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

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the quarterly period ended June 30, 2025

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 820 West Broadway Louisville, KY 40202 (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

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 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	☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

PPL Corporation	Common stock, $0.01 par value, 739,515,243 shares outstanding at July 25, 2025.
PPL Electric Utilities Corporation	Common stock, no par value, 66,368,056 shares outstanding and all held by PPL Energy Holdings LLC, a wholly-owned, indirect subsidiary of PPL Corporation, at July 25, 2025.
Louisville Gas and Electric Company	Common stock, no par value, 21,294,223 shares outstanding and all held by LG&E and KU Energy LLC, a wholly-owned, indirect subsidiary of PPL Corporation, at July 25, 2025.
Kentucky Utilities Company	Common stock, no par value, 37,817,878 shares outstanding and all held by LG&E and KU Energy LLC, a wholly-owned, indirect subsidiary of PPL Corporation, at July 25, 2025.

This document is available free of charge at the Investors section of PPL Corporation's website at www.pplweb.com. However, other information on this website does not constitute a part of this Form 10-Q.

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

FORM 10-Q
FOR THE QUARTER ENDED JUNE 30, 2025

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This combined Form 10-Q 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 Form 10-Q, 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 Stock Purchase Agreement 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.

2024 Form 10-K - Annual Report to the SEC on Form 10-K for the year ended December 31, 2024.

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.

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.

ATM Program - at-the-market stock offering program.

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

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.

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.

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 2. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" (MD&A).

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.

FY - fiscal year.

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

GHG(s) - greenhouse gas(es).

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, net of tax, 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.

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 200 MW and 445 MW to LG&E and KU beginning in 2027.

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

MW - megawatt, one thousand kilowatts.

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.

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.

PHMSA - Pipeline and Hazardous Materials Safety Administration.

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.

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.

Registrant(s) - refers to the Registrants named on the cover of this Form 10-Q (each a "Registrant" and collectively, the "Registrants").

Regulation S-X - SEC regulation governing the form and content of and requirements for financial statements required to be filed pursuant to the federal securities laws.

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.

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.

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.

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.

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.

Forward-looking Information

Statements contained in this Form 10-Q 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 each Registrant's 2024 Form 10-K and in "Item 2. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Form 10-Q, 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, joint-ventures 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;
- the effect of recently established tariffs, the establishment of additional tariffs, or subsequent changes to tariffs once announced or implemented, on the cost or availability of imported goods;
- 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;
- 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;
- the ability to control costs and avoid cost and schedule overruns during the development, construction and operation of generation facilities or other projects;
- development of new projects, markets and technologies;
- 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. FINANCIAL INFORMATION
ITEM 1. Financial Statements
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
PPL Corporation and Subsidiaries

(Unaudited)
(Millions of Dollars, except share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Operating Revenues	**$ 2,025**	$ 1,881	**$ 4,529**	$ 4,185
Operating Expenses				
Operation				
Fuel	**192**	181	**426**	390
Energy purchases	**388**	275	**947**	795
Other operation and maintenance	**614**	623	**1,212**	1,249
Depreciation	**324**	319	**646**	635
Taxes, other than income	**101**	93	**214**	181
Total Operating Expenses	**1,619**	1,491	**3,445**	3,250
Operating Income	**406**	390	**1,084**	935
Other Income (Expense) - net (Note 12)	**23**	32	**51**	54
Interest Expense	**199**	182	**389**	361
Income Before Income Taxes	**230**	240	**746**	628
Income Taxes	**47**	50	**149**	131
Net Income	**$ 183**	$ 190	**$ 597**	$ 497
Earnings Per Share of Common Stock:				
Net Income Available to PPL Common Shareowners:				
Basic	**$ 0.25**	$ 0.26	**$ 0.81**	$ 0.67
Diluted	**$ 0.25**	$ 0.26	**$ 0.80**	$ 0.67
Weighted-Average Shares of Common Stock Outstanding (in thousands)				
Basic	**739,276**	737,748	**738,986**	737,630
Diluted	**742,541**	739,563	**741,972**	739,191

