirements, revises certain exemptions for generating units planned for retirement, and requires case-by-case limitations for legacy wastewaters based on the best professional judgment of the state regulators. Legal challenges to the final rule have been consolidated before the U.S. Court of Appeals for the Eighth Circuit. The final rule is currently under evaluation by PPL, LG&E, and KU, but could potentially result in significant operational changes and additional controls for LG&E and KU plants. The ELGs are expected to be implemented by the states or applicable permitting authorities in the course of their normal permitting activities. Certain costs are included in the Registrants' capital plans and expected to be recovered from customers through rate recovery mechanisms, but additional costs and recovery will depend on further regulatory developments at the state level.

CCRs

In 2015, the EPA issued a final rule governing management of CCRs which include fly ash, bottom ash and sulfur dioxide scrubber wastes (2015 CCR Rule). The 2015 CCR Rule imposed extensive new requirements for certain CCR impoundments and landfills, including public notifications, location restrictions, design and operating standards, groundwater monitoring and corrective action requirements, and closure and post-closure care requirements, and specifies restrictions relating to the beneficial use of CCRs. In January 2022, the EPA issued several proposed regulatory determinations, facility notifications, and public announcements which indicate increased scrutiny by the EPA to determine the adequacy of measures taken by facility owners and operators to achieve closure of CCR surface impoundments and landfills. In particular, the agency indicated that it will focus on certain practices which it views as posing a threat of continuing groundwater contamination. On May 8, 2024, the EPA issued a final rule (2024 CCR Rule) establishing regulatory requirements for inactive surface impoundments at inactive electricity generation facilities (legacy impoundments). The 2024 CCR Rule also establishes identification, groundwater monitoring, corrective action, closure, and post-closure care requirements for all CCR management units, as defined in the rule, at regulated CCR facilities regardless of how or when the CCR was placed. The rule also requires LG&E and KU to complete applicability determinations, implement site security measures, initiate weekly inspections and monthly monitoring of the impoundment, create a website, and complete hazard assessments and reports for its legacy impoundments. Additionally, the rule could potentially subject CCR management units that have previously completed remedial action and closure and certain beneficial use projects to additional federal regulatory requirements. Legal challenges to the rule have been filed in the D.C. Circuit Court, and oral argument is expected in the second half of 2025.

In connection with the 2015 CCR Rule, LG&E and KU recorded adjustments to existing AROs beginning in 2015. In connection with the 2024 CCR Rule, in the second quarter of 2024, LG&E and KU recognized ARO obligations related to preliminary risk assessments, facility evaluations, feasibility studies and sampling. See Note 18 for additional information. The results of those evaluations, as well as future guidance, regulatory determinations, rulemakings, implementation determinations and other developments could potentially require revisions to current LG&E and KU compliance plans including additional monitoring and remediation at surface impoundments and landfills, the cost of which could be material. PPL, LG&E and KU are unable to predict the outcome of the ongoing litigation, rulemaking, and regulatory determinations or potential impacts on current LG&E and KU compliance plans. PPL, LG&E and KU are currently finalizing or revising closure plans and schedules in accordance with applicable regulations and further material changes to AROs, current capital plans or operating costs may be required as estimates are refined based on closure developments, groundwater monitoring results, and regulatory or legal proceedings. Costs relating to this rule are expected to be subject to rate recovery.

LG&E and KU received KPSC approval for a compliance plan associated with the 2015 CCR Rule providing for the closure of impoundments at the Mill Creek, Trimble County, E.W. Brown, and Ghent stations, and construction of process water management facilities at those plants. In addition to the foregoing measures required for compliance with the federal CCR Rule, KU also received KPSC approval for its plans to close impoundments at the retired Green River, Pineville and Tyrone plants to comply with applicable state law. LG&E and KU have completed planned closure measures at most of the subject impoundments and have commenced post closure groundwater monitoring as required at those facilities. LG&E and KU generally expect to complete all impoundment closures within five years of commencement, although a longer period may be required to complete closure of some facilities. Associated costs are expected to be subject to rate recovery.

Superfund and Other Remediation

(All Registrants)

The Registrants are potentially responsible for investigating and remediating contamination under the federal Superfund program and similar state programs. Actions are under way at certain sites including former manufactured gas plants in Pennsylvania, Rhode Island and Kentucky previously owned or operated by, or currently owned by predecessors or affiliates of, PPL subsidiaries.

Depending on the outcome of investigations at identified sites where investigations have not begun or been completed, or developments at sites for which information is incomplete, additional costs of remediation could be incurred. PPL, PPL Electric, LG&E and KU lack sufficient information about such additional sites to estimate any potential liability or range of reasonably possible losses, if any, related to these sites. Such costs, however, are not currently expected to be significant.

The EPA is evaluating the risks associated with polycyclic aromatic hydrocarbons and naphthalene, chemical by-products of manufactured gas plant operations. As a result, individual states may establish stricter standards for water quality and soil cleanup, that could require several PPL subsidiaries to take more extensive assessment and remedial actions at former manufactured gas plants. The Registrants cannot reasonably estimate a range of possible losses, if any, related to these matters.

(PPL and PPL Electric)

PPL Electric is a potentially responsible party for a share of clean-up costs at certain sites. Cleanup actions have been or are being undertaken at these sites as requested by governmental agencies, the costs of which have not been and are not expected to be significant to PPL Electric.

At December 31, 2024 and December 31, 2023, PPL Electric had a recorded liability of $8 million and $8 million, representing its best estimate of the probable loss incurred to remediate these sites.

(PPL)

RIE is a potentially responsible party for a share of clean-up costs at certain sites including former manufactured gas plant facilities formerly owned by the Blackstone Valley Gas and Electric Company and the Rhode Island gas distribution assets of the New England Gas division of Southern Union Company and electric operations at certain RIE facilities. RIE is currently investigating and remediating, as necessary, those sites and certain other properties under agreements with governmental agencies, the costs of which have not been and are not expected to be significant to PPL.

At December 31, 2024 and December 31, 2023, RIE had a recorded liability of $98 million and $99 million, representing its best estimate of the remaining costs of environmental remediation activities. These undiscounted costs are expected to be incurred over approximately 30 years and to be subject to rate recovery. However, remediation costs for each site may be materially higher than estimated, depending on changing technologies and regulatory standards, selected end uses for each site, and actual environmental conditions encountered. RIE has recovered amounts from certain insurers and potentially responsible parties, and, where appropriate, may seek additional recovery from other insurers and potentially responsible parties, but it is uncertain whether, and to what extent, such efforts will be successful.

The RIPUC has approved two settlement agreements that provide for rate recovery of qualified remediation costs of certain contaminated sites located in Rhode Island and Massachusetts. Rate-recoverable contributions for electric operations of approximately $3 million are added annually to RIE's Environmental Response Fund, established with RIPUC approval in March 2000 to address such costs, along with interest and any recoveries from insurance carriers and other third-parties. In addition, RIE recovers approximately $1 million annually for gas operations under a distribution adjustment charge in which the qualified remediation costs are amortized over 10 years. See Note 7 for additional information on RIE's recorded environmental regulatory assets and liabilities.

Regulatory Issues

See Note 7 for information on regulatory matters related to utility rate regulation.

Electricity - Reliability Standards

The NERC is responsible for establishing and enforcing mandatory reliability standards (Reliability Standards) regarding the bulk electric system in North America. The FERC oversees this process and independently enforces the Reliability Standards.

The Reliability Standards have the force and effect of law and apply to certain users of the bulk electric system, including electric utility companies, generators and marketers. Under the Federal Power Act, the FERC may assess civil penalties for certain violations.

PPL Electric, LG&E, KU and RIE monitor their compliance with the Reliability Standards and self-report or self-log potential violations of applicable reliability requirements whenever identified, and submit accompanying mitigation plans, as required. The resolution of a small number of potential violations is pending. Penalties incurred to date have not been significant. Any Regional Reliability Entity determination concerning the resolution of violations of the Reliability Standards remains subject to the approval of the NERC and the FERC.

In the course of implementing their programs to ensure compliance with the Reliability Standards by those PPL affiliates subject to the standards, certain other instances of potential non-compliance may be identified from time to time. The Registrants cannot predict the outcome of these matters, and an estimate or range of possible losses cannot be determined.

Gas - Security Directives *(PPL and LG&E)*

In May and July of 2021, the Department of Homeland Security’s (DHS) Transportation Security Administration released two security directives applicable to certain notified owners and operators of natural gas pipeline facilities (including local distribution companies) that the Transportation Security Administration has determined to be critical. The Transportation Security Administration has determined that LG&E is within the scope of the directive, while RIE has not been notified of this distinction. The first security directive required notified owners/operators to implement cybersecurity incident reporting to the DHS, designate a cybersecurity coordinator, and perform a gap assessment of current entity cybersecurity practices against certain voluntary Transportation Security Administration security guidelines and report relevant results and proposed mitigation to applicable DHS agencies. The second security directive, revised in July of 2024, requires refinement of the cybersecurity implementation plan and the cybersecurity assessment plan. LG&E does not believe the security directives have had or will have a significant impact on LG&E's operations or financial condition.

Other

Guarantees and Other Assurances

(All Registrants)

In the normal course of business, the Registrants enter into agreements that provide financial performance assurance to third parties on behalf of certain subsidiaries. Examples of such agreements include guarantees, stand-by letters of credit issued by financial institutions and surety bonds issued by insurance companies. These agreements are entered into primarily to support or enhance the creditworthiness attributed to a subsidiary on a stand-alone basis or to facilitate the commercial activities in which these subsidiaries engage.

(PPL)

PPL fully and unconditionally guarantees all of the debt obligations of PPL Capital Funding.

(All Registrants)

The table below details guarantees provided as of December 31, 2024. "Exposure" represents the estimated maximum potential amount of future payments that could be required to be made under the guarantee. The Registrants believe the probability of expected payment/performance under each of these guarantees is remote, except for the guarantees and indemnifications related to the sale of Safari Holdings, which PPL believes are reasonably possible but not probable of occurring. For reporting purposes, on a consolidated basis, the guarantees of PPL include the guarantees of its subsidiary Registrants.

	Exposure at December 31, 2024		Expiration Date
PPL			
Indemnifications related to certain tax liabilities related to the sale of the U.K. utility business	£ 50	(a)	2028
PPL guarantee of Safari payment obligations under certain sale/leaseback financing transactions related to the sale of Safari Holdings	$ 100	(b)	2028
Indemnifications for losses suffered related to items not covered by Aspen Power's representation and warranty insurance associated with the sale of Safari Holdings	140	(c)	Various
LG&E and KU			
LG&E and KU obligation of shortfall related to OVEC		(d)	

(a) PPL WPD Limited entered into a Tax Deed dated June 9, 2021 in which it agreed to a tax indemnity regarding certain potential tax liabilities of the entities sold with respect to periods prior to the completion of the sale, subject to customary exclusions and limitations. Because National Grid Holdings One plc, the buyer, agreed to purchase indemnity insurance, the amount of the cap on the indemnity for these liabilities is £1, except with respect to certain surrenders of tax losses, for which the amount of the cap on the indemnity is £50 million.

(b) PPL guaranteed the payment obligations of Safari under certain sale/leaseback financing transactions executed by Safari. These guarantees will remain in place until Safari exercises its option to buy-out the projects under the sale/leaseback financings by the year 2028. Safari will indemnify PPL for any payments made by PPL or claims against PPL under the sale/leaseback transaction guarantees up to $25 million.

(c) Aspen Power has obtained representation and warranty insurance, therefore, PPL generally has no liability for its representations and warranties under the agreement except for losses suffered related to items not covered. Expiration of these indemnifications range from 18 months to 6 years from the date of the closing of the transaction, and PPL's aggregate liability for these claims will not exceed $140 million subject to certain adjustments plus the support obligations provided by PPL under sale-leaseback financings and PPAs that will be replaced by Aspen Power. PPL's support obligations related to the PPAs were replaced by Aspen Power and terminated on January 8, 2024.

(d) Pursuant to the OVEC power purchase contract, LG&E and KU are obligated to pay for their share of OVEC's excess debt service, post-retirement and decommissioning costs, as well as any shortfall from amounts included within a demand charge designed and expected to cover these costs over the term of the contract. PPL's proportionate share of OVEC's outstanding debt was $81 million at December 31, 2024, consisting of LG&E's share of $56 million and KU's share of $25 million. The maximum exposure and the expiration date of these potential obligations are not presently determinable. See "Energy Purchase Commitments" above for additional information on the OVEC power purchase contract.

The Registrants provide other miscellaneous guarantees through contracts entered into in the normal course of business. These guarantees are primarily in the form of indemnification or warranties related to services or equipment and vary in duration. The amounts of these guarantees often are not explicitly stated, and the overall maximum amount of the obligation under such guarantees cannot be reasonably estimated. Historically, no significant payments have been made with respect to these types of guarantees and the probability of payment/performance under these guarantees is remote.

PPL, on behalf of itself and certain of its subsidiaries, maintains insurance that covers liability assumed under contract for bodily injury and property damage. The coverage provides maximum aggregate coverage of $231 million. This insurance may be applicable to obligations under certain of these contractual arrangements.

13. Related Party Transactions

Wholesale Sales and Purchases *(LG&E and KU)*

LG&E and KU jointly dispatch their generation units with the lowest cost generation used to serve their retail customers. When LG&E has excess generation capacity after serving its own retail customers and its generation cost is lower than that of KU, KU purchases electricity from LG&E and vice versa. These transactions are reflected in the Statements of Income as "Electric revenue from affiliate" and "Energy purchases from affiliate" and are recorded at a price equal to the seller's fuel cost plus any split savings. Savings realized from such intercompany transactions are shared equally between both companies. The volume of energy each company has to sell to the other is dependent on its retail customers' needs and its available generation.

Support Costs *(PPL Electric, LG&E and KU)*

PPL Services and LKS provide the Registrants, their respective subsidiaries and each other with administrative, management and support services. For all services companies, the costs of directly assignable and attributable services are charged to the respective recipients as direct support costs. General costs that cannot be directly attributed to a specific entity are allocated and charged to the respective recipients as indirect support costs. PPL Services and LKS use a three-factor methodology that includes the applicable recipients' invested capital, operation and maintenance expenses and number of employees to allocate indirect costs. PPL Services may also use a ratio of overall direct and indirect costs or a weighted average cost ratio. PPL Services and LKS charged the following amounts for the years ended December 31, including amounts applied to accounts that are further distributed between capital and expense on the books of the recipients, based on methods that are believed to be reasonable.

	2024	2023	2022
PPL Electric from PPL Services	$ 227	$ 222	$ 241
LG&E from LKS	105	115	153
LG&E from PPL Services	66	42	13
KU from LKS	130	150	171
KU from PPL Services	65	48	14

In addition to the charges for services noted above, LKS makes payments on behalf of LG&E and KU for fuel purchases and other costs for products or services provided by third parties. LG&E and KU also provide services to each other and to LKS. Billings between LG&E and KU relate to labor and overheads associated with union and hourly employees performing work for the other company, charges related to jointly-owned generating units and other miscellaneous charges. Tax settlements between PPL and LG&E and KU are reimbursed through LKS.

Intercompany Borrowings

(PPL Electric)

CEP Reserves maintains a $800 million revolving line of credit with a PPL Electric subsidiary. At December 31, 2024, CEP Reserves had $222 million of borrowings outstanding. At December 31, 2023, CEP Reserves had no borrowings outstanding. The interest rates on borrowings are equal to one-month SOFR plus a spread. Interest income is reflected in "Interest Income from Affiliate" on the Income Statements.

(LG&E and KU)

LG&E participates in an intercompany money pool agreement whereby LKE and/or KU make available to LG&E funds up to the difference between LG&E's FERC borrowing limit and LG&E's commercial paper limit at an interest rate based on the lower of a market index of commercial paper issues and two additional rate options based on SOFR. At December 31, 2024, LG&E's money pool unused capacity was $682 million. At December 31, 2024 LG&E had borrowings outstanding of $43 million from KU and/or LKE. At December 31, 2023, LG&E's borrowings outstanding from KU and/or LKE were not significant.

KU participates in an intercompany money pool agreement whereby LKE and/or LG&E make available to KU funds up to the difference between KU's FERC borrowing limit and KU's commercial paper limit at an interest rate based on the lower of a market index of commercial paper issues and two additional rate options based on SOFR. At December 31, 2024, KU's money pool unused capacity was $437 million. At December 31, 2024 KU had borrowings outstanding of $73 million from LG&E and/or LKE. At December 31, 2023, KU's borrowings outstanding from LG&E and/or LKE were not significant.

VEBA Funds Receivable

(PPL Electric)

In 2018, PPL received a favorable private letter ruling from the IRS permitting a transfer of excess funds from the PPL Bargaining Unit Retiree Health Plan VEBA to a new subaccount within the VEBA, to be used to pay medical claims of active bargaining unit employees. In October 2024, additional excess funds were removed from the PPL Bargaining Unit Retiree Health Plan VEBA and deposited into the existing subaccount within the VEBA to be used to pay medical claims of active bargaining unit employees. Based on PPL Electric's participation in PPL's Other Postretirement Benefit plan, PPL Electric was allocated a portion of the excess funds from PPL Services. These funds have been recorded as an intercompany receivable on PPL Electric's balance sheets. The receivable balance decreases as PPL Electric pays incurred medical claims and is reimbursed by PPL Services. The intercompany receivable balance associated with these funds was $7 million at December 31, 2024, of which $4 million was reflected in "Accounts receivable from affiliates" and $3 million was reflected in "Other noncurrent assets" on PPL Electric's balance sheets. There was no intercompany receivable balance associated with these funds at December 31, 2023, as the initial allocation from the 2018 private letter ruling was depleted.

Other *(PPL Electric, LG&E and KU)*

See Note 1 for discussions regarding the intercompany tax sharing agreement (for PPL Electric, LG&E and KU) and intercompany allocations of stock-based compensation expense (for PPL Electric). For PPL Electric, LG&E and KU, see Note 10 for discussions regarding intercompany allocations associated with defined benefits.