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
PPL Corporation and Subsidiaries
(Unaudited)
(Millions of Dollars)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
Net income	**$ 183**	$ 190	**$ 597**	$ 497
Other comprehensive income (loss):				
Amounts arising during the period - gains (losses), net of tax (expense) benefit:				
Qualifying derivatives, net of tax of $0, $0, $0, $0	**1**	—	**1**	—
Equity investees' other comprehensive income (loss), net of tax of $0, $0, $0, $0	**—**	—	**—**	1
Defined benefit plans:				
Net actuarial gain (loss), net of tax of $3, ($1), $3, ($1)	**(8)**	2	**(8)**	2
Reclassifications from AOCI - (gains) losses, net of tax expense (benefit):				
Qualifying derivatives, net of tax of ($1), ($1), ($1), ($1)	**—**	—	**1**	1
Defined benefit plans:				
Net actuarial (gain) loss, net of tax of $0, $1, $0, $1	**1**	(1)	**—**	(1)
Total other comprehensive income (loss)	**(6)**	1	**(6)**	3
Comprehensive income	**$ 177**	$ 191	**$ 591**	$ 500

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
PPL Corporation and Subsidiaries

(Unaudited)
(Millions of Dollars)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Cash Flows from Operating Activities		
Net income	**$ 597**	$ 497
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	**646**	635
Amortization	**49**	47
Defined benefit plans - income	**(30)**	(35)
Deferred income taxes and investment tax credits	**104**	114
Other	**3**	10
Change in current assets and current liabilities		
Accounts receivable	**(91)**	162
Accounts payable	**(167)**	(167)
Unbilled revenues	**63**	74
Fuel, materials and supplies	**13**	4
Prepayments	**(56)**	(107)
Taxes payable	**40**	(21)
Regulatory assets and liabilities, net	**64**	(74)
Accrued interest	**(5)**	21
Other	**(52)**	(57)
Other operating activities		
Defined benefit plans - funding	**(7)**	(7)
Other assets	**(77)**	(60)
Other liabilities	**21**	12
Net cash provided by operating activities	**1,115**	1,048
Cash Flows from Investing Activities		
Expenditures for property, plant and equipment	**(1,723)**	(1,266)
Other investing activities	**10**	5
Net cash used in investing activities	**(1,713)**	(1,261)
Cash Flows from Financing Activities		
Issuance of long-term debt	**—**	1,148
Payment of common stock dividends	**(392)**	(367)
Net increase (decrease) in short-term debt	**983**	(603)
Other financing activities	**(14)**	(23)
Net cash provided by financing activities	**577**	155
Net Decrease in Cash, Cash Equivalents and Restricted Cash	**(21)**	(58)
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	**339**	382
Cash, Cash Equivalents and Restricted Cash at End of Period	**$ 318**	$ 324
Supplemental Disclosures of Cash Flow Information		
Significant non-cash transactions:		
Accrued expenditures for property, plant and equipment at June 30,	**$ 450**	$ 288

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

CONDENSED CONSOLIDATED BALANCE SHEETS
PPL Corporation and Subsidiaries

(Unaudited)
(Millions of Dollars, shares in thousands)

	June 30, 2025	December 31, 2024
Assets		
Current Assets		
Cash and cash equivalents	**$ 294**	$ 306
Accounts receivable (less reserve: 2025, $171; 2024, $147)		
Customer	**998**	961
Other	**122**	76
Unbilled revenues (less reserve: 2025, $4; 2024, $6)	**418**	485
Fuel, materials and supplies	**504**	511
Prepayments	**192**	136
Regulatory assets	**303**	320
Other current assets	**92**	85
Total Current Assets	**2,923**	**2,880**
Property, Plant and Equipment		
Regulated utility plant	**41,171**	40,391
Less: accumulated depreciation - regulated utility plant	**9,950**	9,682
Regulated utility plant, net	**31,221**	30,709
Non-regulated property, plant and equipment	**80**	79
Less: accumulated depreciation - non-regulated property, plant and equipment	**33**	29
Non-regulated property, plant and equipment, net	**47**	50
Construction work in progress	**3,088**	2,390
Property, Plant and Equipment, net	**34,356**	33,149
Other Noncurrent Assets		
Regulatory assets	**2,055**	2,060
Goodwill	**2,247**	2,247
Other intangibles	**312**	314
Other noncurrent assets (less reserve for accounts receivable: 2025, $2; 2024, $1)	**470**	419
Total Other Noncurrent Assets	**5,084**	5,040
Total Assets	**$ 42,363**	$ 41,069

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

CONDENSED CONSOLIDATED BALANCE SHEETS
PPL Corporation and Subsidiaries
(Unaudited)
(Millions of Dollars, shares in thousands)