14. Other Income (Expense) - net

(PPL)

The components of "Other Income (Expense) - net" for the years ended December 31, were:

	2024	2023	2022
Defined benefit plans - non-service credits (Note 10)	$ 42	$ 40	$ 47
Interest income	33	32	4
AFUDC - equity component	47	30	22
Charitable contributions	(5)	(5)	(14)
Talen litigation (a)	(2)	(124)	1
Miscellaneous	(1)	(13)	(6)
Other Income (Expense) - net	$ 114	$ (40)	$ 54

(a) PPL incurred legal expenses related to litigation associated with its former affiliate, Talen Montana, LLC, and certain affiliated entities (collectively, Talen), which was settled in December 2023.

(PPL Electric)

The components of "Other Income (Expense) - net" for the years ended December 31, were:

	2024	2023	2022
Defined benefit plans - non-service credits (Note 10)	$ 17	$ 20	$ 15
Interest income	8	8	3
AFUDC - equity component	23	16	16
Charitable contributions	(4)	(3)	(3)
Miscellaneous	1	(2)	(1)
Other Income (Expense) - net	$ 45	$ 39	$ 30

(LG&E)

The components of "Other Income (Expense) - net" for the years ended December 31, were:

	2024	2023	2022
Defined benefit plans - non-service credits (Note 10)	$ 3	$ —	$ 3
AFUDC - equity component	8	3	1
Charitable contributions	(1)	(1)	(1)
Miscellaneous	2	1	1
Other Income (Expense) - net	$ 12	$ 3	$ 4

(KU)

The components of "Other Income (Expense) - net" for the years ended December 31, were:

	2024	2023	2022
Defined benefit plans - non-service credits (Note 10)	$ 8	$ 6	$ 9
AFUDC - equity component	9	3	1
Charitable contributions	(1)	(1)	—
Miscellaneous	(1)	—	(2)
Other Income (Expense) - net	$ 15	$ 8	$ 8

15. Fair Value Measurements

(All Registrants)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). A market approach (generally, data from market transactions), an income approach (generally, present value techniques and option-pricing models), and/or a cost approach (generally, replacement cost) are used to measure the fair value of an asset or liability, as appropriate. These valuation approaches incorporate inputs such as observable, independent market data and/or unobservable data that management believes are predicated on the assumptions market participants would use to price an asset or liability. These inputs may incorporate, as applicable, certain risks such as nonperformance risk, which includes credit risk. The fair value of a group of financial assets and liabilities is measured on a net basis. See Note 1 for information on the levels in the fair value hierarchy.

Recurring Fair Value Measurements

The assets and liabilities measured at fair value were:

	December 31, 2024				December 31, 2023			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
PPL								
Assets								
Cash and cash equivalents	$ 306	$ 306	$ —	$ —	$ 331	$ 331	$ —	$ —
Restricted cash and cash equivalents (a)	33	33	—	—	51	51	—	—
Total Cash, Cash Equivalents and Restricted Cash (b)	339	339	—	—	382	382	—	—
Special use funds (a):								
Money market fund	1	1	—	—	1	1	—	—
Commingled debt fund measured at NAV (c)	10	—	—	—	9	—	—	—
Commingled equity fund measured at NAV (c)	8	—	—	—	8	—	—	—
Total special use funds	19	1	—	—	18	1	—	—

	December 31, 2024				December 31, 2023			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Price risk management assets (d):								
Gas contracts	9	—	4	5	1	—	1	—
Total assets	$ 367	$ 340	$ 4	$ 5	$ 401	$ 383	$ 1	$ —
Liabilities								
Price risk management liabilities (d):								
Interest rate swaps	$ 3	$ —	$ 3	$ —	$ 7	$ —	$ 7	$ —
Gas contracts	13	—	10	3	60	—	41	19
Total price risk management liabilities	$ 16	$ —	$ 13	$ 3	$ 67	$ —	$ 48	$ 19
PPL Electric								
Assets								
Cash and cash equivalents	$ 24	$ 24	$ —	$ —	$ 51	$ 51	$ —	$ —
Total assets	$ 24	$ 24	$ —	$ —	$ 51	$ 51	$ —	$ —
LG&E								
Assets								
Cash and cash equivalents	$ 8	$ 8	$ —	$ —	$ 18	$ 18	$ —	$ —
Restricted cash and cash equivalents (a)	16	16	—	—	26	26	—	—
Total Cash, Cash Equivalents and Restricted Cash (b)	24	24	—	—	44	44	—	—
Total assets	$ 24	$ 24	$ —	$ —	$ 44	$ 44	$ —	$ —
Liabilities								
Price risk management liabilities:								
Interest rate swaps	$ 3	$ —	$ 3	$ —	$ 7	$ —	$ 7	$ —
Total price risk management liabilities	$ 3	$ —	$ 3	$ —	$ 7	$ —	$ 7	$ —
KU								
Assets								
Cash and cash equivalents	$ 13	$ 13	$ —	$ —	$ 14	$ 14	$ —	$ —
Restricted cash and cash equivalents (a)	16	16	—	—	24	24	—	—
Total Cash, Cash Equivalents and Restricted Cash (b)	29	29	—	—	38	38	—	—
Total assets	$ 29	$ 29	$ —	$ —	$ 38	$ 38	$ —	$ —

(a) Current portion is included in "Other current assets" and noncurrent portion is included in "Other noncurrent assets" on the Balance Sheets.
(b) Total Cash, Cash Equivalents and Restricted Cash provides a reconciliation of these items reported within the Balance Sheets to the sum shown on the Statements of Cash Flows.
(c) In accordance with accounting guidance, certain investments that are measured at fair value using net asset value per share (NAV), or its equivalent, have not been classified in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.
(d) Current portion is included in "Other current assets" and "Other current liabilities" and noncurrent portion is included in "Other noncurrent assets" "Other deferred credits and noncurrent liabilities" on the Balance Sheets.

A reconciliation of net assets classified as Level 3 for the year ended December 31 is as follows:

	Gas Contracts
2024	
Balance at beginning of period	$ (19)
Total unrealized gains (losses) recognized as Regulatory Assets/Regulatory Liabilities	2
Settlements	19
Balance at end of period	$ 2

Special Use Funds *(PPL)*

The special use funds are investments restricted for paying active union employee medical costs. In 2018, PPL received a favorable private letter ruling from the IRS permitting a transfer of excess funds from the PPL Bargaining Unit Retiree Health Plan VEBA to a new subaccount within the VEBA to be used to pay medical claims of active bargaining unit employees. In 2024, additional excess funds were removed from the PPL Bargaining Unit Retiree Health Plan VEBA and deposited in the existing subaccount within the VEBA to be used to pay medical claims of active bargaining unit employees. The funds are invested primarily in commingled debt and equity funds measured at NAV and are classified as investments in equity securities. Changes in the fair value of the funds are recorded to the Statements of Income.

Price Risk Management Assets/Liabilities

Interest Rate Swaps (PPL, LG&E and KU)

To manage interest rate risk, PPL, LG&E and KU use interest rate contracts such as forward-starting swaps, floating-to-fixed swaps and fixed-to-floating swaps. An income approach is used to measure the fair value of these contracts, utilizing readily observable inputs, such as forward interest rates (e.g., SOFR and government security rates), as well as inputs that may not be observable, such as credit valuation adjustments. In certain cases, market information cannot practicably be obtained to value credit risk and therefore internal models are relied upon. These models use projected probabilities of default and estimated recovery rates based on historical observances. When the credit valuation adjustment is significant to the overall valuation, the contracts are classified as Level 3.

Gas Contracts (PPL)

To manage gas commodity price risk associated with natural gas purchases, RIE utilizes over-the-counter (OTC) gas swaps contracts with pricing inputs obtained from the New York Mercantile Exchange (NYMEX) and the Intercontinental Exchange (ICE), except in cases where the ICE publishes seasonal averages or where there were no transactions within the last seven days. RIE may utilize discounting based on quoted interest rate curves, including consideration of non-performance risk, and may include a liquidity reserve calculated based on bid/ask spread. Substantially all of these price curves are observable in the marketplace throughout at least 95% of the remaining contractual quantity, or they could be constructed from market observable curves with correlation coefficients of 95% or higher. These contracts are classified as Level 2.

RIE also utilizes gas option and purchase and capacity transactions, which are valued based on internally developed models. Industry-standard valuation techniques, such as the Black-Scholes pricing model, are used for valuing such instruments. For valuations that include both observable and unobservable inputs, if the unobservable input is determined to be significant to the overall inputs, the entire valuation is classified as Level 3. This includes derivative instruments valued using indicative price quotations whose contract tenure extends into unobservable periods. In instances where observable data is unavailable, consideration is given to the assumptions that market participants would use in valuing the asset or liability. This includes assumptions about market risks such as liquidity, volatility, and contract duration. Such instruments are classified as in Level 3 as the model inputs generally are not observable. RIE considers non-performance risk and liquidity risk in the valuation of derivative instruments classified as Level 2 and Level 3.

The significant unobservable inputs used in the fair value measurement of the gas derivative instruments are implied volatility and gas forward curves. A relative change in commodity price at various locations underlying the open positions can result in significantly different fair value estimates.

Financial Instruments Not Recorded at Fair Value *(All Registrants)*

The carrying amounts of long-term debt on the Balance Sheets and their estimated fair values are set forth below. Long-term debt is classified as Level 2. The effect of third-party credit enhancements is not included in the fair value measurement.

	December 31, 2024		December 31, 2023	
	Carrying Amount (a)	Fair Value	Carrying Amount (a)	Fair Value
PPL	$ 16,503	$ 15,562	$ 14,612	$ 14,031
PPL Electric	5,214	4,862	4,567	4,475
LG&E	2,471	2,295	2,469	2,369
KU	3,066	2,750	3,064	2,861

(a) Amounts are net of debt issuance costs.

The carrying amounts of other current financial instruments (except for long-term debt due within one year) approximate their fair values because of their short-term nature.

16. Derivative Instruments and Hedging Activities

Risk Management Objectives

(All Registrants)

PPL has a risk management policy approved by the Board of Directors to manage market risk associated with commodities, interest rates on debt issuances (including price, liquidity and volumetric risk) and credit risk (including non-performance risk and payment default risk). The Risk Management Committee, comprised of senior management and chaired by the Vice President-Financial Strategy and Chief Risk Officer, oversees the risk management function. Key risk control activities designed to ensure compliance with the risk policy and detailed programs include, but are not limited to, credit review and approval, validation of transactions, verification of risk and transaction limits, value-at-risk analyses (VaR, a statistical model that attempts to estimate the value of potential loss over a given holding period under normal market conditions at a given confidence level) and the coordination and reporting of the Enterprise Risk Management program.

Market Risk

Market risk includes the potential loss that may be incurred as a result of price changes associated with a particular financial or commodity instrument as well as market liquidity and volumetric risks. Forward contracts, futures contracts, options, swaps and structured transactions are utilized as part of risk management strategies to minimize unanticipated fluctuations in earnings caused by changes in commodity prices and interest rates. Many of these contracts meet the definition of a derivative. All derivatives are recognized on the Balance Sheets at their fair value, unless NPNS is elected.

The following summarizes the market risks that affect PPL and its subsidiaries.

Interest Rate Risk

- PPL and its subsidiaries are exposed to interest rate risk associated with forecasted fixed-rate and existing floating-rate debt issuances. PPL and LG&E utilize over-the-counter interest rate swaps to limit exposure to market fluctuations on floating-rate debt. PPL, LG&E and KU utilize forward starting interest rate swaps to hedge changes in benchmark interest rates, when appropriate, in connection with future debt issuance.
- PPL and its subsidiaries are exposed to interest rate risk associated with debt securities and derivatives held by defined benefit plans. This risk is significantly mitigated to the extent that the plans are sponsored at, or sponsored on behalf of, the regulated utilities due to the recovery methods in place.

Commodity Price Risk

PPL is exposed to commodity price risk through its subsidiaries as described below.

- PPL Electric is required to purchase electricity to fulfill its obligation as a PLR. Potential commodity price risk is mitigated through its PAPUC-approved cost recovery mechanism and full-requirement supply agreements to serve its PLR customers which transfer the risk to energy suppliers.
- LG&E's and KU's rates include certain mechanisms for fuel, fuel-related expenses and energy purchases. In addition, LG&E's rates include a mechanism for natural gas supply costs. These mechanisms generally provide for timely recovery of market price fluctuations associated with these costs.
- RIE utilizes derivative instruments pursuant to its RIPUC-approved plan to manage commodity price risk associated with its natural gas purchases. RIE's commodity price risk management strategy is to reduce fluctuations in firm gas sales prices to its customers. RIE's costs associated with derivatives instruments are recoverable through its RIPUC- approved cost recovery mechanisms. RIE is also required to purchase electricity to fulfill its obligation to provide Last Resort Service (LRS). Potential commodity price risk is mitigated through its RIPUC-approved cost recovery mechanisms and full requirements service agreements to serve LRS customers, which transfer the risk to energy suppliers. Additionally, RIE is required to contract through long-term agreements for clean energy supply under the Rhode Island Renewable Energy Growth program and Long-term Clean Energy Standard. Potential commodity price risk is mitigated through its RIPUC-approved cost recovery mechanisms, which true-up cost differences between contract prices and market prices.

Volumetric Risk

Volumetric risk is the risk related to the changes in volume of retail sales due to weather, economic conditions or other factors. PPL is exposed to volumetric risk through its subsidiaries as described below:

- PPL Electric, LG&E and KU are exposed to volumetric risk on retail sales, mainly due to weather and other economic conditions for which there is limited mitigation between rate cases.
- RIE is exposed to volumetric risk, which is significantly mitigated by regulatory mechanisms. RIE's electric and gas distribution rates both have a revenue decoupling mechanism, which allows for annual adjustments to RIE's delivery rates.

Equity Securities Price Risk

- PPL and its subsidiaries are exposed to equity securities price risk associated with the fair value of the defined benefit plans' assets. This risk is significantly mitigated due to the recovery methods in place.
- PPL is exposed to equity securities price risk from future stock sales and/or purchases.

Credit Risk

Credit risk is the potential loss that may be incurred due to a counterparty's non-performance.

PPL is exposed to credit risk from "in-the-money" transactions with counterparties, as well as additional credit risk through certain of its subsidiaries, as discussed below.

In the event a supplier of PPL, PPL Electric, LG&E or KU defaults on its contractual obligation, those Registrants would be required to seek replacement power or replacement fuel in the market. In general, subject to regulatory review or other processes, appropriate incremental costs incurred by these entities would be recoverable from customers through applicable rate mechanisms, thereby mitigating the financial risk for these entities.

PPL and its subsidiaries have credit policies in place to manage credit risk, including the use of an established credit approval process, daily monitoring of counterparty positions and the use of master netting agreements or provisions. These agreements generally include credit mitigation provisions, such as margin, prepayment or collateral requirements. PPL and its subsidiaries may request additional credit assurance, in certain circumstances, in the event that the counterparties' credit ratings fall below investment grade, their tangible net worth falls below specified percentages or their exposures exceed an established credit limit.

Master Netting Arrangements *(PPL, LG&E and KU)*

Net derivative positions on the balance sheets are not offset against the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) under master netting arrangements.

PPL, LG&E and KU had no cash collateral posted or obligation to return cash collateral under master netting arrangements at December 31, 2024 and 2023.

See "Offsetting Derivative Instruments" below for a summary of derivative positions presented in the balance sheets where a right of setoff exists under these arrangements.

Interest Rate Risk

(All Registrants)

PPL and its subsidiaries issue debt to finance their operations, which exposes them to interest rate risk. A variety of financial derivative instruments are utilized to adjust the mix of fixed and floating interest rates in their debt portfolios, adjust the duration of the debt portfolios and lock in benchmark interest rates in anticipation of future financing, when appropriate. Risk limits under PPL's risk management program are designed to balance risk exposure to volatility in interest expense and changes in the fair value of the debt portfolio due to changes in benchmark interest rates. In addition, the interest rate risk of certain subsidiaries is potentially mitigated as a result of the existing regulatory framework or the timing of rate cases.

Cash Flow Hedges *(PPL)*

Interest rate risks include exposure to adverse interest rate movements for outstanding variable rate debt and for future anticipated financings. Financial interest rate swap contracts that qualify as cash flow hedges may be entered into to hedge floating interest rate risk associated with both existing and anticipated debt issuances. PPL had no such contracts at December 31, 2024.

Cash flow hedges are discontinued if it is no longer probable that the original forecasted transaction will occur by the end of the originally specified time period and any amounts previously recorded in AOCI are reclassified into earnings once it is determined that the hedged transaction is not probable of occurring.

For 2024, 2023 and 2022, PPL had no cash flow hedges reclassified into earnings associated with discontinued cash flow hedges.

At December 31, 2024, the amount of accumulated net unrecognized after-tax gains (losses) on qualifying derivatives expected to be reclassified into earnings during the next 12 months is insignificant. Amounts are reclassified as the hedged interest expense is recorded.

Economic Activity *(PPL and LG&E)*

LG&E enters into interest rate swap contracts that economically hedge interest payments. Because realized gains and losses from the swaps, including terminated swap contracts, are recoverable through regulated rates, any subsequent changes in fair value of these derivatives are included in regulatory assets or liabilities until they are realized as interest expense. Realized gains and losses are recognized in "Interest Expense" on the Statements of Income at the time the underlying hedged interest expense is recorded. At December 31, 2024, LG&E held contracts with a notional amount of $64 million that mature in 2033.

Commodity Price Risk *(PPL)*

Economic Activity

RIE enters into derivative contracts that economically hedge natural gas purchases. Realized gains and losses from the derivatives are recoverable through regulated rates, therefore subsequent changes in fair value are included in regulatory assets or liabilities until they are realized as purchased gas. Realized gains and losses are recognized in "Energy Purchases" on the Statements of Income upon settlement of the contracts. See Note 7 for amounts recorded in regulatory assets and regulatory liabilities at December 31, 2024. At December 31, 2024, RIE held contracts with notional volumes of 49 Bcf that range in maturity from 2025 through 2029.

Accounting and Reporting

(All Registrants)

All derivative instruments are recorded at fair value on the Balance Sheet as an asset or liability unless the NPNS is elected. NPNS contracts include certain full-requirement purchase contracts and other physical purchase contracts. Changes in the fair value of derivatives not designated as NPNS are recognized in earnings unless specific hedge accounting criteria are met and designated as such, except for the changes in fair values of LG&E's interest rate swaps that are recognized as regulatory assets or regulatory liabilities. See Note 7 for amounts recorded in regulatory assets and regulatory liabilities at December 31, 2024 and 2023.