	June 30, 2025	December 31, 2024
Liabilities and Equity		
Current Liabilities		
Short-term debt	**$ 1,286**	$ 303
Long-term debt due within one year	**1,219**	551
Accounts payable	**1,135**	1,196
Taxes	**143**	103
Interest	**152**	157
Dividends	**197**	186
Regulatory liabilities	**273**	223
Other current liabilities	**573**	614
Total Current Liabilities	**4,978**	3,333
Long-term Debt	**15,292**	15,952
Deferred Credits and Other Noncurrent Liabilities		
Deferred income taxes	**3,501**	3,356
Investment tax credits	**110**	111
Accrued pension obligations	**294**	317
Asset retirement obligations	**141**	136
Regulatory liabilities	**3,335**	3,335
Other deferred credits and noncurrent liabilities	**426**	452
Total Deferred Credits and Other Noncurrent Liabilities	**7,807**	7,707
Commitments and Contingent Liabilities (Notes 6 and 10)		
Equity		
Common stock - $0.01 par value (a)	**8**	8
Additional paid-in capital	**12,343**	12,346
Treasury stock	**(902)**	(928)
Earnings reinvested	**3,027**	2,835
Accumulated other comprehensive loss	**(190)**	(184)
Total Equity	**14,286**	14,077
Total Liabilities and Equity	**$ 42,363**	$ 41,069

(a) 1,560,000 shares authorized, 770,601 shares issued and 739,306 shares outstanding at June 30, 2025. 1,560,000 shares authorized, 770,215 shares issued and 738,033 shares outstanding at December 31, 2024.

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

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
PPL Corporation and Subsidiaries

(Unaudited)
(Millions of Dollars)

	Common stock shares outstanding (a)	Common stock	Additional paid-in capital	Treasury stock	Earnings reinvested	Accumulated other comprehensive loss	Total
March 31, 2025	739,066	$ 8	$ 12,330	$ (904)	$ 3,047	$ (184)	$ 14,297
Common stock issued	186						—
Treasury stock issued	54		7	2			9
Stock-based compensation			6				6
Net income					183		183
Dividends and dividend equivalents (b)					(203)		(203)
Other comprehensive income (loss)						(6)	(6)
June 30, 2025	739,306	$ 8	$ 12,343	$ (902)	$ 3,027	$ (190)	$ 14,286
December 31, 2024	738,033	$ 8	$ 12,346	$ (928)	$ 2,835	$ (184)	$ 14,077
Common stock issued	386						—
Treasury stock issued	887		7	26			33
Stock-based compensation			(10)				(10)
Net income					597		597
Dividends and dividend equivalents (b)					(405)		(405)
Other comprehensive income (loss)						(6)	(6)
June 30, 2025	739,306	$ 8	$ 12,343	$ (902)	$ 3,027	$ (190)	$ 14,286
March 31, 2024	737,736	$ 8	$ 12,314	$ (931)	$ 2,828	$ (161)	$ 14,058
Treasury stock issued	26			1			1
Stock-based compensation			7				7
Net income					190		190
Dividends and dividend equivalents (b)					(192)		(192)
Other comprehensive income (loss)						1	1
June 30, 2024	737,762	$ 8	$ 12,321	$ (930)	$ 2,826	$ (160)	$ 14,065
December 31, 2023	737,130	$ 8	$ 12,326	$ (948)	$ 2,710	$ (163)	$ 13,933
Treasury stock issued	632			18			18
Stock-based compensation			(5)				(5)
Net income					497		497
Dividends and dividend equivalents (b)					(381)		(381)
Other comprehensive income (loss)						3	3
June 30, 2024	737,762	$ 8	$ 12,321	$ (930)	$ 2,826	$ (160)	$ 14,065

(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 were $0.2725 and $0.5450 for the three and six months ended June 30, 2025 and $0.2575 and $0.5150 for the three and six months ended June 30, 2024.

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

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CONDENSED CONSOLIDATED STATEMENTS OF INCOME
PPL Electric Utilities Corporation and Subsidiaries

(Unaudited)
(Millions of Dollars)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
Operating Revenues	**$ 693**	$ 673	**$ 1,512**	$ 1,443
Operating Expenses				
Operation				
Energy purchases	**169**	153	**398**	367
Other operation and maintenance	**159**	154	**321**	335
Depreciation	**100**	100	**202**	199
Taxes, other than income	**32**	30	**73**	66
Total Operating Expenses	**460**	437	**994**	967
Operating Income	**233**	236	**518**	476
Other Income (Expense) - net (Note 12)	**11**	11	**22**	20
Interest Income from Affiliate	**—**	10	**2**	20
Interest Expense	**62**	61	**122**	123
Income Before Income Taxes	**182**	196	**420**	393
Income Taxes	**43**	46	**97**	94
Net Income (a)	**$ 139**	$ 150	**$ 323**	$ 299

(a) Net income equals comprehensive income.

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
PPL Electric Utilities Corporation and Subsidiaries

(Unaudited)
(Millions of Dollars)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Cash Flows from Operating Activities		
Net income	**$ 323**	$ 299
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	**202**	199
Amortization	**21**	25
Defined benefit plans - income	**(15)**	(19)
Deferred income taxes and investment tax credits	**48**	60
Other	**(13)**	(9)
Change in current assets and current liabilities		
Accounts receivable	**(83)**	12
Accounts payable	**(83)**	(33)
Unbilled revenues	**17**	40
Materials and supplies	**(10)**	(11)
Prepayments	**(38)**	(88)
Regulatory assets and liabilities, net	**46**	(52)
Taxes payable	**(1)**	(41)
Accrued interest	**—**	15
Other	**—**	(20)
Other operating activities		
Defined benefit plans - funding	**—**	(1)
Other assets	**(26)**	(19)
Other liabilities	**(6)**	(4)
Net cash provided by operating activities	**382**	353
Cash Flows from Investing Activities		
Expenditures for property, plant and equipment	**(697)**	(519)
Expenditures for intangible assets	**(4)**	(2)
Notes receivable from affiliates	**222**	(502)
Other investing activities	**12**	3
Net cash used in investing activities	**(467)**	(1,020)
Cash Flows from Financing Activities		
Issuance of long-term debt	**—**	649
Contributions from parent	**—**	680
Return of capital to parent	**(100)**	—
Payment of common stock dividends to parent	**(207)**	(184)
Net increase (decrease) in short-term debt	**384**	(509)
Debt issuance costs	**(1)**	(7)
Net cash provided by (used in) financing activities	**76**	629
Net Decrease in Cash, Cash Equivalents and Restricted Cash	**(9)**	(38)
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	**24**	51
Cash, Cash Equivalents and Restricted Cash at End of Period	**$ 15**	$ 13
Supplemental Disclosure of Cash Flow Information		
Significant non-cash transactions:		
Accrued expenditures for property, plant and equipment at June 30,	**$ 201**	$ 161

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

CONDENSED CONSOLIDATED BALANCE SHEETS
PPL Electric Utilities Corporation and Subsidiaries
(Unaudited)
(Millions of Dollars, shares in thousands)

	June 30, 2025	December 31, 2024
Assets		
Current Assets		
Cash and cash equivalents	**$ 15**	$ 24
Accounts receivable (less reserve: 2025, $38; 2024, $37)		
Customer	**403**	353
Other	**28**	8
Accounts receivable from affiliates	**10**	10
Notes receivable from affiliate	**—**	222
Unbilled revenues (less reserve: 2025, $2; 2024, $3)	**138**	159
Materials and supplies	**116**	104
Prepayments	**112**	74
Regulatory assets	**92**	133
Other current assets	**33**	30
Total Current Assets	**947**	1,117
Property, Plant and Equipment		
Regulated utility plant	**16,767**	16,469
Less: accumulated depreciation - regulated utility plant	**4,033**	4,052
Regulated utility plant, net	**12,734**	12,417
Construction work in progress	**1,140**	898
Property, Plant and Equipment, net	**13,874**	13,315
Other Noncurrent Assets		
Regulatory assets	**692**	673
Intangibles	**276**	274
Other noncurrent assets (less reserve for accounts receivable: 2025, $2; 2024, $1)	**103**	96
Total Other Noncurrent Assets	**1,071**	1,043
Total Assets	**$ 15,892**	$ 15,475

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

CONDENSED CONSOLIDATED BALANCE SHEETS
PPL Electric Utilities Corporation and Subsidiaries

(Unaudited)
(Millions of Dollars, shares in thousands)