See Note 1 for additional information on accounting policies related to derivative instruments.

(PPL)

The following table presents the fair value and location of derivative instruments recorded on the Balance Sheets:

	December 31, 2024				December 31, 2023			
	Derivatives designated as hedging instruments		Derivatives not designated as hedging instruments		Derivatives designated as hedging instruments		Derivatives not designated as hedging instruments	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Current:								
Price Risk Management Assets/Liabilities (a):								
Interest rate swaps (b)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 1
Gas contracts	—	—	7	10	—	—	1	51
Total current	—	—	7	10	—	—	1	52
Noncurrent:								
Price Risk Management Assets/Liabilities (a):								
Interest rate swaps (b)	—	—	—	3	—	—	—	6
Gas contracts	—	—	2	3	—	—	—	9
Total noncurrent	—	—	2	6	—	—	—	15
Total derivatives	$ —	$ —	$ 9	$ 16	$ —	$ —	$ 1	$ 67

(a) Current portion is included in "Other current assets" and "Other current liabilities" and noncurrent portion is included in "Other noncurrent assets" and "Other deferred credits and noncurrent liabilities" on the Balance Sheets.
(b) Excludes accrued interest, if applicable.

The following tables present the pre-tax effect of derivative instruments recognized in income, OCI or regulatory assets and regulatory liabilities:

Derivative Relationships	Derivative Gain (Loss) Recognized in OCI	Location of Gain (Loss) Recognized in Income on Derivative	Gain (Loss) Reclassified from AOCI into Income
2024			
Cash Flow Hedges:			
Interest rate swaps	$ —	Interest Expense	$ (3)
Total	$ —		$ (3)
2023			
Cash Flow Hedges:			
Interest rate swaps	$ —	Interest Expense	$ (3)
Total	$ —		$ (3)
2022			
Cash Flow Hedges:			
Interest rate swaps	$ —	Interest Expense	$ (3)
Total	$ —		$ (3)

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized in Income on Derivative	2024	2023	2022
Interest rate swaps	Interest Expense	—	—	(2)
Gas contracts	Energy Purchases	(40)	(19)	41
	Other income (expense) - net	—	$ (1)	$ —
	Total	$ (40)	$ (20)	$ 39

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized as Regulatory Liabilities/Assets	2024	2023	2022
Gas contracts	Regulatory assets - current	$ 48	$ 9	$ 39
	Regulatory assets - noncurrent	7	(8)	—
Interest rate swaps	Regulatory assets - noncurrent	4	—	11
	Total	$ 59	$ 1	$ 50

The following table presents the effect of cash flow hedge activity on the Statement of Income for the year ended December 31, 2024:

	Location and Amount of Gain (Loss) Recognized in Income on Hedging Relationships	
	Interest Expense	
Total income and expense line items presented in the income statement in which the effect of cash flow hedges are recorded	$	738
The effects of cash flow hedges:		
Gain (Loss) on cash flow hedging relationships:		
Interest rate swaps:		
Amount of gain (loss) reclassified from AOCI to income		(3)

The following table presents the effect of cash flow hedge activity on the Statement of Income for the year ended December 31, 2023:

	Location and Amount of Gain (Loss) Recognized in Income on Hedging Relationships	
	Interest Expense	
Total income and expense line items presented in the income statement in which the effect of cash flow hedges are recorded	$	666
The effects of cash flow hedges:		
Gain (Loss) on cash flow hedging relationships:		
Interest rate swaps:		
Amount of gain (loss) reclassified from AOCI to income		(3)

The following table presents the effect of cash flow hedge activity on the Statement of Income for the year ended December 31, 2022:

	Location and Amount of Gain (Loss) Recognized in Income on Hedging Relationships	
	Interest Expense	
Total income and expense line items presented in the income statement in which the effect of cash flow hedges are recorded	$	513
The effects of cash flow hedges:		
Gain (Loss) on cash flow hedging relationships:		
Interest rate swaps:		
Amount of gain (loss) reclassified from AOCI to income		(3)

(LG&E)

The following table presents the fair value and the location on the Balance Sheets of derivatives not designated as hedging instruments:

	December 31, 2024		December 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Current:				
Price Risk Management				
Assets/Liabilities:				
Interest rate swaps	$ —	$ —	$ —	$ 1
Total current	—	—	—	1
Noncurrent:				
Price Risk Management				
Assets/Liabilities:				
Interest rate swaps	—	3	—	6
Total noncurrent	—	3	—	6
Total derivatives	$ —	$ 3	$ —	$ 7

The following tables present the pre-tax effect of derivatives not designated as cash flow hedges that are recognized in income or regulatory assets:

Derivative Instruments	Location of Gain (Loss)	2024	2023	2022
Interest rate swaps	Interest Expense	$ —	$ —	$ (2)

Derivative Instruments	Location of Gain (Loss)	2024	2023	2022
Interest rate swaps	Regulatory assets - noncurrent	$ 4	$ —	$ 11

(PPL, LG&E and KU)

Offsetting Derivative Instruments

PPL, LG&E and KU or certain of their subsidiaries have master netting arrangements in place and also enter into agreements pursuant to which they purchase or sell certain energy and other products. Under the agreements, upon termination of the agreement as a result of a default or other termination event, the non-defaulting party typically would have a right to set off amounts owed under the agreement against any other obligations arising between the two parties (whether under the agreement or not), whether matured or contingent and irrespective of the currency, place of payment or place of booking of the obligation.

PPL, LG&E and KU have elected not to offset derivative assets and liabilities and not to offset net derivative positions against the right to reclaim cash collateral pledged (an asset) or the obligation to return cash collateral received (a liability) under derivatives agreements. The table below summarizes the derivative positions presented in the balance sheets where a right of setoff exists under these arrangements and related cash collateral received or pledged.

	Assets				Liabilities			
		Eligible for Offset				Eligible for Offset		
	Gross	Derivative Instruments	Cash Collateral Received	Net	Gross	Derivative Instruments	Cash Collateral Pledged	Net
December 31, 2024								
Derivatives								
PPL	$ 9	$ 5	$ —	$ 4	$ 16	$ 5	$ —	$ 11
LG&E	—	—	—	—	3	—	—	3
December 31, 2023								
Derivatives								
PPL	$ 1	$ —	$ —	$ 1	$ 67	$ —	$ —	$ 67
LG&E	—	—	—	—	7	—	—	7

Credit Risk-Related Contingent Features

Certain derivative contracts contain credit risk-related contingent features which, when in a net liability position, would permit the counterparties to require the transfer of additional collateral upon a decrease in the credit ratings of PPL, LG&E and KU or certain of their subsidiaries. Most of these features would require the transfer of additional collateral or permit the counterparty to terminate the contract if the applicable credit rating were to fall below investment grade. Some of these features also would allow the counterparty to require additional collateral upon each downgrade in credit rating at levels that remain above investment grade. In either case, if the applicable credit rating were to fall below investment grade, and assuming no assignment to an investment grade affiliate were allowed, most of these credit contingent features require either immediate payment of the net liability as a termination payment or immediate and ongoing full collateralization on derivative instruments in net liability positions.

Additionally, certain derivative contracts contain credit risk-related contingent features that require adequate assurance of performance be provided if the other party has reasonable concerns regarding the performance of PPL's, LG&E's and KU's obligations under the contracts. A counterparty demanding adequate assurance could require a transfer of additional collateral or other security, including letters of credit, cash and guarantees from a creditworthy entity. This would typically involve negotiations among the parties. However, amounts disclosed below would represent assumed immediate payment or immediate and ongoing full collateralization for derivative instruments in net liability positions with "adequate assurance" features.

(PPL)

At December 31, 2024, derivative contracts in a net liability position that contain credit risk-related contingent features was $3 million. The aggregate fair value of additional collateral requirements in the event of a credit downgrade below investment grade was $4 million.

17. Goodwill and Other Intangible Assets

Goodwill

(PPL)

The changes in the carrying amount of goodwill by segment were:

	Kentucky Regulated		Rhode Island Regulated		Corporate and Other		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Balance at beginning of period (a)	$ 662	$ 662	$ 725	$ 725	$ 860	$ 861	$ 2,247	$ 2,248
Goodwill recognized during the period (b)	—	—	—	—	—	(1)	—	(1)
Total	$ 662	$ 662	$ 725	$ 725	$ 860	$ 860	$ 2,247	$ 2,247

(a) There were no accumulated impairment losses related to goodwill.
(b) Recognized as a result of purchase price allocation adjustments related to the acquisition of RIE. See Note 9 for additional information.

Other Intangible Assets

(PPL)

The gross carrying amount and the accumulated amortization of other intangible assets were:

	December 31, 2024		December 31, 2023	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Subject to amortization:				
Contracts (a)	$ 125	$ 116	$ 125	$ 107
Renewable Energy Credits	20	—	15	—
Land rights and easements	432	147	411	143
Licenses and other	2	—	2	—
Total subject to amortization	579	263	553	250
Not subject to amortization due to indefinite life:				
Land rights and easements	18	—	18	—
Total not subject to amortization due to indefinite life	18	—	18	—
Total	$ 597	$ 263	$ 571	$ 250

(a) Gross carrying amount in 2024 and 2023 includes the fair value at the acquisition date of the OVEC power purchase contract with terms favorable to market recognized as a result of the 2010 acquisition of LKE by PPL.

Current intangible assets are included in "Other current assets" and long-term intangible assets are included in "Other intangibles" on the Balance Sheets.

Amortization expense was as follows:

	2024	2023	2022
Intangible assets with no regulatory offset	$ 5	$ 5	$ 5
Intangible assets with regulatory offset	8	9	9
Total	$ 13	$ 14	$ 14

Amortization expense for each of the next five years is estimated to be:

	2025	2026	2027	2028	2029
Intangible assets with no regulatory offset	$ 4	$ 4	$ 4	$ 4	$ 4
Intangible assets with regulatory offset	8	2	—	—	—
Total	$ 12	$ 6	$ 4	$ 4	$ 4

(PPL Electric)

The gross carrying amount and the accumulated amortization of other intangible assets were:

	December 31, 2024		December 31, 2023	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Subject to amortization:				
Land rights and easements	$ 396	$ 141	$ 389	$ 138
Licenses and other	2	1	2	1
Total subject to amortization	398	142	391	139
Not subject to amortization due to indefinite life:				
Land rights and easements	18	—	17	—
Total	$ 416	$ 142	$ 408	$ 139

Intangible assets are shown as "Intangibles" on the Balance Sheets.

Amortization expense was as follows:

	2024	2023	2022
Intangible assets with no regulatory offset	$ 4	$ 4	$ 4

Amortization expense for each of the next five years is estimated to be:

	2025	2026	2027	2028	2029
Intangible assets with no regulatory offset	$ 4	$ 4	$ 4	$ 4	$ 4

(LG&E)

The gross carrying amount and the accumulated amortization of other intangible assets were:

	December 31, 2024		December 31, 2023	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Subject to amortization:				
Land rights and easements	$ 7	$ 2	$ 7	$ 2
OVEC power purchase agreement (a)	86	79	86	73
Total subject to amortization	$ 93	$ 81	$ 93	$ 75

(a) Gross carrying amount represents the fair value at the acquisition date of the OVEC power purchase contract recognized as a result of the 2010 acquisition by PPL. An offsetting regulatory liability was recorded related to this contract, which is being amortized over the same period as the intangible asset, eliminating any income statement impact. See Note 7 for additional information.

Long-term intangible assets are presented as "Other intangibles" on the Balance Sheets.

Amortization expense was as follows:

	2024	2023	2022
Intangible assets with regulatory offset	$ 6	$ 6	$ 6

Amortization expense for each of the next five years is estimated to be:

	2025	2026	2027	2028	2029
Intangible assets with regulatory offset	$ 6	$ 1	$ —	$ —	$ —

(KU)

The gross carrying amount and the accumulated amortization of other intangible assets were:

	December 31, 2024		December 31, 2023	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Subject to amortization:				
Land rights and easements	$ 29	$ 4	$ 17	$ 4
OVEC power purchase agreement (a)	39	36	39	33
Total subject to amortization	$ 68	$ 40	$ 56	$ 37

(a) Gross carrying amount represents the fair value at the acquisition date of the OVEC power purchase contract recognized as a result of the 2010 acquisition by PPL. An offsetting regulatory liability was recorded related to this contract, which is being amortized over the same period as the intangible asset, eliminating any income statement impact. See Note 7 for additional information.

Long-term intangible assets are presented as "Other intangibles" on the Balance Sheets.

Amortization expense was as follows:

	2024	2023	2022
Intangible assets with regulatory offset	2	3	3

Amortization expense for each of the next five years is estimated to be:

	2025	2026	2027	2028	2029
Intangible assets with regulatory offset	$ 2	$ 1	$ —	$ —	$ —

18. Asset Retirement Obligations

(PPL and PPL Electric)

PPL Electric has identified legal retirement obligations for the retirement of certain transmission assets that could not be reasonably estimated due to indeterminable settlement dates. These assets are located on rights-of-way that allow the grantor to require PPL Electric to relocate or remove the assets. Since this option is at the discretion of the grantor of the right-of-way, PPL Electric is unable to determine when these events may occur.

(PPL, LG&E and KU)

PPL's, LG&E's and KU's ARO liabilities are primarily related to CCR closure costs. See Note 12 for information on the CCR rule. LG&E and RIE also have AROs related to natural gas mains and wells. LG&E's and KU's transmission and distribution lines largely operate under perpetual property easement agreements, which do not generally require restoration upon removal of the property. Therefore, no material AROs are recorded for transmission and distribution assets. For LG&E, KU, and RIE , all ARO accretion and depreciation expenses are reclassified as a regulatory asset or regulatory liability. ARO regulatory assets associated with certain CCR projects are amortized to expense in accordance with regulatory approvals. For other AROs, deferred accretion and depreciation expense is recovered through cost of removal.

The changes in the carrying amounts of AROs were as follows:

	PPL		LG&E		KU	
	2024	2023	2024	2023	2024	2023
ARO at beginning of period	$ 158	$ 177	$ 85	$ 86	$ 66	$ 82
Accretion	8	9	4	4	4	5
Obligations incurred	9	2	3	1	6	1
Changes in estimated timing or cost	4	15	3	11	1	6
Obligations settled	(24)	(39)	(11)	(11)	(13)	(28)
Other	2	(6)	—	(6)		—
ARO at end of period	$ 157	$ 158	$ 84	$ 85	$ 64	$ 66

19. Accumulated Other Comprehensive Income (Loss)

(PPL)

The after-tax changes in AOCI by component for the years ended December 31 were as follows:

				Defined benefit plans		
	Foreign currency translation adjustments	Unrealized gains (losses) on qualifying derivatives	Equity investees' AOCI	Prior service costs	Actuarial gain (loss)	Total
PPL						
December 31, 2021	$ —	$ 1	$ —	$ (6)	$ (152)	$ (157)
Amounts arising during the year	—	—	2	(1)	11	12
Reclassifications from AOCI	—	2	—	2	17	21
Net OCI during the year	—	2	2	1	28	33
December 31, 2022	$ —	$ 3	$ 2	$ (5)	$ (124)	$ (124)
Amounts arising during the year	—	—	1	—	(41)	(40)
Reclassifications from AOCI	—	3	—	1	(3)	1
Net OCI during the year	—	3	1	1	(44)	(39)
December 31, 2023	$ —	$ 6	$ 3	$ (4)	$ (168)	$ (163)
Amounts arising during the year	—	—	1	—	(22)	(21)
Reclassifications from AOCI	—	3	—	1	(4)	—
Net OCI during the year	—	3	1	1	(26)	(21)
December 31, 2024	$ —	$ 9	$ 4	$ (3)	$ (194)	$ (184)

The following table presents PPL's gains (losses) and related income taxes for reclassifications from AOCI for the years ended December 31, 2024, 2023 and 2022. The defined benefit plan components of AOCI are not reflected in their entirety in the statement of income; rather, they are included in the computation of net periodic defined benefit costs (credits) and subject to capitalization. See Note 10 for additional information.

Details about AOCI	PPL 2024	PPL 2023	PPL 2022	Affected Line Item on the Statements of Income
Qualifying derivatives				
Interest rate swaps	$ (3)	$ (3)	$ (3)	Interest Expense
Total Pre-tax	(3)	(3)	(3)	
Income Taxes	—	—	1	
Total After-tax	(3)	(3)	(2)	
Defined benefit plans				
Prior service costs	(1)	(2)	(3)	
Net actuarial loss	4	3	(24)	
Total Pre-tax	3	1	(27)	
Income Taxes	—	1	8	
Total After-tax	3	2	(19)	
Total reclassifications during the year	$ —	$ (1)	$ (21)	

20. New Accounting Guidance Pending Adoption

(All Registrants)

Improvements to Income Tax Disclosures

In December 2023, the FASB issued guidance which requires public business entities to provide additional income tax disclosures including a disaggregated rate reconciliation as well as information on income taxes paid.

For public business entities, this guidance will be applied on a prospective basis. Retrospective application is permitted. This guidance will be effective for annual periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance.

The Registrants are currently assessing the impact of adopting this guidance.

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued guidance which requires public business entities to provide in the notes to financial statements specified information about certain costs and expenses. This includes the disclosure of amounts of (a) purchases of inventory, (b) employee compensation, (c) depreciation, (d) intangible asset amortization, and (e) depreciation, depletion, and amortization recognized as part of oil and gas-producing activities (DD&A) included in each relevant income statement expense caption. A relevant expense caption is an expense caption included on the face of the income statement within continuing operations that contains any of the specified expense categories (a)-(e). A qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated must also be disclosed. Additionally, public business entities must disclose the total amount of selling expenses and, in annual reporting periods, the entity's definition of selling expenses.

For public business entities, this guidance will be applied on a prospective basis. Retrospective application is permitted. This guidance will be effective for annual periods beginning after December 15, 2026, and interim periods reporting periods beginning after December 15, 2027. Early adoption is permitted.

The Registrants are currently assessing the impact of adopting this guidance.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Evaluation of disclosure controls and procedures.

PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

The Registrants' principal executive officers and principal financial officers, based on their evaluation of the Registrants' disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934) have concluded that, as of December 31, 2024, the Registrants' disclosure controls and procedures are effective to ensure that material information relating to the Registrants and their consolidated subsidiaries is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms, particularly during the period for which this annual report has been prepared. The aforementioned principal officers have concluded that the disclosure controls and procedures are also effective to ensure that information required to be disclosed in reports filed under the Exchange Act is accumulated and communicated to management, including the principal executive officers and principal financial officers, to allow for timely decisions regarding required disclosure.

(b) Changes in internal control over financial reporting.

PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company, and Kentucky Utilities Company

The Registrants' principal executive officers and principal financial officers have concluded that there were no changes in the Registrants' internal control over financial reporting during the Registrants' fourth fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Registrants' internal control over financial reporting.

Management's Report on Internal Control over Financial Reporting

PPL Corporation

PPL's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f) or 15d-15(f). PPL's internal control over financial reporting is a process designed to provide reasonable assurance to PPL's management and Board of Directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in "Internal Control - Integrated Framework" (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in "Internal Control - Integrated Framework" (2013), our management concluded that our internal control over financial reporting was effective as of December 31, 2024. The effectiveness of our internal control over financial reporting has been audited by Deloitte & Touche LLP, an independent registered public accounting firm.

PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

Management of PPL's non-accelerated filer companies, PPL Electric, LG&E and KU, are responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f) or 15d-15(f). Each of the aforementioned companies' internal control over financial reporting is a process designed to provide reasonable assurance to management and Board of Directors of these companies regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements.

Under the supervision and with the participation of our management, including the principal executive officers and principal financial officers of the companies listed above, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in "Internal Control - Integrated Framework" (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in "Internal Control - Integrated Framework" (2013), management of these companies concluded that our internal control over financial reporting was effective as of December 31, 2024. This annual report does not include an attestation report of Deloitte & Touche LLP, the companies' independent registered public accounting firm regarding internal control over financial reporting for these non-accelerated filer companies. The effectiveness of internal control over financial reporting for the aforementioned companies was not subject to attestation by the companies' registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit these companies to provide only management's report in this annual report.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareowners and the Board of Directors of PPL Corporation

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of PPL Corporation and subsidiaries (the "Company") as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2024, of the Company and our report dated February 13, 2025, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Morristown, New Jersey
February 13, 2025

ITEM 9B. OTHER INFORMATION

PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

(a) None.

(b) *Securities Trading Plans of Directors and Executive Officers*

On November 26, 2024, Ms. Christine M. Martin, President of PPL Electric, adopted a trading arrangement for the sale of shares of PPL's common stock (a Rule 10b5-1 Trading Plan) that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Securities Exchange Act of 1934. Ms. Martin's Rule 10b5-1 Trading Plan, which terminates on the earlier of (i) June 30, 2025 and (ii) the date all trades specified under the plan have been executed or all orders under the plan have expired, provides for the sale of up to 2,160 shares of common stock of PPL, plus dividends on such shares prior to sale, pursuant to the terms of the plan.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

PPL Corporation

Additional information required by this Item is incorporated by reference to, and will be contained in, our definitive proxy statement in the sections entitled: "Proposal 1: Election of Directors," "Governance of the Company – Board of Directors," "Governance of the Company – Board Committees," "Delinquent Section 16(a) Reports," and "Governance Policies Underpinning Our Compensation Framework - Insider Trading Policy." The proxy statement will be filed within 120 days after December 31, 2024; accordingly, we have omitted the information from this Item pursuant to General Instruction G(3) of Form 10-K.

PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

Item 10 is omitted as PPL Electric, LG&E and KU meet the conditions set forth in General Instruction (I)(1)(a) and (b) of Form 10-K.

EXECUTIVE OFFICERS OF THE REGISTRANTS

Officers of the Registrants are elected annually by their Boards of Directors to serve at the pleasure of the respective Boards. There are no family relationships among any of the executive officers, nor is there any arrangement or understanding between any executive officer and any other person pursuant to which the officer was selected.

There have been no events under any bankruptcy act, no criminal proceedings and no judgments or injunctions material to the evaluation of the ability and integrity of any executive officer during the past five years.

Listed below are the executive officers at December 31, 2024.

PPL Corporation

Name	Age	Positions Held During the Past Five Years	Dates
Vincent Sorgi	53	President and Chief Executive Officer	June 2020 - present
		President and Chief Operating Officer	July 2019 - May 2020
Joseph P. Bergstein, Jr.	54	Executive Vice President and Chief Financial Officer	April 2021 - present
		Senior Vice President and Chief Financial Officer	July 2019 - April 2021
Dean A. Del Vecchio	58	Executive Vice President and Chief Technology & Innovation Officer	February 2024 - present
		Executive Vice President, Chief Information and Operations Officer (with responsibility for implementing a strategic technology vision, leading enterprise customer service and operations, shared services organization in India, real estate and facilities, physical security, office services, source-to-pay process for procurement efficiency, and enterprise imaging) at The Guardian Life Insurance Company of America	August 2013 - February 2024
Angela K. Gosman	56	Executive Vice President and Chief Human Resources Officer	January 2023 - present
		Senior Vice President and Chief Human Resources Officer	January 2022 - December 2022
		Vice President and Chief Human Resources Officer-PPL Services	August 2021 - December 2021
		Vice President - Human Resources-PPL EU Services	May 2020 - July 2021
		Director - Human Resources-LKE	September 2016 - May 2020
Wendy E. Stark	52	Executive Vice President-Utilities and Chief Legal Officer	November 2024 - present
		Executive Vice President-Utilities, Chief Legal Officer and Corporate Secretary	March 2024 - November 2024
		Executive Vice President, Chief Legal Officer and Corporate Secretary	January 2023 - March 2024
		Senior Vice President, General Counsel, Corporate Secretary and Chief Legal Officer	January 2022 - December 2022
		Senior Vice President, General Counsel and Corporate Secretary	April 2021 - December 2021
		Senior Vice President, Legal and Regulatory Strategy and General Counsel (led the legal and regulatory affairs departments, overseeing all legal matters and regulatory strategy for several electric and gas utilities in multiple jurisdictions) at Pepco Holdings, LLC (a subsidiary of Exelon)	December 2018 - April 2021

Name	Age	Positions Held During the Past Five Years	Dates
Francis X. Sullivan	68	Executive Vice President and Chief Operating Officer	January 2023 - present
		Vice President-Operations Performance-PPL Services	October 2021 - December 2022
J. Gregory Cornett (a)	54	President-RIE	March 2024 - present
		Vice President and Deputy General Counsel-Litigation-PPL Services	December 2021 - March 2024
		Associate General Counsel and Director of Legal Services-PPL Services	May 2018 - December 2021
John R. Crockett III (a)	60	President-LKE	October 2021 - present
		General Counsel, Chief Compliance Officer and Corporate Secretary - LKE	January 2018 - September 2021
Christine M. Martin (a)	52	President-PPL Electric	September 2023 - present
		Senior Vice President-Public Affairs and Chief Sustainability Officer-PPL Services	January 2023 - August 2023
		Vice President-Public Affairs and Chief Sustainability Officer-PPL Services	April 2022 - January 2023
		Vice President-Public Affairs and Sustainability-PPL Services	August 2018 - April 2022
David J. Bonenberger (a)	63	Senior Vice President and Chief Operating Officer-Utilities-PPL Services	March 2024 - present
		President-RIE	May 2022 - March 2024
		Vice President-Operations Integration-PPL Services	April 2021 - present
		Vice President-Transmission and Substations-PPL Electric	January 2018 - April 2021
		Vice President-Distribution Operations-PPL Electric	December 2017 - July 2021
Tadd J. Henninger	49	Senior Vice President-Finance and Treasurer	January 2023 - present
		Vice President-Finance and Treasurer	July 2019 - January 2023
Marlene C. Beers	53	Vice President and Controller	March 2019 - present

(a) Designated an executive officer of PPL by virtue of their respective positions at a PPL subsidiary.

ITEM 11. EXECUTIVE COMPENSATION

PPL Corporation

The information required by this Item is incorporated by reference to, and will be contained in, our definitive proxy statement in the sections entitled: “Governance of the Company – Compensation of Directors,” “Executive Compensation – People and Compensation Committee Report,” “Executive Compensation – Compensation Discussion and Analysis,” “Executive Compensation - Executive Compensation Tables,” and “Executive Compensation – CEO Pay Ratio.” The proxy statement will be filed within 120 days after December 31, 2024; accordingly, we have omitted the information from this Item pursuant to General Instruction G(3) of Form 10-K.

PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

Item 11 is omitted as PPL Electric, LG&E and KU meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

PPL Corporation

Additional information required by this Item is incorporated by reference to, and will be contained in, our definitive proxy statement in the section entitled: "Stock Ownership." The proxy statement will be filed within 120 days after December 31, 2024; accordingly, we have omitted the information from this Item pursuant to General Instruction G(3) of Form 10-K. In addition, provided below in tabular format is information as of December 31, 2024, with respect to compensation plans (including individual compensation arrangements) under which equity securities of PPL are authorized for issuance.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (3) (4)
Equity compensation plans approved by security holders (1)			1,092,065 – DDCP 6,806,285 – SIP 425,338 – ICPKE 8,323,688 – Total
Equity compensation plans not approved by security holders (2)			

(1) Includes (a) the ICPKE, under which restricted stock, restricted stock units, performance units, dividend equivalents and other stock-based compensation awards may be awarded to non-executive key employees of PPL and its subsidiaries; (b) the SIP approved by shareowners in 2017 under which restricted stock, restricted stock units, performance units, dividend equivalents and other stock-based compensation awards may be awarded to executive officers of PPL and its subsidiaries; and (c) the DDCP, under which stock units may be awarded to directors of PPL.

(2) All of PPL's current compensation plans under which equity securities of PPL are authorized for issuance have been approved by PPL's shareowners.

(3) As of December 31, 2024, there were 4,197,595 stock awards outstanding under the plans. The following stock awards are outstanding under the SIP, ICPKE and DDCP: 1,183,738 restricted stock units, 844,985 TSR performance awards, 446,503 EG performance awards and 446,503 ESG performance awards under the SIP; 335,998 restricted stock units 87,024 TSR performance awards, 3,581 ROE performance awards, 50,386 EG performance awards and 50,386 ESG performance awards under the ICPKE; and 748,491 stock units under the DDCP.

(4) Based upon the following aggregate award limitations under the SIP, ICPKE and DDCP: (a) under the SIP, 15,000,000 awards; (b) under the ICPKE, 16,573,608 awards (i.e., 5% of the total PPL common stock outstanding as of January 1, 2003) granted after April 25, 2003, reduced by outstanding awards for which common stock was not yet issued as of such date of 2,373,812 resulting in a limit of 14,199,796; and (c) under the DDCP, the number of stock units available for issuance was reduced to 2,000,000 stock units in March 2012. In addition, the ICPKE includes an annual award limitation of 2% of total PPL common stock outstanding as of January 1 of each year.

PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

Item 12 is omitted as PPL Electric, LG&E and KU meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

PPL Corporation

The information required by this Item is incorporated by reference to, and will be contained in, our definitive proxy statement in the sections entitled: "Governance of the Company – Board of Directors" and "Transactions with Related Persons." The proxy statement will be filed within 120 days after December 31, 2024; accordingly, we have omitted the information from this Item pursuant to General Instruction G(3) of Form 10-K.

PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

Item 13 is omitted as PPL Electric, LG&E and KU meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

PPL Corporation

The information required by this Item is incorporated by reference to, and will be contained in, our definitive proxy statement in the section entitled: "Proposal 3: Ratification of the Appointment of Independent Registered Public Accounting Firm -- Fees to Independent Auditor for 2024 and 2023." The proxy statement will be filed within 120 days after December 31, 2024; accordingly, we have omitted the information from this Item pursuant to General Instruction G(3) of Form 10-K.

PPL Electric Utilities Corporation

For the fiscal years ended 2024 and 2023, Deloitte & Touche LLP (Deloitte) served as PPL Electric's independent auditor. The following table presents an allocation of fees billed, including expenses, by the independent auditor to PPL Electric, for professional services rendered for the audits of PPL Electric's annual financial statements and for fees billed for other services rendered by Deloitte.

	2024	2023
	(in thousands)	
Audit fees (a)	$ 1,302	$ 1,390
Audit-related fees (b)	21	17

(a) Includes estimated fees for audit of annual financial statements and review of financial statements included in PPL Electric's Quarterly Reports on Form 10-Q and for services in connection with statutory and regulatory filings or engagements, including comfort letters and consents for financings and filings made with the SEC.
(b) Fees for agreed-upon procedures related to annual EPA filings.

Louisville Gas and Electric Company

For the fiscal years ended 2024 and 2023, Deloitte served as LG&E's independent auditor. The following table presents an allocation of fees billed, including expenses, by the independent auditor to LG&E, for professional services rendered for the audits of LG&E's annual financial statements and for fees billed for other services rendered by Deloitte.

	2024	2023
	(in thousands)	
Audit fees (a)	$ 903	$ 1,189

(a) Includes estimated fees for audit of annual financial statements and review of financial statements included in LG&E's Quarterly Reports on Form 10-Q and for services in connection with statutory and regulatory filings or engagements, including comfort letters and consents for financings and filings made with the SEC.

Kentucky Utilities Company

For the fiscal years ended 2024 and 2023, Deloitte served as KU's independent auditor. The following table presents an allocation of fees billed, including expenses, by the independent auditor to KU, for professional services rendered for the audits of KU's annual financial statements and for fees billed for other services rendered by Deloitte.

	2024	2023
	(in thousands)	
Audit fees (a)	$ 1,053	$ 1,175

(a) Includes estimated fees for audit of annual financial statements and review of financial statements included in KU's Quarterly Reports on Form 10-Q and for services in connection with statutory and regulatory filings or engagements, including comfort letters and consents for financings and filings made with the SEC.

PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

Approval of Fees. The Audit Committee of PPL has procedures for pre-approving audit and non-audit services to be provided by the independent auditor. These procedures are designed to ensure the continued independence of the independent auditor. More specifically, the use of the independent auditor to perform either audit or non-audit services is prohibited unless specifically approved in advance by the Audit Committee of PPL. As a result of this approval process, the Audit Committee of PPL has pre-approved specific categories of services and authorization levels. All services outside of the specified categories and all amounts exceeding the authorization levels are approved by the Chair of the Audit Committee of PPL, who serves as the Committee designee to review and approve audit and non-audit related services during the year. A listing of the approved audit and non-audit services is reviewed with the full Audit Committee of PPL no later than its next meeting.

The Audit Committee of PPL approved 100% of the 2024 and 2023 services provided by Deloitte.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

(a) The following documents are filed as part of this report:

1. Financial Statements - Refer to the "Table of Contents" for an index of the financial statements included in this report.

2. Supplementary Data and Supplemental Financial Statement Schedule - included in response to Item 8.

   All other schedules are omitted because of the absence of the conditions under which they are required or because the required information is included in the financial statements or notes thereto.

3. Exhibits

   See Exhibit Index immediately following "Shareowner and Investor Information."

SHAREOWNER AND INVESTOR INFORMATION

Annual Meeting: The 2025 annual meeting of shareowners of PPL will be held on Friday, May 16, 2025 in a virtual meeting format.

Proxy Statement Material: A proxy statement and notice of PPL's annual meeting will be provided to all shareowners who are holders of record as of March 4, 2025. The latest proxy statement can be accessed at www.pplweb.com/PPLCorpProxy.

PPL Annual Report: The report will be published in the beginning of April and will be provided to all shareowners who are holders of record as of March 4, 2025. The latest annual report can be accessed at www.pplweb.com/PPLCorpProxy.

Dividends: Subject to the declaration of dividends on PPL common stock by the PPL Board of Directors or its Executive Committee, dividends are paid on the first business day of April, July, October and January. The 2025 record dates for dividends are expected to be March 10, June 10, September 10 and December 10.

PPL's Website (www.pplweb.com): Shareowners can access PPL publications such as annual and quarterly reports to the Securities and Exchange Commission (SEC Forms 10-K and 10-Q), other PPL filings, corporate governance materials, news releases, stock quotes and historical performance. Visitors to our website can subscribe to receive automated email alerts for SEC filings, earnings releases, daily stock prices or other financial news.

Financial reports which are available at www.pplweb.com will be mailed without charge upon request.

By mail:
PPL Treasury Dept.
645 Hamilton Street
Allentown, PA 18101

By email: invserv@pplweb.com

By telephone:
610-774-5151 or Toll-free at 1-800-345-3085

Online Account Access: Registered shareowners can activate their account for online access by visiting shareowneronline.com.

Direct Stock Purchase and Dividend Reinvestment Plans (Plan): PPL offers investors the opportunity to acquire shares of PPL common stock through its Plan. Through the Plan, participants are eligible to invest up to $25,000 per calendar month in PPL common stock. Shareowners may choose to have dividends on their PPL common stock fully or partially reinvested in PPL common stock or can receive full payment of cash dividends by check or electronic funds transfer. Participants in the Plan may choose to have their common stock certificates deposited into their Plan account.

Direct Registration System: PPL participates in the Direct Registration System (DRS). Shareowners may choose to have their common stock certificates converted to book entry form within the DRS by submitting their certificates to PPL's transfer agent.

Listed Securities:

New York Stock Exchange

PPL Corporation:
Common Stock (Code: PPL)

PPL Capital Funding, Inc.:
2007 Series A Junior Subordinated Notes due 2067 (Code: PPL/67)

Fiscal Agents:

Transfer Agent and Registrar; Dividend Disbursing Agent; Plan Administrator
Equiniti Trust Company
Shareowner Services
1110 Centre Pointe Curve, Suite 101
Mendota Heights, MN 55120

Toll Free: 1-800-345-3085
Outside U.S.: 651-450-4064
Website: shareowneronline.com

Indenture Trustee
The Bank of New York Mellon
Corporate Trust Administration
500 Ross Street
Pittsburgh, PA 15262

EXHIBIT INDEX

The following Exhibits indicated by an asterisk preceding the Exhibit number are filed herewith. The balance of the Exhibits has heretofore been filed with the Commission and pursuant to Rule 12(b)-32 are incorporated herein by reference. Exhibits indicated by a [_] are filed or listed pursuant to Item 601(b)(10)(iii) of Regulation S-K.