	June 30, 2025	December 31, 2024
Liabilities and Equity		
Current Liabilities		
Short-term debt	**$ 384**	$ —
Accounts payable	**498**	565
Accounts payable to affiliates	**68**	44
Interest	**55**	55
Regulatory liabilities	**62**	57
Other current liabilities	**117**	85
Total Current Liabilities	**1,184**	806
Long-term Debt	**5,215**	5,214
Deferred Credits and Other Noncurrent Liabilities		
Deferred income taxes	**1,792**	1,726
Regulatory liabilities	**831**	839
Other deferred credits and noncurrent liabilities	**124**	160
Total Deferred Credits and Other Noncurrent Liabilities	**2,747**	2,725
Commitments and Contingent Liabilities (Notes 6 and 10)		
Equity		
Common stock - no par value (a)	**364**	364
Additional paid-in capital	**4,568**	4,668
Earnings reinvested	**1,814**	1,698
Total Equity	**6,746**	6,730
Total Liabilities and Equity	**$ 15,892**	$ 15,475

(a) 170,000 shares authorized; 66,368 shares issued and outstanding at June 30, 2025 and December 31, 2024.

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

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

	Common stock shares outstanding (a)	Common stock	Additional paid-in capital	Earnings reinvested	Total
March 31, 2025	66,368	$ 364	$ 4,668	$ 1,794	$ 6,826
Net income				139	139
Return of capital to parent			(100)		(100)
Dividends declared				(119)	(119)
June 30, 2025	66,368	$ 364	$ 4,568	$ 1,814	$ 6,746
December 31, 2024	66,368	$ 364	$ 4,668	$ 1,698	$ 6,730
Net income				323	323
Return of capital to parent			(100)		(100)
Dividends declared				(207)	(207)
June 30, 2025	66,368	$ 364	$ 4,568	$ 1,814	$ 6,746
March 31, 2024	66,368	$ 364	$ 4,715	$ 1,560	$ 6,639
Net income				150	150
Capital contributions from parent			5		5
Dividends declared				(96)	(96)
June 30, 2024	66,368	$ 364	$ 4,720	$ 1,614	$ 6,698
December 31, 2023	66,368	$ 364	$ 4,040	$ 1,499	$ 5,903
Net income				299	299
Capital contributions from parent			680		680
Dividends declared				(184)	(184)
June 30, 2024	66,368	$ 364	$ 4,720	$ 1,614	$ 6,698

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

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

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CONDENSED STATEMENTS OF INCOME
Louisville Gas and Electric Company

(Unaudited)
(Millions of Dollars)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
Operating Revenues				
Retail and wholesale	**$ 373**	$ 363	**$ 873**	$ 823
Electric revenue from affiliate	**5**	3	**10**	19
Total Operating Revenues	**378**	366	**883**	842
Operating Expenses				
Operation				
Fuel	**75**	67	**157**	153
Energy purchases	**23**	15	**111**	86
Energy purchases from affiliate	**7**	7	**12**	8
Other operation and maintenance	**91**	87	**180**	175
Depreciation	**77**	77	**151**	153
Taxes, other than income	**13**	12	**26**	25
Total Operating Expenses	**286**	265	**637**	600
Operating Income	**92**	101	**246**	242
Other Income (Expense) - net (Note 12)	**5**	4	**8**	6
Interest Expense	**27**	26	**53**	52
Income Before Income Taxes	**70**	79	**201**	196
Income Taxes	**14**	17	**40**	41
Net Income (a)	**$ 56**	$ 62	**$ 161**	$ 155

(a) Net income equals comprehensive income.

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

CONDENSED STATEMENTS OF CASH FLOWS
Louisville Gas and Electric Company

(Unaudited)
(Millions of Dollars)

	Six Months Ended June 30,	
	2025	**2024**
Cash Flows from Operating Activities		
Net income	**$ 161**	$ 155
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	**151**	153
Amortization	**11**	8
Deferred income taxes and investment tax credits	**1**	2
Other	**(3)**	(2)
Change in current assets and current liabilities		
Accounts receivable	**19**	(10)
Accounts receivable from affiliates	**12**	(10)
Accounts payable	**(8)**	11
Accounts payable to affiliates	**7**	9
Unbilled revenues	**3**	6
Fuel, materials and supplies	**15**	2
Regulatory assets and liabilities, net	**(17)**	(10)
Taxes payable	**(12)**	(14)
Accrued interest	**(1)**	(1)
Other	**(12)**	(11)
Other operating activities		
Expenditures for asset retirement obligations	**(4)**	(6)
Other assets	**(43)**	(7)
Other liabilities	**(1)**	(2)
Net cash provided by operating activities	**279**	273
Cash Flows from Investing Activities		
Expenditures for property, plant and equipment	**(296)**	(207)
Net increase in notes receivable with affiliates	**(10)**	—
Net cash used in investing activities	**(306)**	(207)
Cash Flows from Financing Activities		
Net increase (decrease) in notes payable to affiliates	**(43)**	19
Net increase in short-term debt	**133**	10
Payment of common stock dividends to parent	**(111)**	(97)
Contributions from parent	**101**	37
Return of capital to parent	**(55)**	(51)
Debt issuance costs	**(1)**	—
Net cash provided by (used in) financing activities	**24**	(82)
Net Decrease in Cash, Cash Equivalents, and Restricted Cash	**(3)**	(16)
Cash, Cash Equivalents, and Restricted Cash at Beginning of Period	**24**	44
Cash, Cash Equivalents, and Restricted Cash at End of Period	**$ 21**	$ 28
Supplemental Disclosure of Cash Flow Information		
Significant non-cash transactions:		
Accrued expenditures for property, plant and equipment at June 30,	**$ 74**	$ 55