1(a)	-	Securities Purchase and Registration Rights Agreement, dated March 5, 2014, among PPL Capital Funding, Inc., PPL Corporation, and the several purchasers named in Schedule B thereto (Exhibit 1.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 10, 2014)
1(b)	-	Distribution Agreement, dated February 23, 2018, by and among PPL Corporation and J.P. Morgan Securities, LLC, Barclays Capital Inc., Citigroup Global Markets Inc., JPMorgan Chase Bank, National Association, London Branch, Barclays Bank PLC and Citibank N.A. (Exhibit 1.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated February 23, 2018)
2(a)	-	Separation Agreement among PPL Corporation, Talen Energy Holdings, Inc., Talen Energy Corporation, PPL Energy Supply, LLC, Raven Power Holdings LLC, C/R Energy Jade, LLC and Sapphire Power Holdings LLC., dated as of June 9, 2014 (Exhibit 2.1 to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated June 12, 2014)
2(b)	-	Transaction Agreement among PPL Corporation, Talen Energy Holdings, Inc., Talen Energy Corporation, PPL Energy Supply, LLC, Talen Energy Merger Sub, Inc., C/R Energy Jade, LLC, Sapphire Power Holdings LLC. and Raven Power Holdings LLC, dated as of June 9, 2014 (Exhibit 2.2 to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated June 12, 2014)
2(c)	-	Share Purchase Agreement, dated as of March 17, 2021, by and among PPL WPD Limited, National Grid Holdings One plc and National Grid plc. (Exhibit 2.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 18, 2021)
2(d)-1	-	Share Purchase Agreement, dated as of March 17, 2021, by and among PPL Energy Holdings, LLC, PPL Corporation (solely as guarantor), and National Grid USA (Exhibit 2.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 18, 2021)
2(d)-2	-	Assignment and Assumption Agreement, dated as of May 3, 2021, by and among PPL Energy Holdings, LLC, PPL Corporation, National Grid USA and PPL Rhode Island Holdings, LLC (Exhibit 2(b)-2 to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2021)
2(e)	-	Tax Deed, dated as of June 9, 2021, by and among PPL WPD Limited, National Grid Holdings One plc (Exhibit 2.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated June 14, 2021)
3(a)	-	Amended and Restated Articles of Incorporation of PPL Corporation, effective as of May 25, 2016 (Exhibit 3(i) to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 26, 2016)
3(a)-1	-	Certificate of Change: an amendment, effective as of July 31, 2024, to the Amended and Restated Articles of Incorporation of PPL Corporation, effective as of May 25, 2016 (Exhibit 3(a).1 to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2024)
3(b)	-	Bylaws of PPL Corporation, effective as of December 16, 2022 (Exhibit 3(ii) to PPL Corporation Form 8-K Report (File No. 1-11459) dated December 19, 2022)
3(c)	-	Amended and Restated Articles of Incorporation of PPL Electric Utilities Corporation, effective as of October 31, 2013 (Exhibit 3(a) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended September 30, 2013)
3(c)-1	-	Certificate of Change: an amendment, effective as of July 31, 2024, to the Amended and Restated Articles of Incorporation of PPL Electric Utilities Corporation, effective as of October 31, 2013 (Exhibit 3(b).1 to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2024)

3(d)	-	Bylaws of PPL Electric Utilities Corporation, effective as of October 27, 2015 (Exhibit 3(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended September 30, 2015)
3(g)-1	-	Amended and Restated Articles of Incorporation of Louisville Gas and Electric Company, effective as of November 6, 1996 (Exhibit 3(a) to Registration Statement filed on Form S-4 (File No. 333-173676))
3(g)-2	-	Articles of Amendment to Articles of Incorporation of Louisville Gas and Electric Company, effective as of April 6, 2004 (Exhibit 3(b) to Registration Statement filed on Form S-4 (File No. 333-173676))
3(h)	-	Bylaws of Louisville Gas and Electric Company, effective as of December 16, 2003 (Exhibit 3(c) to Registration Statement filed on Form S-4 (File No. 333-173676))
3(i)-1	-	Amended and Restated Articles of Incorporation of Kentucky Utilities Company, effective as of December 14, 1993 (Exhibit 3(a) to Registration Statement filed on Form S-4 (File No. 333-173675))
3(i)-2	-	Articles of Amendment to Articles of Incorporation of Kentucky Utilities Company, effective as of April 8, 2004 (Exhibit 3(b) to Registration Statement filed on Form S-4 (File No. 333-173675))
3(j)	-	Bylaws of Kentucky Utilities Company, effective as of December 16, 2003 (Exhibit 3(c) to Registration Statement filed on Form S-4 (File No. 333-173675))
4(a)-1	-	Amended and Restated Employee Stock Ownership Plan, dated December 1, 2016 (Exhibit 4(a) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2016)
4(a)-2	-	Amendment No. 1 to PPL Employee Stock Ownership Plan, dated October 2, 2017 (Exhibit 4(c) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended September 30, 2017)
4(a)-3	-	Amendment No. 2 to PPL Employee Stock Ownership Plan, dated December 1, 2018 (Exhibit 4(a)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2018)
4(a)-4	-	Amendment No. 3 to PPL Employee Stock Ownership Plan, dated January 1, 2019 (Exhibit 4(a)-4 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2018)
4(b)-1	-	Indenture, dated as of November 1, 1997, among PPL Corporation, PPL Capital Funding, Inc. and JPMorgan Chase Bank (formerly The Chase Manhattan Bank), as Trustee (Exhibit 4.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated November 12, 1997)
4(b)-2	-	Supplemental Indenture No. 8, dated as of June 14, 2012, to said Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated June 14, 2012)
4(b)-3	-	Supplemental Indenture No. 9, dated as of October 15, 2012, to said Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated October 15, 2012)
4(b)-4	-	Supplemental Indenture No. 10, dated as of May 24, 2013, to said Indenture (Exhibit 4.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 24, 2013)
4(b)-5	-	Supplemental Indenture No. 11, dated as of May 24, 2013, to said Indenture (Exhibit 4.3 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 24, 2013)
4(b)-6	-	Supplemental Indenture No. 12, dated as of May 24, 2013, to said Indenture (Exhibit 4.4 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 24, 2013)
4(b)-7	-	Supplemental Indenture No. 13, dated as of March 10, 2014, to said Indenture (Exhibit 4.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 10, 2014)

4(b)-8	-	Supplemental Indenture No. 14, dated as of March 10, 2014, to said Indenture (Exhibit 4.3 to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 10, 2014)
4(b)-9	-	Supplemental Indenture No. 15, dated as of May 17, 2016, to said Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 17, 2016)
4(b)-10	-	Supplemental Indenture No. 16, dated as of September 8, 2017, to said Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated September 6, 2017)
4(b)-11	-	Supplemental Indenture No. 17, dated as of April 1, 2020, to said Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated April 3, 2020)
4(b)-12	-	Supplemental Indenture No. 18, dated as of August 9, 2024, to said Indenture (Exhibit 4(b) to PPL Corporation 8-K Report (File No. 1-11459) dated August 9, 2024)
4(c)-1	-	Indenture, dated as of August 1, 2001, by PPL Electric Utilities Corporation and JPMorgan Chase Bank (formerly The Chase Manhattan Bank), as Trustee (Exhibit 4.1 to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 21, 2001)
4(c)-2	-	Supplemental Indenture No. 6, dated as of December 1, 2005, to said Indenture (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated December 22, 2005)
4(c)-3	-	Supplemental Indenture No. 7, dated as of August 1, 2007, to said Indenture (Exhibit 4(b) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 14, 2007)
4(c)-4	-	Supplemental Indenture No. 9, dated as of October 1, 2008, to said Indenture (Exhibit 4(c) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated October 31, 2008)
4(c)-5	-	Supplemental Indenture No. 10, dated as of May 1, 2009, to said Indenture (Exhibit 4(b) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated May 22, 2009)
4(c)-6	-	Supplemental Indenture No. 11, dated as of July 1, 2011, to said Indenture (Exhibit 4.1 to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated July 13, 2011)
4(c)-7	-	Supplemental Indenture No. 12, dated as of July 1, 2011, to said Indenture (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated July 18, 2011)
4(c)-8	-	Supplemental Indenture No. 13, dated as of August 1, 2011, to said Indenture (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 23, 2011)
4(c)-9	-	Supplemental Indenture No. 14, dated as of August 1, 2012, to said Indenture (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 24, 2012)
4(c)-10	-	Supplemental Indenture No. 15, dated as of July 1, 2013, to said Indenture (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated July 11, 2013)
4(c)-11	-	Supplemental Indenture No. 16, dated as of June 1, 2014, to said Indenture (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated June 5, 2014)
4(c)-12	-	Supplemental Indenture No. 17, dated as of October 1, 2015, to said Indenture (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated October 1, 2015)
4(c)-13	-	Supplemental Indenture No. 18, dated as of March 1, 2016, to said Indenture (Exhibit 4(c) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated March 10, 2016)

4(c)-14	-	Supplemental Indenture No. 19, dated as of May 1, 2017, to said Indenture (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated May 11, 2017)
4(c)-15	-	Supplemental Indenture No. 20, dated as of June 1, 2018, to said Indenture (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated June 14, 2018)
4(c)-16	-	Supplemental Indenture No. 21, dated as of September 1, 2019, to said Indenture (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated September 6, 2019)
4(c)-17	-	Supplemental Indenture No. 22, dated as of September 15, 2020, to said Indenture (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated October 1, 2020)
4(c)-18	-	Supplemental Indenture No. 23, dated as of June 15, 2020, to said Indenture (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated June 24, 2021)
4(c)-19	-	Supplemental Indenture No. 24, dated as of March 1, 2023, to said Indenture (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 2, 2023)
4(c)-20	-	Supplemental Indenture No. 25, dated as of January 1, 2024, to said Indenture (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated January 5, 2024)
4(d)-1	-	Pollution Control Facilities Loan Agreement, dated as of October 1, 2008, between Pennsylvania Economic Development Financing Authority and PPL Electric Utilities Corporation (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated October 31, 2008)
4(d)-2	-	Pollution Control Facilities Loan Agreement, dated as of March 1, 2016, between PPL Electric Utilities Corporation and the Lehigh County Industrial Development Authority (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated March 10, 2016)
4(d)-3	-	Pollution Control Facilities Loan Agreement, dated as of March 1, 2016, between PPL Electric Utilities Corporation and the Lehigh County Industrial Development Authority (Exhibit 4(b) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated March 10, 2016)
4(e)-1	-	Subordinated Indenture, dated as of March 1, 2007, between PPL Capital Funding, Inc., PPL Corporation and The Bank of New York, as Trustee (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 20, 2007)
4(e)-2	-	Supplemental Indenture No. 1, dated as of March 1, 2007, to said Subordinated Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 20, 2007)
4(e)-3	-	Supplemental Indenture No. 4, dated as of March 15, 2013, to said Subordinated Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 15, 2013)
4(f)-1	-	Indenture, dated as of October 1, 2010, between Kentucky Utilities Company and The Bank of New York Mellon, as Trustee (Exhibit 4(q)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(f)-2	-	Supplemental Indenture No. 1, dated as of October 15, 2010, to said Indenture (Exhibit 4(q)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(f)-3	-	Supplemental Indenture No. 2, dated as of November 1, 2010, to said Indenture (Exhibit 4(q)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(f)-4	-	Supplemental Indenture No. 3, dated as of November 1, 2013, to said Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated November 13, 2013)

4(f)-5	-	Supplemental Indenture No. 4, dated as of September 1, 2015, to said Indenture (Exhibit 4(b) to Kentucky Utilities Company Form 8-K Report (File No. 1-3464) dated September 28, 2015)
4(f)-6	-	Supplemental Indenture No. 5, dated as of August 1, 2016, to said Indenture (Exhibit 4(b) to Kentucky Utilities Company Form 8-K Report (File No. 1-3464) dated August 26, 2016)
4(f)-7	-	Supplemental Indenture No. 6, dated as of August 1, 2018, to said Indenture (Exhibit 4(a) to PPL Corporation 10-Q Report (File No. 1-11459) for the quarter ended September 30, 2018)
4(f)-8	-	Supplemental Indenture No. 7, dated as of March 1, 2019, to said Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated April 1, 2019)
4(f)-9	-	Supplemental Indenture No. 8, dated as of May 15, 2020, to said Indenture (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated June 3, 2020)
4(f)-10	-	Supplemental Indenture No. 9, dated as of March 1, 2023, to said Indenture (Exhibit 4(c) to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 20, 2023)
4(f)-11	-	Supplemental Indenture No. 10, dated as of November 1, 2023, to said Indenture (Exhibit 4(e) to PPL Corporation Form 8-K Report (File No. 1-11459) dated December 6, 2023)
4(g)-1	-	Indenture, dated as of October 1, 2010, between Louisville Gas and Electric Company and The Bank of New York Mellon, as Trustee (Exhibit 4(r)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(g)-2	-	Supplemental Indenture No. 1, dated as of October 15, 2010, to said Indenture (Exhibit 4(r)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(g)-3	-	Supplemental Indenture No. 2, dated as of November 1, 2010, to said Indenture (Exhibit 4(r)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(g)-4	-	Supplemental Indenture No. 3, dated as of November 1, 2013, to said Indenture (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated November 13, 2013)
4(g)-5	-	Supplemental Indenture No. 4, dated as of September 1, 2015, to said Indenture (Exhibit 4(a) to Louisville Gas and Electric Company Form 8-K Report (File No. 1-2893) dated September 28, 2015)
4(g)-6	-	Supplemental Indenture No. 5, dated as of September 1, 2016, to said Indenture (Exhibit 4(b) to Louisville Gas and Electric Company Form 8-K (File No. 1-2893) dated September 15, 2016)
4(g)-7	-	Supplemental Indenture No. 6, dated as of May 15, 2017, to said Indenture (Exhibit 4(b) to Louisville Gas and Electric Company Form 8-K Report (File No. 1-2893) dated June 1, 2017)
4(g)-8	-	Supplemental Indenture No. 7, dated as of March 1, 2019, to said Indenture (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated April 1, 2019)
4(g)-9	-	Supplemental Indenture No. 8, dated as of March 1, 2023, to said Indenture (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 20, 2023)
4(g)-10	-	Supplemental Indenture No. 9, dated as of November 1, 2023, to said Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated December 6, 2023)
4(h)-1	-	2002 Series A Carroll County Loan Agreement, dated February 1, 2002, by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(w)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)

4(h)-2	-	Amendment No. 1 dated as of September 1, 2010 to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(w)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(i)-1	-	2002 Series B Carroll County Loan Agreement, dated February 1, 2002, by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(x)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(i)-2	-	Amendment No. 1 dated as of September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(x)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(j)-1	-	2004 Series A Carroll County Loan Agreement, dated October 1, 2004 and amended and restated as of September 1, 2008, by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(z)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(j)-2	-	Amendment No. 1 dated as of September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(z)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(k)-1	-	2006 Series B Carroll County Loan Agreement, dated October 1, 2006 and amended and restated September 1, 2008, by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(aa)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(k)-2	-	Amendment No. 1 dated as of September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(aa)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(l)-1	-	2008 Series A Carroll County Loan Agreement, dated August 1, 2008 by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(cc)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(l)-2	-	Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(cc)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(m)	-	2016 Series A Carroll County Loan Agreement dated as of August 1, 2016 between Kentucky Utilities Company and the County of Carroll, Kentucky (Exhibit 4(a) to Kentucky Utilities Company Form 8-K Report (File No. 1-3464) dated August 26, 2016)
4(n)-1	-	2002 Series A Mercer County Loan Agreement, dated February 1, 2002, by and between Kentucky Utilities Company, and County of Mercer, Kentucky (Exhibit 4(ee)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(n)-2	-	Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Mercer, Kentucky (Exhibit 4(ee)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(o)-1	-	2002 Series A Muhlenberg County Loan Agreement, dated February 1, 2002, by and between Kentucky Utilities Company, and County of Muhlenberg, Kentucky (Exhibit 4(ff)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(o)-2	-	Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Muhlenberg, Kentucky (Exhibit 4(ff)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)

4(p)	-	2018 Series A Carroll County Loan Agreement, dated as of August 1, 2018, by and between Kentucky Utilities Company and County of Carroll, Kentucky (Exhibit 4(b) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended September 30, 2018)
4(q)	-	2023 Series A Trimble County Loan Agreement, dated November 1, 2023 by and between Kentucky Utilities Company and County of Trimble, Kentucky (Exhibit 4(d) to PPL Corporation Form 8-K Report (File No. 1-11459) dated December 6, 2023)
4(r)-1	-	2001 Series A Jefferson County Loan Agreement, dated November 1, 2001, by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky (Exhibit 4(jj)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(r)-2	-	Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky (Exhibit 4(jj)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(s)-1	-	2001 Series B Jefferson County Loan Agreement, dated November 1, 2001, by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky (Exhibit 4(kk)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(s)-2	-	Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky (Exhibit 4(kk)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(t)-1	-	2003 Series A Louisville/Jefferson County Metro Government Loan Agreement, dated October 1, 2003, by and between Louisville Gas and Electric Company and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(ll)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(t)-2	-	Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(ll)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(u)-1	-	2005 Series A Louisville/Jefferson County Metro Government Loan Agreement, dated February 1, 2005 and amended and restated as of September 1, 2008, by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(mm)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(u)-2	-	Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(mm)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(v)-1	-	2007 Series A Louisville/Jefferson County Metro Government Loan Agreement, dated as of March 1, 2007 and amended and restated as of September 1, 2008, by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(nn)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(v)-2	-	Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(nn)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(w)	-	2007 Series B Louisville/Jefferson County Metro Government Amended and Restated Loan Agreement, dated November 1, 2010, by and between Louisville Gas and Electric Company and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(oo) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)

4(x)-1	-	2001 Series A Trimble County Loan Agreement, dated November 1, 2001, by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(qq)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(x)-2	-	Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(qq)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(y)	-	2017 Series A Trimble County Loan Agreement, dated as of June 1, 2017, by and between Louisville Gas and Electric Company and County of Trimble, Kentucky (Exhibit 4(a) to Louisville Gas and Electric Company Form 8-K Report (File No. 1-2893) dated June 1, 2017)
4(z)-1	-	2001 Series B Trimble County Loan Agreement, dated November 1, 2001, by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(rr)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(z)-2	-	Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(rr)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
4(aa)	-	2016 Series A Trimble County Loan Agreement dated as of September 1, 2016 by and between Louisville Gas and Electric Company and County of Trimble, Kentucky (Exhibit 4(a) to Louisville Gas and Electric Company Form 8-K (File No. 1-2893) dated September 15, 2016)
4(bb)	-	2023 Series A Trimble County Loan Agreement dated as of November 1, 2023 by and between Louisville Gas and Electric Company and County of Trimble, Kentucky (Exhibit 4(a) to PPL Corporation Form 8-K (File No. 1-11459) dated December 6, 2023)
4(cc)	-	Description of PPL Corporation's common stock, par value $0.01 per share, as revised in February 2023 (Exhibit 4(bb) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2022)
4(dd)	-	Description of PPL Capital Funding, Inc.'s Junior Subordinated Notes 2007 Series A due 2067, as guaranteed by PPL Corporation (Exhibit 4(rr) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2019)
4(ee)	-	Description of PPL Electric Utilities Corporation's common stock, no par value per share (Exhibit 4(tt) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2019)
4(ff)-1	-	Indenture, dated as of March 22, 2010, by The Narragansett Electric Company and The Bank of New York Mellon as Trustee (Exhibit 4(a)-1 to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2022)
4(ff)-2	-	First Supplemental Indenture, dated as of March 22, 2010, to said Indenture (Exhibit 4(a)-2 to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2022)
4(ff)-3	-	Second Supplemental Indenture, dated as of March 22, 2010, to said Indenture (Exhibit 4(a)-3 to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2022)
4(ff)-4	-	Third Supplemental Indenture, dated as of December 10, 2012, to said Indenture (Exhibit 4(a)-4 to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2022)
4(ff)-5	-	Fourth Supplemental Indenture, dated as of July 27, 2018, to said Indenture (Exhibit 4(a)-5 to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2022)
4(ff)-6	-	Fifth Supplemental Indenture, dated as of April 9, 2020, to said Indenture (Exhibit 4(a)-6 to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2022)

4(ff)-7	-	Sixth Supplemental Indenture, dated as of March 25, 2024, to said Indenture (Exhibit 4.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 25, 2024)
4(gg)	-	Indenture, dated as of February 24, 2023, by PPL Capital Funding, Inc., as Issuer, PPL Corporation, as Guarantor, and The Bank of New York Mellon, as Trustee (Exhibit 4.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 24, 2023)
10(a)	-	Employee Matters Agreement, among PPL Corporation, Talen Energy Corporation, C/R Energy Jade, LLC, Sapphire Power Holdings LLC. and Raven Power Holdings LLC, dated as of June 9, 2014 (Exhibit 10.1 to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated June 12, 2014)
10(b)	-	Confirmation of Forward Sale Transaction, dated May 8, 2018, between the Company and JPMorgan Chase Bank, National Association, London Branch (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 11, 2018)
10(c)	-	Confirmation of Forward Sale Transaction, dated May 8, 2018, between the Company and Barclays Bank PLC (Exhibit 10.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 11, 2018)
10(d)	-	Additional Confirmation of Forward Sale Transaction, dated May 10, 2018, between the Company and JPMorgan Chase Bank, National Association, London Branch (Exhibit 10.3 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 11, 2018)
10(e)	-	Additional Confirmation of Forward Sale Transaction, dated May 8, 2018, between the Company and Barclays Bank PLC (Exhibit 10.4 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 11, 2018)
10(f)	-	Amendment No. 3 to Amended and Restated Revolving Credit Agreement, dated as of January 2, 2025, amending the Amended and Restated Revolving Credit Agreement, dated as of December 6, 2021, among PPL Capital Funding, Inc., as Borrower, The Narragansett Electric Company, as Designated Borrower, PPL Corporation, as Guarantor, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Issuing Lender and Swingline Lender (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated January 6, 2025)
10(g)	-	Amendment No. 3 to Amended and Restated Revolving Credit Agreement, dated as of January 2, 2025, amending the Amended and Restated Revolving Credit Agreement, dated as of December 6, 2021, among PPL Electric Utilities Corporation, as Borrower, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Issuing Lender and Swingline Lender (Exhibit 10.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated January 6, 2025)
10(h)	-	Amendment No. 3 to Amended and Restated Revolving Credit Agreement, dated as of January 2, 2025, amending the Amended and Restated Revolving Credit Agreement, dated as of December 6, 2021, among Louisville Gas and Electric Company, as Borrower, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Issuing Lender and Swingline Lender (Exhibit 10.3 to PPL Corporation Form 8-K Report (File No. 1-11459) dated January 6, 2025)
10(i)	-	Amendment No. 3 to Amended and Restated Revolving Credit Agreement, dated as of January 2, 2025, amending the Amended and Restated Revolving Credit Agreement, dated as of December 6, 2021, among Kentucky Utilities Company, as Borrower, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Issuing Lender and Swingline Lender (Exhibit 10.4 to PPL Corporation Form 8-K Report (File No. 1-11459) dated January 6, 2025)
10(j)	-	Transition Services Agreement, dated as of May 25, 2022, by and among National Grid USA Service Company, Inc., National Grid USA (solely with respect to Section 4.6) and The Narragansett Electric Company (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 25, 2022)

10(k)	-	$250,000,000 Term Loan Credit Agreement dated as of September 16, 2022 among PPL Electric Utilities Corporation, as Borrower, the Lenders party thereto and U.S. Bank National Association, as Administrative Agent (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated September 19, 2022)
[_]10(l)-1	-	Amended and Restated Directors Deferred Compensation Plan, dated June 12, 2000 (Exhibit 10(h) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2000)
[_]10(l)-2	-	Amendment No. 1 to said Directors Deferred Compensation Plan, dated December 18, 2002 (Exhibit 10(m)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2002)
[_]10(l)-3	-	Amendment No. 2 to said Directors Deferred Compensation Plan, dated December 4, 2003 (Exhibit 10(q)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2003)
[_]10(l)-4	-	Amendment No. 3 to said Directors Deferred Compensation Plan, dated as of January 1, 2005 (Exhibit 10(cc)-4 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2005)
[_]10(l)-5	-	Amendment No. 4 to said Directors Deferred Compensation Plan, dated as of May 1, 2008 (Exhibit 10(x)-5 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2008)
[_]10(l)-6	-	Amendment No. 5 to said Directors Deferred Compensation Plan, dated May 28, 2010 (Exhibit 10(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2010)
[_]10(l)-7	-	Amendment No. 6 to said Directors Deferred Compensation Plan, dated as of April 15, 2015 (Exhibit 10(b) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2015)
[_]10(m)-1	-	PPL Corporation Directors Deferred Compensation Plan Trust Agreement, dated as of April 1, 2001, between PPL Corporation and Wachovia Bank, N.A. (as successor to First Union National Bank), as Trustee (Exhibit 10(hh)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2012)
[_]10(m)-2	-	PPL Officers Deferred Compensation Plan, PPL Supplemental Executive Retirement Plan and PPL Supplemental Compensation Pension Plan Trust Agreement, dated as of April 1, 2001, between PPL Corporation and Wachovia Bank, N.A. (as successor to First Union National Bank), as Trustee (Exhibit 10(hh)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2012)
[_]10(m)-3	-	PPL Revocable Employee Nonqualified Plans Trust Agreement, dated as of March 20, 2007, between PPL Corporation and Wachovia Bank, N.A., as Trustee (Exhibit 10(c) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
[_]10(m)-4	-	PPL Employee Change in Control Agreements Trust Agreement, dated as of March 20, 2007, between PPL Corporation and Wachovia Bank, N.A., as Trustee (Exhibit 10(d) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
[_]10(m)-5	-	PPL Revocable Director Nonqualified Plans Trust Agreement, dated as of March 20, 2007, between PPL Corporation and Wachovia Bank, N.A., as Trustee (Exhibit 10(e) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
[_]10(n)-1	-	Amended and Restated Officers Deferred Compensation Plan, dated December 8, 2003 (Exhibit 10(r) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2003)
[_]10(n)-2	-	Amendment No. 1 to said Officers Deferred Compensation Plan, dated as of January 1, 2005 (Exhibit 10(ee)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2005)

[_]10(n)-3	-	Amendment No. 2 to said Officers Deferred Compensation Plan, dated as of January 22, 2007 (Exhibit 10(bb)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
[_]10(n)-4	-	Amendment No. 3 to said Officers Deferred Compensation Plan, dated as of June 1, 2008 (Exhibit 10(z)-4 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2008)
[_]10(n)-5	-	Amendment No. 4 to said Officers Deferred Compensation Plan, dated as of February 15, 2012 (Exhibit 10(ff)-5 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2011)
[_]10(n)-6	-	Amendment No. 5 to said Executive Deferred Compensation Plan, dated as of May 8, 2014 (Exhibit 10(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2014)
[_]10(n)-7	-	Amendment No. 6 to said Executive Deferred Compensation Plan, dated as of December 16, 2015 (Exhibit [_]10(q)-7 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2015)
[_]10(n)-8	-	Amendment No. 7 to said Executive Deferred Compensation Plan, dated as of January 1, 2019 (Exhibit [_]10(x)-8 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2018)
[_]10(n)-9	-	Amendment No. 8 to said Executive Deferred Compensation Plan, dated as of December 20, 2021 (Exhibit [_]10(n)-9 to PPL Corporation Form 10-K Report (File No. 11459) for the year ended December 31, 2021)
[_]10(n)-10	-	Amendment No. 9 to said Executive Deferred Compensation Plan, dated as of December 28, 2022 (Exhibit [_]10(p)-10 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2022)
[_]10(o)-1	-	Amended and Restated Supplemental Executive Retirement Plan, dated December 8, 2003 (Exhibit 10(s) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2003)
[_]10(o)-2	-	Amendment No. 1 to said Supplemental Executive Retirement Plan, dated December 16, 2004 (Exhibit 99.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated December 17, 2004)
[_]10(o)-3	-	Amendment No. 2 to said Supplemental Executive Retirement Plan, dated as of January 1, 2005 (Exhibit 10(ff)-3 to PPL Corporation Form 10-K Report (File 1-11459) for the year ended December 31, 2005)
[_]10(o)-4	-	Amendment No. 3 to said Supplemental Executive Retirement Plan, dated as of January 22, 2007 (Exhibit 10(cc)-4 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
[_]10(o)-5	-	Amendment No. 4 to said Supplemental Executive Retirement Plan, dated as of December 9, 2008 (Exhibit 10(aa)-5 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2008)
[_]10(o)-6	-	Amendment No. 5 to said Supplemental Executive Retirement Plan, dated as of February 15, 2012 (Exhibit 10(gg)-6 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2011)
[_]10(o)-7	-	Amendment No. 6 to the Amended and Restated Supplemental Executive Retirement Plan, dated March 23, 2018 (Exhibit 10(g) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2018)

[_]10(p)-1	-	Amended and Restated Incentive Compensation Plan, effective January 1, 2003 (Exhibit 10(p) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2002)
[_]10(p)-2	-	Amendment No. 1 to said Incentive Compensation Plan, dated as of January 1, 2005 (Exhibit 10(gg)-2 to PPL Corporation Form 10-K Report (File 1-11459) for the year ended December 31, 2005)
[_]10(p)-3	-	Amendment No. 2 to said Incentive Compensation Plan, dated as of January 26, 2007 (Exhibit 10(dd)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
[_]10(p)-4	-	Amendment No. 3 to said Incentive Compensation Plan, dated as of March 21, 2007 (Exhibit 10(f) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
[_]10(p)-5	-	Amendment No. 4 to said Incentive Compensation Plan, effective December 1, 2007 (Exhibit 10(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended September 30, 2008)
[_]10(p)-6	-	Amendment No. 5 to said Incentive Compensation Plan, dated as of December 16, 2008 (Exhibit 10(bb)-6 to PPL Corporation Form 10-K Report (File 1-11459) for the year ended December 31, 2008)
[_]10(p)-7	-	Form of Stock Option Agreement for stock option awards under the Incentive Compensation Plan (Exhibit 10(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated February 1, 2006)
[_]10(p)-8	-	Form of Performance Unit Agreement for performance unit awards under the Incentive Compensation Plan (Exhibit 10(ss) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2007)
[_]10(q)	-	Amended and Restated Incentive Compensation Plan for Key Employees, effective October 25, 2018 (Exhibit 10(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended September 30, 2018)
[_]10(r)	-	Short-term Incentive Plan (Annex B to Proxy Statement of PPL Corporation, dated April 12, 2016)
[_]10(s)	-	Form of Change in Control Severance Protection Agreement entered into between PPL Corporation and Joseph P. Bergstein, Jr., David J. Bonenberger, John Gregory Cornett, John R. Crockett III, Dean A. Del Vecchio, Angela K. Gosman, Christine M. Martin, Stephanie R. Raymond, Vincent Sorgi, Francis X. Sullivan, and Wendy E. Stark
[_]10(t)-1	-	PPL Corporation Amended and Restated 2012 Stock Incentive Plan, effective October 25, 2018 (Exhibit 10(b) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended September 30, 2018)
[_]10(t)-2	-	Form of Performance Unit Agreement for performance unit awards under the Stock Incentive Plan (Exhibit 10(tt)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2012)
[_]10(t)-3	-	Form of Performance Contingent Restricted Stock Unit Agreement for restricted stock unit awards under the Stock Incentive Plan (Exhibit 10(tt)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2012)
[_]10(t)-4	-	Form of Nonqualified Stock Option Agreement for stock option awards under the Stock Incentive Plan (Exhibit 10(tt)-4 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2012)
[_]10(t)-5	-	Form of Return on Equity Performance Unit Agreement for performance units under the Amended and Restated 2012 Stock Incentive Plan (Exhibit 10(dd)-6 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2017)

[_]10(t)-6	-	Form of Restricted Stock Unit Agreement under the Amended and Restated 2012 Stock Incentive Plan, as approved on January 20, 2023 (Exhibit [_]10(v)-6 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2022)
[_]10(t)-7	-	Form of Total Shareholder Return Performance Unit Agreement for performance units under the Amended and Restated 2012 Stock Incentive Plan, as approved on January 20, 2023 (Exhibit [_]10(v)-7 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2022)
[_]10(t)-8	-	Form of Earnings Growth Performance Unit Agreement for performance units under the Amended and Restated 2012 Stock Incentive Plan, as approved on January 20, 2023 (Exhibit [_]10(v)-8 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2022)
[_]10(t)-9	-	Form of Environmental, Social and Governance Performance Unit Agreement for performance units under the Amended and Restated 2012 Stock Incentive Plan, as approved on January 20, 2023 (Exhibit [_]10(v)-9 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2022)
[_]10(u)	-	PPL Corporation Executive Severance Plan, effective as of July 26, 2012 (Exhibit 10(d) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2012)
[_]10(v)	-	Form of Grant Letter dated May 29, 2015 (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated June 1, 2015)
[_]10(w)	-	Transition and Retirement Agreement dated August 12, 2021, by and among Paul W. Thompson, LG&E and KU Services Company, and PPL Corporation (Exhibit [_]10(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended September 30, 2021)
[_]10(x)	-	Offer Letter dated March 6, 2021, between PPL Corporation and Wendy E. Stark (Exhibit [_]10(gg) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2021)
[_]10(y)	-	Rhode Island Energy Retirement Plan, effective January 14, 2022 (Exhibit [_]10(b) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2022)
[_]10(z)	-	Rhode Island Energy Executive Supplemental Retirement Plan, effective February 24, 2022 (Exhibit [_]10(c) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2022)
[_]10(aa)	-	Separation Agreement between Stephanie R. Raymond, PPL Electric Utilities Corporation, and PPL Corporation dated October 9, 2023 (Exhibit [_]10(aa) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2023)
*19	-	PPL Insider Trading Policy
*21	-	Subsidiaries of PPL Corporation
*23(a)	-	Consent of Deloitte & Touche LLP - PPL Corporation
*23(b)	-	Consent of Deloitte & Touche LLP - PPL Electric Utilities Corporation
*23(c)	-	Consent of Deloitte & Touche LLP - Louisville Gas and Electric Company
*23(d)	-	Consent of Deloitte & Touche LLP - Kentucky Utilities Company

*24	-	Power of Attorney
*31(a)	-	Certificate of PPL's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*31(b)	-	Certificate of PPL's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*31(c)	-	Certificate of PPL Electric's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*31(d)	-	Certificate of PPL Electric's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*31(e)	-	Certificate of LG&E's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*31(f)	-	Certificate of LG&E's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*31(g)	-	Certificate of KU's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*31(h)	-	Certificate of KU's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*32(a)	-	Certificate of PPL's principal executive officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
*32(b)	-	Certificate of PPL Electric's principal executive officer and principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
*32(c)	-	Certificate of LG&E's principal executive officer and principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
*32(d)	-	Certificate of KU's principal executive officer and principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97	-	PPL Corporation Compensation Recoupment Policy, effective October 2, 2023 (Exhibit 97 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2023)
*99(a)	-	PPL Corporation and Subsidiaries Long-term Debt Schedule
101.INS	-	XBRL Instance Document for PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	-	XBRL Taxonomy Extension Schema for PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company
101.CAL	-	XBRL Taxonomy Extension Calculation Linkbase for PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company
101.DEF	-	XBRL Taxonomy Extension Definition Linkbase for PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company

101.LAB	-	XBRL Taxonomy Extension Label Linkbase for PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company
101.PRE	-	XBRL Taxonomy Extension Presentation Linkbase for PPL Corporation, PPL Electric Utilities Corporation, Louisville Gas and Electric Company and Kentucky Utilities Company
104		The Cover Page Interactive Data File is formatted as Inline XBRL and contained in Exhibits 101.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PPL Corporation
(Registrant)

By /s/ Vincent Sorgi
Vincent Sorgi -
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

/s/ Vincent Sorgi
Vincent Sorgi -
President and Chief Executive Officer
and Director
(Principal Executive Officer)