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

CONDENSED BALANCE SHEETS
Louisville Gas and Electric Company

(Unaudited)
(Millions of Dollars, shares in thousands)

	June 30, 2025	December 31, 2024
Assets		
Current Assets		
Cash and cash equivalents	**$ 10**	$ 8
Accounts receivable (less reserve: 2025, $5; 2024, $3)		
Customer	**119**	134
Other	**25**	23
Unbilled revenues (less reserve: 2025, $0; 2024, $0)	**84**	87
Accounts receivable from affiliates	**28**	40
Notes receivable from affiliates	**10**	—
Fuel, materials and supplies	**142**	157
Prepayments	**13**	9
Regulatory assets	**26**	8
Other current assets	**10**	2
Total Current Assets	**467**	468
Property, Plant and Equipment		
Regulated utility plant	**7,904**	7,748
Less: accumulated depreciation - regulated utility plant	**1,753**	1,643
Regulated utility plant, net	**6,151**	6,105
Construction work in progress	**571**	443
Property, Plant and Equipment, net	**6,722**	6,548
Other Noncurrent Assets		
Regulatory assets	**488**	491
Goodwill	**389**	389
Other intangibles	**9**	12
Other noncurrent assets	**121**	84
Total Other Noncurrent Assets	**1,007**	976
Total Assets	**$ 8,196**	$ 7,992

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

CONDENSED BALANCE SHEETS
Louisville Gas and Electric Company

(Unaudited)
(Millions of Dollars, shares in thousands)

	June 30, 2025	December 31, 2024
Liabilities and Equity		
Current Liabilities		
Short-term debt	**$ 158**	$ 25
Long-term debt due within one year	**300**	300
Notes payable to affiliates	**—**	43
Accounts payable	**164**	158
Accounts payable to affiliates	**71**	64
Customer deposits	**37**	36
Taxes	**28**	40
Regulatory liabilities	**15**	14
Interest	**20**	21
Asset retirement obligations	**6**	11
Other current liabilities	**53**	50
Total Current Liabilities	**852**	762
Long-term Debt	**2,172**	2,171
Deferred Credits and Other Noncurrent Liabilities		
Deferred income taxes	**815**	803
Investment tax credits	**29**	30
Price risk management liabilities	**5**	3
Asset retirement obligations	**76**	73
Regulatory liabilities	**813**	815
Other deferred credits and noncurrent liabilities	**67**	64
Total Deferred Credits and Other Noncurrent Liabilities	**1,805**	1,788
Commitments and Contingent Liabilities (Notes 6 and 10)		
Stockholder's Equity		
Common stock - no par value (a)	**424**	424
Additional paid-in capital	**2,028**	1,982
Earnings reinvested	**915**	865
Total Equity	**3,367**	3,271
Total Liabilities and Equity	**$ 8,196**	$ 7,992

(a) 75,000 shares authorized; 21,294 shares issued and outstanding at June 30, 2025 and December 31, 2024.