/s/ Joseph P. Bergstein, Jr.
Joseph P. Bergstein, Jr. -
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

/s/ Marlene C. Beers
Marlene C. Beers -
Vice President and Controller
(Principal Accounting Officer)

Directors:

Arthur P. Beattie	Natica von Althann
Venkata Rajamannar Madabhushi	Keith H. Williamson
Heather B. Redman	Phoebe A. Wood
Craig A. Rogerson	Armando Zagalo de Lima
Linda G. Sullivan	

/s/ Vincent Sorgi
Vincent Sorgi, Attorney-in-fact

February 13, 2025

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PPL Electric Utilities Corporation
(Registrant)

By /s/ Christine M. Martin
Christine M. Martin -
President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

By /s/ Christine M. Martin
Christine M. Martin -
President
(Principal Executive Officer)

/s/ Marlene C. Beers
Marlene C. Beers -
Vice President and Controller
(Principal Financial Officer and Principal Accounting Officer)

Directors:

/s/ Joseph P. Bergstein, Jr.	/s/ Vincent Sorgi
Joseph P. Bergstein, Jr.	Vincent Sorgi
/s/ Dean A. Del Vecchio	/s/ Wendy E. Stark
Dean A. Del Vecchio	Wendy E. Stark
/s/ Angela K. Gosman	/s/ Francis X. Sullivan
Angela K. Gosman	Francis X. Sullivan
/s/ Christine M. Martin	
Christine M. Martin	

Date: February 13, 2025

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Louisville Gas and Electric Company
(Registrant)

By /s/ John R. Crockett III
John R. Crockett III -
President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

/s/ John R. Crockett III
John R. Crockett III -
President
(Principal Executive Officer)

/s/ Christopher M. Garrett
Christopher M. Garrett -
Vice President-Finance and Accounting
(Principal Financial Officer and
Principal Accounting Officer)

Directors:

/s/ Joseph P. Bergstein, Jr.	/s/ Vincent Sorgi
Joseph P. Bergstein, Jr.	Vincent Sorgi
/s/ John R. Crockett III	/s/ Wendy E. Stark
John R. Crockett III	Wendy E. Stark
/s/ Dean A. Del Vecchio	/s/ Francis X. Sullivan
Dean A. Del Vecchio	Francis X. Sullivan
/s/ Angela K. Gosman	
Angela K. Gosman	

Date: February 13, 2025

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Kentucky Utilities Company
(Registrant)

By /s/ John R. Crockett III
John R. Crockett III -
President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

/s/ John R. Crockett III
John R. Crockett III -
President
(Principal Executive Officer)

/s/ Christopher M. Garrett
Christopher M. Garrett -
Vice President-Finance and Accounting
(Principal Financial Officer and
Principal Accounting Officer)

Directors:

/s/ Joseph P. Bergstein, Jr.
Joseph P. Bergstein, Jr.
/s/ John R. Crockett III
John R. Crockett III
/s/ Dean A. Del Vecchio
Dean A. Del Vecchio
/s/ Angela K. Gosman
Angela K. Gosman

/s/ Vincent Sorgi
Vincent Sorgi
/s/ Wendy E. Stark
Wendy E. Stark
/s/ Francis X. Sullivan
Francis X. Sullivan

Date: February 13, 2025

Insider Trading Policy (CP 121)

Issued: 2/3/2025 **Updated:** **Reviewed:**
Responsibility: Associate General Counsel
Applicability: This policy applies to PPL Corporation and its domestic and international subsidiaries.

Contents

Return to top

Other Policies discussed

CP100 – Standards of Integrity
CP411 – Social Media Policy
GP702 – Responsible Behavior Program

Purpose and Background

This Policy is instituted to help employees of PPL Corporation and its affiliates (collectively, the "Company") comply with applicable securities laws regarding trading of the Company's or other companies' securities based on Material Nonpublic Information (as discussed below) and prevent sharing of Material Nonpublic Information to others who may trade in such securities. In other words, it is to help prevent insider trading. In addition to setting forth general restrictions applicable to all directors, officers and employees, this Policy also sets forth additional procedures for certain personnel and board members who routinely have access to Material Nonpublic Information, to help these individuals trade securities of the Company appropriately and in compliance with applicable law.

All directors, officers and employees of the Company (as well as their family members and any other entity over which they make or influence investment decisions, as described below) are expected to fully comply with this Insider Trading Policy.

What is Insider Trading

The Company and its "**insiders**," including any director, officer or employee of the Company or any Company subsidiary (including, for example, PPL Electric Utilities Corporation, Louisville Gas and Electric Company, Kentucky Utilities Company, Rhode Island Energy and PPL Services Corporation), are each subject to the securities laws of the United States and all applicable jurisdictions. Those laws prohibit insiders from buying or selling, or otherwise acquiring or disposing of, Securities of the Company based on Material Nonpublic Information about the Company. Such conduct is often described as "insider trading". Insider trading also includes insiders passing Material Nonpublic Information to someone else, including family members, who may buy or sell the Company's Securities. Such conduct is known as "tipping". Finally, insider trading also includes buying or selling, or otherwise acquiring or disposing of the securities of, or tipping information concerning, any other company at a time that you have any Material Nonpublic Information about that company as a result of your employment with the Company.

For purposes of this Policy, **"Securities"** include common and preferred stock, stock options, warrants, bonds, notes, debentures, convertible instruments, put or call options (i.e., exchange-traded options) or other similar financial instruments. **"Material Nonpublic Information"** is information that is both material and nonpublic. **Material information** is generally information that might affect a person's decision to buy or sell a security or, stated another way, information that if public, could reasonably be expected to affect the publicly traded price of that company's stock. Material information might include:

- dividend increases or decreases,
- earnings results and estimates (including changes of previously announced estimates),
- planned repurchases or issuances of equity or debt,
- a change or curtailment of operations of significant facilities,
- a significant increase or decline in business or revenue,
- a significant merger or acquisition proposal or agreement,
- actions by regulatory bodies,
- significant management changes,
- the initiation of or a significant development in major litigation,
- purchases or sales of substantial assets, or
- a major cybersecurity breach.

The foregoing list is not exhaustive; the determination of materiality is highly fact-sensitive and must be viewed in the context of the relevant circumstances. **Nonpublic information** is information that is not available to the general public. Information is considered nonpublic until the information has been (a) widely disseminated, (b) through an official announcement (the announcement generally has come from the Company), and (c) a reasonable amount of time, usually at least 24 hours, a portion of which the New York Stock Exchange is open, has passed to allow the market to react to the information. You should assume information is nonpublic unless it has been distributed on a national news service or expressly included in a Company filing with the U.S. Securities and Exchange Commission ("SEC").

<u>Who is at risk</u>

The securities laws provide that liability regarding insider trading, including potentially civil and criminal penalties, can apply to the individual insider and to the Company and its directors and officers, and can even extend to managerial and supervisory personnel. It is the intent of this Policy to avoid both individual insider liability and broader enterprise liability for insider trading.

General Policy Applicable to all Insiders

As an insider, you may not do any of the following:

- Trade, including purchase, sell or otherwise acquire or dispose of Company Securities, including via gifts, at any time when you have Material Nonpublic Information concerning the Company. If you have any questions about whether you are in possession of Material Nonpublic Information, please contact the Office of General Counsel.

- Trade Securities of any other company (including Securities issued by any of our customers or suppliers) at any time when you have Material Nonpublic Information about that company that you obtained as a result of your employment with or relationship to the Company.

- "Tip" anyone (including family members), even inadvertently (take care not to have such information overheard). "Tipping" is disclosing any Material Nonpublic Information to anyone that does not have a business need to know such information. If you disclose Material Nonpublic Information to a third party or become aware that such information has been disclosed to a third party by an insider in violation of this Policy, immediately contact the Office of General Counsel.

- Make buy or sell recommendations about the Company's securities.

When you leave the Company, whether voluntarily or involuntarily, as a precaution you should generally not trade in the Securities of the Company until the opening of the first open trading window (as described below) following the termination of your employment, or as otherwise indicated at the time of your departure. Section 16 Persons and Permanent Restricted Persons, as defined below, should plan to wait six months after leaving the company before trading any Company Securities.

Limited Exceptions to Trading Prohibitions Under the General Policy

The restrictions above generally do not apply in the following circumstances:

- You transfer shares to an inter vivos trust or similar entity that does not change the beneficial ownership of the shares;
- You transfer shares as a bona fide gift, including in connection with charitable giving, though you should contact OGC to discuss the circumstances and timing prior to making such transfers;
- You exercise an option to acquire stock granted under the Company's incentive compensation plans without any sale, (however, sales of the underlying stock after exercise, or in connection with any cashless exercise, would be covered by this Policy);
- You elect to have the Company withhold shares to satisfy tax withholding requirements (such as net share settlement of stock options) without effecting any sale;
- You execute transactions pursuant to a trading plan that complies with SEC Rule 10b5-1 under the Securities and Exchange Act of 1934 (commonly known as "10b5-1 Plans") and which has been approved by the Company; or
- You purchase stock through regular payroll deductions under the Company's Dividend Reinvestment and Direct Stock Purchase Plan; provided, however, the sale of any such stock, and any change in instructions regarding the level of contributions used to purchase stock, is subject to this policy.

These exceptions are fact specific. You should contact the Office of General Counsel to discuss your particular circumstances whenever you are in doubt about any trade of Securities or before attempting to rely on any of the above exceptions.

Special Procedures – Section 16 Persons, Permanent and Other Restricted Persons

Enhanced trading restrictions and procedures apply to (i) **Section 16 Persons**, which include members of the PPL Corporation Board of Directors and certain officers of the Company as defined by SEC Rule 16a-1(f) (together with any such persons' immediate family members, and any trusts, corporations or other entities controlled by any such persons), (ii) **Permanent Restricted Persons**, which includes Tier 1 and Tier 2 executives who are not Section 16 Persons and certain others as determined by the Office of General Counsel, and (iii) **Other Restricted Persons**, which includes those who have been notified by the Office of General Counsel that they must follow the requirements this Policy because they have access to Nonpublic Information in the normal course of their duties. Prior to buying or selling, or otherwise acquiring or disposing of any shares of PPL stock, Section 16 Persons, Permanent Restricted Persons and Other Restricted Persons must contact the Office of General Counsel. Additional restrictions, set for the below, are generally based on "trading windows."

Trading Windows

"Open trading windows" generally occur four times a year, typically running from the day after quarterly/annual earnings announcements to the fifteenth day of the third month in each fiscal quarter (March, June, September, and December). A "closed trading window" occurs when the Company is aware that many insiders who are subject to enhanced trading restrictions are likely aware of Material Nonpublic Information, generally in connection with the preparation of quarterly financial reports. Closed trading windows typically run from the fifteenth of the month in the third month of a fiscal quarter until the day following the announcement of earnings for that quarter, when the next open trading window begins. In certain circumstances, trading windows may not open as normal, or may close earlier than expected, based on Material Nonpublic Information that is generally known inside the Company. Even during an open trading window, certain insiders may be prohibited from trading PPL stock, because they may be aware of specific Material Nonpublic Information. For example, when a significant transaction is being contemplated, some but not all insiders may be aware of the details of the proposed transaction, and therefore restricted from trading, even in an open trading window.

The Office of General Counsel will announce via email the opening and closing of trading windows to all insiders who are subject to enhanced trading restrictions, and in certain circumstances, may notify specific insiders that they should not trade, even if the trading window is open for others. Insiders should not share with anyone whether they are restricted from trading. Trading windows are designed to add an additional layer of protection with respect to insider trading, both for the Company and the individual insider, but all insiders remain subject to the general policy discussed above. **Even if the trading window is open, you may not trade, or establish, modify or terminate a 10b5-1 Plan, as discussed below, without prior approval from the Office of General Counsel or if you are aware of Material Nonpublic Information.**

Actions permitted and restricted during open and closed trading windows, and other applicable restrictions on certain insiders, are discussed further below.

General Restrictions – Section 16 Persons, Permanent and Other Restricted Persons

All Section 16 Persons and Permanent Restricted Persons must hold all of the Company's Securities that they own in a brokerage account at Fidelity Investments (or any successor as the stock plan administrator). Such accounts are subject to restriction by the Office of General Counsel. Section 16 Persons and Permanently Restricted Persons must conduct all trading in Company Securities using 10b5-1 Plans that permit Insiders to schedule future trades of Company Securities, as described below. 10b5-1 Plans must be reviewed and approved by the Office of General Counsel before execution.

Section 16 Persons, Permanently Restricted Persons and Other Restricted Persons may not (i) trade in options, warrants, puts and calls or similar instruments related to the Company's Securities or sell such Securities "short" (i.e., sell stock they do not own and borrow the shares to make delivery), because this may put their personal gain in conflict with the best interests of the Company or otherwise appear improper, or (ii) pledge the Company's Securities as collateral for any other securities you wish to purchase or for a loan.

Other Restricted Persons who wish to trade during an open trading window may contact the Office of General Counsel, and they will be asked to confirm that they are not in possession of any Material Nonpublic Information. If they are not in possession of Material Nonpublic Information, the Office of General Counsel generally will permit the trade and, if the shares are held in a Fidelity account, the trade restriction on the account will be lifted for 24-48 hours, or longer as needed, to allow the Section 16 Persons, Permanently Restricted Persons or Other Restricted Persons to complete the trade. Other Restricted Persons are permitted but not required to use 10b5-1 Plans.

Exceptions for Approved 10b5-1 Plans

10b5-1 Plans may be entered into only during open trading windows when the insider is not in possession of Material Nonpublic Information. A 10b5-1 Plan is a binding, written contract between you and your broker (i.e., Fidelity Investments, or any successor as the Company's stock plan administrator) that specifies the price, amount and date of trades to be executed in your account in the future, or provides a formula or mechanism that your broker will follow to execute a desired transaction. While a 10b5-1 Plan can only be established, modified or terminated during an open trading window when you do not possess Material Nonpublic Information, trades made pursuant to a properly established 10b5-1 Plan may be executed at any time, even during a closed trading window.

As part of the 10b5-1 Plan document, you must provide a written representation that, at the time of entering into (or modifying) the 10b5-1 Plan, you are not then in possession of any material nonpublic information and that you are acting in good faith and not as part of a plan to evade the prohibitions of SEC Rule 10b5-1. Once the 10b5-1 Plan is adopted, you must not exercise any influence over execution of transactions under the plan, such as the number or value of securities to be traded, the price at which they are to be traded or the date of the trade. Any such modification would be considered entering into a new plan and would be subject to the restrictions of entering into a new plan.

10b5-1 Plans may cover a period up to two years and trades under a 10b5-1 Plan may commence no sooner than 30 days after execution for Permanent Restricted Persons and any other person electing to use a 10b5-1 Plan, except Section 16 Persons. For Section 16 Persons, trades pursuant to a 10b5-1 Plan may commence after the longer of (i) 90 days after the adoption or modification of a plan, or (ii) two business days following the filing of 10-Q or 10-K for the fiscal period in which the plan was adopted or modified, up to a maximum of 120 days.

10b5-1 Plans, and any modifications, are drafted with the assistance of Fidelity Investments, and are reviewed by the Office of General Counsel prior to execution. 10b5-1 Plans must comply with all other applicable legal requirements and SEC Rule 10b5-1, including without limitation, the SEC Rule 10b5-1 limitations on multiple overlapping plans and single-trade plans. If you have any questions regarding 10b5-1 Plans, please contact the Office of General Counsel. Notwithstanding any pre-clearance of a 10b5-1 Plan, the Company assumes no liability for the consequences of any transaction made pursuant to a purported 10b5-1 Plan.

The requirement to trade via a 10b5-1 Plan does not apply to (i) the receipt and disposition of credits received by members of the PPL Corporation Board of Directors pursuant to the Directors Deferred Compensation Plan, which credits are reportable under Section 16 of the Securities Exchange Act of 1934 and for which separate procedures are administered by the Office of General Counsel and (ii) the purchase of PPL stock by employees through regular payroll deductions under the Company's Dividend Reinvestment and Direct Stock Purchase Plan; provided, however, the sale of any such stock, and any change in instructions regarding the level of contributions used to purchase stock, must be made in an open trading window when the insider is not in possession of Material Nonpublic Information.

Confidentiality

You must not disclose any Material Nonpublic Information to anyone outside of the Company (including to family members), except when such disclosure is needed to carry out the Company's business and then only when you have no reason to believe that the recipient will misuse the information. When such information is disclosed, the recipient must be told that such information may be used only for the business purpose related to its disclosure and that the information must be held in confidence. You should disclose Material Nonpublic Information to others in the Company only in the ordinary course of business, for legitimate business purposes.

You may not respond to questions or comment publicly to anyone outside the Company on stock price movements or rumors about other material corporate developments (including discussions in Internet "chat rooms" or through "social media") unless it is part of your job (such as Investor Relations) or you have been specifically authorized to do so by the Chief Executive Officer or Chief Financial Officer in each instance (see Standards of Integrity, CP100 and Social Media Policy, CP411 for additional information). If you receive requests for information from the financial community, such as securities analysts, brokers or institutional investors, they should be directed to the Vice President-Investor Relations. Requests for information from the SEC or other regulators should be directed to the Office of General Counsel. Requests for information from individual shareowners should be directed to the Company's transfer agent, Equiniti Trust Company, at 1-800-345-3085 or via email to invserv@pplweb.com. If you inadvertently comment on stock price movements or rumors of other material corporate developments, you must immediately contact the Office of General Counsel.

Compliance Procedures

For purposes of ensuring that this Policy is disseminated to and followed by all covered persons:

- The current version of this Policy will at all times be posted on the Company's intranet as CP 121 under the "Company's Policies" heading. You may also request a copy of the current version of this Policy from the Office of the General Counsel.
- The Company provides training on this Policy and the insider trading rules to all Company personnel in connection with of PPL's Standards of Integrity, and provides additional information to personnel upon becoming a Section 16 Person, Permanent Restricted Person or Other Restricted Person under the Policy. The Company also provides periodic training refreshers to groups of Company personnel, including Section 16 Persons and Permanently Restricted Persons, from time to time.
- All Company personnel are required to annually certify that they have read, understand and agree to comply with the PPL Standards of Integrity, which requires a commitment to comply fully with the letter and spirit of all applicable laws, rules and regulations, and to abide by all applicable policies, procedures and guidelines, including this policy.

Violations, Exceptions and Questions

All persons subject to this Policy have an ethical and legal obligation to maintain the confidentiality of information and to refrain from engaging in transactions in Company Securities, or the securities of any other company, while in possession of Material Nonpublic Information. Each individual is responsible for making sure that they (and their family members or other entities over which they make or influence investment decisions) comply with this Policy. This means that each individual is responsible for the transactions of their family members and should make their family members aware of the need to confer with them before they trade in Company Securities, and each individual should treat all such transactions for the purposes of this Policy and applicable securities laws as if the transactions were for their own account.

In all cases, you are responsible for determining whether you are in possession of Material Nonpublic Information, and any action on the part of the Company, the Office of the General Counsel or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate you from liability under applicable securities laws.

Violations of this Insider Trading Policy may result in violations of federal securities laws and could subject both you and the Company (and potentially its directors and officers) to civil and criminal penalties. Failure to follow this Policy may result in disciplinary action, up to and including termination of employment, regardless of whether the employee's failure to comply results in a violation of law. A violation of this Policy also constitutes a violation of PPL's Standards of Integrity (CP100) and will be handled in accordance with the Responsible Behavior Program (GP702) or your employer's equivalent discipline policy. Any violation or perceived violation should be reported immediately to the Office of General Counsel. The

Company will cooperate with any investigation into trading that is conducted by a stock exchange or regulatory body.

The prohibitions and procedures set forth in this Policy are not intended to replace your responsibility to understand and comply with the legal prohibition against insider trading. Appropriate judgment should be exercised in connection with all securities trading, and insiders should exercise judgment so as to avoid even the appearance of impropriety.

Any exceptions to the above requirements need written approval from the Office of General Counsel. Anyone with questions concerning this Policy should contact the Office of General Counsel.

PPL Corporation **Exhibit 21**
Subsidiaries of the Registrant
At December 31, 2024

The following listing of subsidiaries omits subsidiaries which, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary as of December 31, 2024.

Company Name Business Conducted under Same Name	State or Jurisdiction of Incorporation/Formation
CEP Reserves, Inc.	Delaware
Kentucky Utilities Company	Kentucky and Virginia
LG&E and KU Capital LLC	Kentucky
LG&E and KU Energy LLC	Kentucky
Louisville Gas and Electric Company	Kentucky
PPL Capital Funding, Inc.	Delaware
PPL Electric Utilities Corporation	Pennsylvania
PPL Energy Funding Corporation	Pennsylvania
PPL Energy Holdings, LLC	Delaware
PPL Rhode Island Holdings, LLC	Delaware
PPL Services Corporation	Delaware
PPL Subsidiary Holdings, LLC	Delaware
The Narragansett Electric Company	Rhode Island

Exhibit 23(a)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-277140 and 333-277141 on Form S-3 and Registration Statement Nos. 333-277139, 333-215193, 333-209618, 333-181752, and 333-197629 on Form S-8 of our reports dated February 13, 2025, relating to the financial statements of PPL Corporation and the effectiveness of PPL Corporation’s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2024.

/s/ Deloitte & Touche LLP

Morristown, New Jersey
February 13, 2025

Exhibit 23(b)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-277140-03 on Form S-3 of our report dated February 13, 2025, relating to the financial statements of PPL Electric Utilities Corporation appearing in this Annual Report on Form 10-K for the year ended December 31, 2024.

/s/ Deloitte & Touche LLP

Morristown, New Jersey
February 13, 2025

Exhibit 23(c)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-277140-02 on Form S-3 of our report dated February 13, 2025, relating to the financial statements of Louisville Gas and Electric Company appearing in this Annual Report on Form 10-K for the year ended December 31, 2024.

/s/ Deloitte & Touche LLP

Louisville, Kentucky
February 13, 2025

Exhibit 23(d)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-277140-01 on Form S-3 of our report dated February 13, 2025, relating to the financial statements of Kentucky Utilities Company appearing in this Annual Report on Form 10-K for the year ended December 31, 2024.

/s/ Deloitte & Touche LLP

Louisville, Kentucky
February 13, 2025

Exhibit 24

PPL CORPORATION

2024 ANNUAL REPORT
TO THE SECURITIES AND EXCHANGE COMMISSION
ON FORM 10-K

POWER OF ATTORNEY

The undersigned directors of PPL Corporation, a Pennsylvania corporation, that is to file with the Securities and Exchange Commission, Washington, D.C., under the provisions of the Securities Exchange Act of 1934, as amended, its Annual Report on Form 10-K for the year ended December 31, 2024 ("Form 10-K Report"), do hereby appoint each of Vincent Sorgi, Wendy E. Stark, Jeffrey R. Jankowski and W. Eric Marr, and each of them, their true and lawful attorney, with power to act without the other and with full power of substitution and resubstitution, to execute for them and in their names the Form 10-K Report and any and all amendments thereto, whether said amendments add to, delete from or otherwise alter the Form 10-K Report, or add or withdraw any exhibits or schedules to be filed therewith and any and all instruments in connection therewith. The undersigned hereby grant to each said attorney full power and authority to do and perform in the name of and on behalf of the undersigned, and in any and all capacities, any act and thing whatsoever required or necessary to be done in and about the premises, as fully and to all intents and purposes as the undersigned might do, hereby ratifying and approving the acts of each of the said attorneys

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this 13th day of February, 2025.

/s/ Arthur P. Beattie	/s/ Linda G. Sullivan
Arthur P. Beattie	Linda G. Sullivan
/s/ Venkata Rajamannar Madabhushi	/s/ Natica von Althann
Venkata Rajamannar Madabhushi	Natica von Althann
/s/ Heather B. Redman	/s/ Keith H. Williamson
Heather B. Redman	Keith H. Williamson
/s/ Craig A. Rogerson	/s/ Phoebe A. Wood
Craig A. Rogerson	Phoebe A. Wood
/s/ Vincent Sorgi	/s/ Armando Zagalo de Lima
Vincent Sorgi	Armando Zagalo de Lima

Exhibit 31(a)

CERTIFICATION

I, VINCENT SORGI, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Corporation (the "registrant") for the year ended December 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2025

/s/ Vincent Sorgi
Vincent Sorgi
President and Chief Executive Officer
(Principal Executive Officer)
PPL Corporation

Exhibit 31(b)

CERTIFICATION

I, JOSEPH P. BERGSTEIN, JR., certify that:

1. I have reviewed this annual report on Form 10-K of PPL Corporation (the "registrant") for the year ended December 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2025

/s/ Joseph P. Bergstein, Jr.

Joseph P. Bergstein, Jr.
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)
PPL Corporation

Exhibit 31(c)

CERTIFICATION

I, CHRISTINE M. MARTIN, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Electric Utilities Corporation (the "registrant") for the year ended December 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2025

/s/ Christine M. Martin
Christine M. Martin
President
(Principal Executive Officer)
PPL Electric Utilities Corporation

Exhibit 31(d)

CERTIFICATION

I, MARLENE C. BEERS, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Electric Utilities Corporation (the "registrant") for the year ended December 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2025

/s/ Marlene C. Beers
Marlene C. Beers
Vice President and Controller
(Principal Financial Officer)
PPL Electric Utilities Corporation

Exhibit 31(e)

CERTIFICATION

I, JOHN R. CROCKETT III, certify that:

1. I have reviewed this annual report on Form 10-K of Louisville Gas and Electric Company (the "registrant") for the year ended December 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2025

/s/ John R. Crockett III
John R. Crockett III
President
(Principal Executive Officer)
Louisville Gas and Electric Company

Exhibit 31(f)

CERTIFICATION

I, CHRISTOPHER M. GARRETT, certify that:

1. I have reviewed this annual report on Form 10-K of Louisville Gas and Electric Company (the "registrant") for the year ended December 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2025

/s/ Christopher M. Garrett
Christopher M. Garrett
Vice President-Finance and Accounting
(Principal Financial Officer)
Louisville Gas and Electric Company

Exhibit 31(g)

CERTIFICATION

I, JOHN R. CROCKETT III, certify that:

1. I have reviewed this annual report on Form 10-K of Kentucky Utilities Company (the "registrant") for the year ended December 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2025

/s/ John R. Crockett III
John R. Crockett III
President
(Principal Executive Officer)
Kentucky Utilities Company

Exhibit 31(h)

CERTIFICATION

I, CHRISTOPHER M. GARRETT, certify that:

1. I have reviewed this annual report on Form 10-K of Kentucky Utilities Company (the "registrant") for the year ended December 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2025

/s/ Christopher M. Garrett
Christopher M. Garrett
Vice President-Finance and Accounting
(Principal Financial Officer)
Kentucky Utilities Company

Exhibit 32(a)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
FOR PPL CORPORATION'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2024

In connection with the annual report on Form 10-K of PPL Corporation (the "Company") for the year ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), we, Vincent Sorgi, the Principal Executive Officer of the Company, and Joseph P. Bergstein, Jr., the Principal Financial Officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 13, 2025

/s/ Vincent Sorgi

Vincent Sorgi
President and Chief Executive Officer
(Principal Executive Officer)
PPL Corporation

/s/ Joseph P. Bergstein, Jr.

Joseph P. Bergstein, Jr.
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)
PPL Corporation

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(b)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
FOR PPL ELECTRIC UTILITIES CORPORATION'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2024

In connection with the annual report on Form 10-K of PPL Electric Utilities Corporation (the "Company") for the year ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), we, Christine M. Martin, the Principal Executive Officer of the Company, and Marlene C. Beers, the Principal Financial Officer and Principal Accounting Officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 13, 2025

/s/ Christine M. Martin
Christine M. Martin
President
(Principal Executive Officer)
PPL Electric Utilities Corporation

/s/ Marlene C. Beers
Marlene C. Beers
Vice President and Controller
(Principal Financial Officer)
PPL Electric Utilities Corporation

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(c)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
FOR LOUISVILLE GAS AND ELECTRIC COMPANY'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2024

In connection with the annual report on Form 10-K of Louisville Gas and Electric Company (the "Company") for the year ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), we, John R. Crockett III, the Principal Executive Officer of the Company, and Christopher M. Garrett, the Principal Financial Officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 13, 2025

/s/ John R. Crockett III
John R. Crockett III
President
(Principal Executive Officer)
Louisville Gas and Electric Company

/s/ Christopher M. Garrett
Christopher M. Garrett
Vice President-Finance and Accounting
(Principal Financial Officer)
Louisville Gas and Electric Company

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(d)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
FOR KENTUCKY UTILITIES COMPANY'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2024

In connection with the annual report on Form 10-K of Kentucky Utilities Company (the "Company") for the year ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), we, John R. Crockett III, the Principal Executive Officer of the Company, and Christopher M. Garrett, the Principal Financial Officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 13, 2025

/s/ John R. Crockett III

John R. Crockett III
President
(Principal Executive Officer)
Kentucky Utilities Company

/s/ Christopher M. Garrett

Christopher M. Garrett
Vice President-Finance and Accounting
(Principal Financial Officer)
Kentucky Utilities Company

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99(a)

PPL CORPORATION AND SUBSIDIARIES
LONG-TERM DEBT SCHEDULE
(Unaudited)
(Millions of Dollars)

	Interest Rate	Maturity Date	December 31, 2024
PPL			
PPL Capital Funding			
Senior Unsecured Notes			
69352PAL7	3.100 %	05/15/2026	$ 650
69352PAQ6	4.125 %	04/15/2030	431
69352PAH6	4.700 %	06/01/2043	71
69352PAJ2	5.000 %	03/15/2044	177
69352PAM5	4.000 %	09/15/2047	237
69352PAT0	5.250 %	09/01/2034	750
Total Senior Unsecured Notes			2,316
Exchangeable Notes			
69352PAR4	2.875 %	03/15/2028	$ 1,000
Total Senior Unsecured Notes			
Junior Subordinated Notes			
69352PAC7 [1]	7.251 %	03/30/2067	480
Total Junior Subordinated Notes			480
Total PPL Capital Funding Long-term Debt			3,796
PPL Electric			
Senior Secured Notes/First Mortgage Bonds			5,299
Senior Unsecured Notes			—
Total PPL Electric Long-term Debt			5,299
LG&E			
Senior Secured Notes/First Mortgage Bonds			2,489
Senior Unsecured Notes			—
Total LG&E Long-term Debt [2]			2,489
KU			
Senior Secured Notes/First Mortgage Bonds			3,089
Senior Unsecured Notes			—
Total KU Long-term Debt [2]			3,089
RI			
Senior Secured Notes/First Mortgage Bonds			1
Senior Unsecured Notes			2,000
Total RI Long-term Debt			2,001
Total Long-term Debt Before Adjustments			16,674
Unamortized premium and (discount), net			(57)
Unamortized debt issuance costs			(114)
Total Long-term Debt			16,503
Less current portion of Long-term Debt			551

	Interest Rate	Maturity Date	December 31, 2024
Total Long-term Debt, noncurrent			$ 15,952
PPL Electric			
Senior Secured Notes/First Mortgage Bonds			
524808BZ4	2.625 %	02/15/2027	$ 108
524808BY7	3.000 %	09/01/2029	116
69351UAH6	6.450 %	08/15/2037	250
69351UAM5	6.250 %	05/15/2039	300
69351UAN3	5.200 %	07/15/2041	250
69351UAR4	4.750 %	07/15/2043	350
69351UAS2	4.125 %	06/15/2044	300
69351UAV5	4.150 %	06/15/2048	400
69351UAT0	4.150 %	10/01/2045	350
69351UAU7	3.950 %	06/01/2047	475
69351UAW3	3.000 %	10/01/2049	400
69351UBA0	5.000 %	05/15/2033	600
69351UBB8	5.250 %	05/15/2053	750
69351UBC6	4.850 %	02/15/2034	650
Total Senior Secured Notes/First Mortgage Bonds			5,299
Senior Unsecured Notes			
Total Senior Unsecured Notes			—
Total Long-term Debt Before Adjustments			5,299
Unamortized discount			(42)
Unamortized debt issuance costs			(43)
Total Long-term Debt			5,214
Less current portion of Long-term Debt			—
Total Long-term Debt, noncurrent			$ 5,214

	Interest Rate	Maturity Date	December 31, 2024
LG&E			
Senior Secured Notes/First Mortgage Bonds			
546676AW7	3.300 %	10/01/2025	$ 300
546676AU1	5.125 %	11/15/2040	285
546676AV9	4.650 %	11/15/2043	250
546676AX5	4.375 %	10/01/2045	250
546676AY3	4.250 %	04/01/2049	400
546676AZ0	5.450 %	04/15/2033	400
896224BC5	0.625 %	09/01/2026	27
896224BB7	1.350 %	11/01/2027	35
546749AU6	1.350 %	11/01/2027	35
546749AT9 [2]	2.000 %	10/01/2033	128
546751AN8 [3]	3.900 %	06/01/2033	31
546751AM0 [3]	3.150 %	06/01/2033	35
546749AS1	0.900 %	09/01/2026	23
896224BA9 [2]	1.300 %	09/01/2044	125
896221AD0 [2]	3.750 %	06/01/2033	60
546749AR3 [2]	1.750 %	02/01/2035	40
896221AF5 [2]	4.700 %	06/01/2054	65
Total Senior Secured Notes/First Mortgage Bonds			2,489
Senior Unsecured Notes			
Total Senior Unsecured Notes			—
Total Long-term Debt Before Adjustments			2,489
Unamortized discount			(4)
Unamortized debt issuance costs			(14)
Total Long-term Debt			2,471
Less current portion of Long-term Debt			300
Total Long-term Debt, noncurrent			2,171

	Interest Rate	Maturity Date	December 31, 2024
KU			
Senior Secured Notes/First Mortgage Bonds			
491674BK2	3.300 %	10/01/2025	250
491674BM8	3.300 %	06/01/2050	500
491674BG1/BF3	5.125 %	11/01/2040	750
491674BJ5	4.650 %	11/15/2043	250
491674BL0	4.375 %	10/01/2045	550
491674BN6	5.450 %	04/15/2033	400
144838AE9 [2]	1.550 %	09/01/2042	96
14483RAQ0 [2]	3.375 %	02/01/2026	18
14483RAV9 [2]	2.000 %	02/01/2032	78
144838AA7 [3]	3.650 %	02/01/2032	$ 21
144838AB5 [3]	3.350 %	02/01/2032	3
587824AA1 [3]	3.350 %	02/01/2032	7
62479PAA4 [3]	3.350 %	02/01/2032	2
14483RAU1 [2]	2.125 %	10/01/2034	54
14483RAR8 [2]	1.750 %	10/01/2034	50
896221AE8 [2]	4.700 %	06/01/2054	60
Total Senior Secured Notes/First Mortgage Bonds			3,089
Senior Unsecured Notes			
Total Senior Unsecured Notes			—
Total Long-term Debt Before Adjustments			3,089
Unamortized premium			4
Unamortized discount			(8)
Unamortized debt issuance costs			(19)
Total Long-term Debt			3,066
Less current portion of Long-term Debt			250
Total Long-term Debt, noncurrent			$ 2,816
RI			
Senior Secured Notes/First Mortgage Bonds			
743753D@1	7.500 %	12/15/2025	1
Total Senior Secured Notes/First Mortgage Bonds			1
Senior Unsecured Notes			
631005BJ3	3.395 %	04/09/2030	600
631005BH7	3.919 %	08/01/2028	350
631005BF1	4.170 %	12/10/2042	250
631005BC8	5.638 %	03/15/2040	300
631005BK0	5.350 %	05/01/2034	500
Total Senior Unsecured Notes			2,000
Total Long-term Debt Before Adjustments			2,001

	Interest Rate	Maturity Date	December 31, 2024
Unamortized discount			—
Unamortized debt issuance costs			(9)
Total Long-term Debt			1,992
Less current portion of Long-term Debt			1
Total Long-term Debt, noncurrent			1,991

1) Securities are in a floating rate mode through maturity.
2) Securities are currently in a term rate mode. Securities may be put back to the company, or called by the company, on a date prior to the stated maturity date.
3) Securities have a floating rate of interest that periodically resets. Securities may be put back to the company on a date prior to the stated maturity date.