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

CONDENSED STATEMENTS OF EQUITY
Louisville Gas and Electric Company

(Unaudited)
(Millions of Dollars)

	Common stock shares outstanding (a)		Common stock		Additional paid-in capital		Earnings reinvested		Total
March 31, 2025	21,294	$	424	$	1,927	$	927	$	3,278
Net income							56		56
Capital contributions from parent					101				101
Dividends declared							(68)		(68)
June 30, 2025	21,294	$	424	$	2,028	$	915	$	3,367
December 31, 2024	21,294	$	424	$	1,982	$	865	$	3,271
Net income							161		161
Capital contributions from parent					101				101
Return of capital to parent					(55)				(55)
Dividends declared							(111)		(111)
June 30, 2025	21,294	$	424	$	2,028	$	915	$	3,367
March 31, 2024	21,294	$	424	$	1,942	$	811	$	3,177
Net income							62		62
Capital contributions from parent					37				37
Dividends declared							(60)		(60)
June 30, 2024	21,294	$	424	$	1,979	$	813	$	3,216
December 31, 2023	21,294	$	424	$	1,993	$	755	$	3,172
Net income							155		155
Capital contributions from parent					37				37
Return of capital to parent					(51)				(51)
Dividends declared							(97)		(97)
June 30, 2024	21,294	$	424	$	1,979	$	813	$	3,216

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

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

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CONDENSED STATEMENTS OF INCOME
Kentucky Utilities Company
(Unaudited)
(Millions of Dollars)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
Operating Revenues				
Retail and wholesale	**$ 465**	$ 457	**$ 1,024**	$ 981
Electric revenue from affiliate	**7**	7	**12**	8
Total Operating Revenues	**472**	464	**1,036**	989
Operating Expenses				
Operation				
Fuel	**117**	115	**269**	238
Energy purchases	**7**	6	**14**	12
Energy purchases from affiliate	**5**	3	**10**	19
Other operation and maintenance	**102**	101	**202**	203
Depreciation	**101**	101	**203**	200
Taxes, other than income	**13**	12	**25**	24
Total Operating Expenses	**345**	338	**723**	696
Operating Income	**127**	126	**313**	293
Other Income (Expense) - net (Note 12)	**5**	4	**10**	6
Interest Expense	**35**	33	**70**	67
Interest Expense with Affiliate	**—**	1	**—**	1
Income Before Income Taxes	**97**	96	**253**	231
Income Taxes	**19**	19	**50**	46
Net Income (a)	**$ 78**	$ 77	**$ 203**	$ 185

(a) Net income equals comprehensive income.

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

CONDENSED STATEMENTS OF CASH FLOWS
Kentucky Utilities Company

(Unaudited)
(Millions of Dollars)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Cash Flows from Operating Activities		
Net income	**$ 203**	$ 185
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	**203**	200
Amortization	**8**	9
Deferred income taxes and investment tax credits	**4**	(7)
Other	**(5)**	(5)
Change in current assets and current liabilities		
Accounts receivable	**3**	(19)
Accounts payable	**(5)**	(24)
Accounts payable to affiliates	**6**	23
Unbilled revenues	**(4)**	(10)
Fuel, materials and supplies	**(7)**	15
Regulatory assets and liabilities, net	**2**	13
Taxes payable	**(9)**	(6)
Accrued interest	**(1)**	(1)
Other	**(23)**	(7)
Other operating activities		
Expenditures for asset retirement obligations	**(4)**	(4)
Other assets	**(18)**	1
Other liabilities	**(2)**	(11)
Net cash provided by operating activities	**351**	352
Cash Flows from Investing Activities		
Expenditures for property, plant and equipment	**(391)**	(296)
Net cash used in investing activities	**(391)**	(296)
Cash Flows from Financing Activities		
Net increase (decrease) in notes payable to affiliates	**(27)**	13
Net increase in short-term debt	**135**	7
Payment of common stock dividends to parent	**(128)**	(117)
Contributions from parent	**91**	84
Return of capital to parent	**(37)**	(50)
Debt issuance costs	**(1)**	—
Net cash provided by (used in) financing activities	**33**	(63)
Net Decrease in Cash, Cash Equivalents, and Restricted Cash	**(7)**	(7)
Cash, Cash Equivalents, and Restricted Cash at Beginning of Period	**29**	38
Cash, Cash Equivalents, and Restricted Cash at End of Period	**$ 22**	$ 31
Supplemental Disclosure of Cash Flow Information		
Significant non-cash transactions:		
Accrued expenditures for property, plant and equipment at June 30,	**$ 100**	$ 62

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

CONDENSED BALANCE SHEETS
Kentucky Utilities Company
(Unaudited)
(Millions of Dollars, shares in thousands)

	June 30, 2025	December 31, 2024
Assets		
Current Assets		
Cash and cash equivalents	**$ 11**	$ 13
Accounts receivable (less reserve: 2025, $2; 2024, $2)		
Customer	**153**	160
Other	**27**	22
Unbilled revenues (less reserve: 2025, $0; 2024, $0)	**106**	102
Fuel, materials and supplies	**181**	173
Prepayments	**16**	11
Other current assets	**20**	10
Total Current Assets	**514**	491
Property, Plant and Equipment		
Regulated utility plant	**10,513**	10,419
Less: accumulated depreciation - regulated utility plant	**2,798**	2,652
Regulated utility plant, net	**7,715**	7,767
Construction work in progress	**850**	567
Property, Plant and Equipment, net	**8,565**	8,334
Other Noncurrent Assets		
Regulatory assets	**462**	458
Goodwill	**607**	607
Other intangibles	**27**	28
Other noncurrent assets	**156**	155
Total Other Noncurrent Assets	**1,252**	1,248
Total Assets	**$ 10,331**	$ 10,073

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

CONDENSED BALANCE SHEETS
Kentucky Utilities Company
(Unaudited)
(Millions of Dollars, shares in thousands)

	June 30, 2025	December 31, 2024
Liabilities and Equity		
Current Liabilities		
Short-term debt	**$ 275**	$ 140
Long-term debt due within one year	**268**	250
Notes payable to affiliates	**46**	73
Accounts payable	**117**	96
Accounts payable to affiliates	**105**	100
Customer deposits	**39**	39
Taxes	**28**	37
Regulatory liabilities	**23**	22
Interest	**23**	24
Asset retirement obligations	**7**	10
Other current liabilities	**57**	58
Total Current Liabilities	**988**	849
Long-term Debt	**2,799**	2,816
Deferred Credits and Other Noncurrent Liabilities		
Deferred income taxes	**943**	924
Investment tax credits	**80**	81
Asset retirement obligations	**55**	54
Regulatory liabilities	**1,003**	1,009
Other deferred credits and noncurrent liabilities	**35**	41
Total Deferred Credits and Other Noncurrent Liabilities	**2,116**	2,109
Commitments and Contingent Liabilities (Notes 6 and 10)		
Stockholder's Equity		
Common stock - no par value (a)	**308**	308
Additional paid-in capital	**3,110**	3,056
Earnings reinvested	**1,010**	935
Total Equity	**4,428**	4,299
Total Liabilities and Equity	**$ 10,331**	$ 10,073

(a) 80,000 shares authorized; 37,818 shares issued and outstanding at June 30, 2025 and December 31, 2024.

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

CONDENSED STATEMENTS OF EQUITY
Kentucky Utilities Company

(Unaudited)
(Millions of Dollars)

	Common stock shares outstanding (a)	Common stock	Additional paid-in capital	Earnings reinvested	Total
March 31, 2025	37,818	$ 308	$ 3,019	$ 1,014	$ 4,341
Net income				78	78
Capital contributions from parent			91		91
Dividends declared				(82)	(82)
June 30, 2025	37,818	$ 308	$ 3,110	$ 1,010	$ 4,428
December 31, 2024	37,818	$ 308	$ 3,056	$ 935	$ 4,299
Net income				203	203
Capital contributions from parent			91		91
Return of capital to parent			(37)		(37)
Dividends declared				(128)	(128)
June 30, 2025	37,818	$ 308	$ 3,110	$ 1,010	$ 4,428
March 31, 2024	37,818	$ 308	$ 2,983	$ 872	$ 4,163
Net income				77	77
Capital contributions from parent			84		84
Dividends declared				(70)	(70)
June 30, 2024	37,818	$ 308	$ 3,067	$ 879	$ 4,254
December 31, 2023	37,818	$ 308	$ 3,033	$ 811	$ 4,152
Net income				185	185
Capital contributions from parent			84		84
Return of capital to parent			(50)		(50)
Dividends declared				(117)	(117)
June 30, 2024	37,818	$ 308	$ 3,067	$ 879	$ 4,254

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

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

Combined Notes to Condensed Financial Statements (Unaudited)

Index to Combined Notes to Condensed Financial Statements

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

	Registrant			
	PPL	PPL Electric	LG&E	KU
1. Interim Financial Statements	x	x	x	x
2. Segment and Related Information	x	x	x	x
3. Revenue from Contracts with Customers	x	x	x	x
4. Earnings Per Share	x			
5. Income Taxes	x	x	x	x
6. Utility Rate Regulation	x	x	x	x
7. Financing Activities	x	x	x	x
8. Acquisitions, Development and Divestitures	x			
9. Defined Benefits	x	x	x	x
10. Commitments and Contingencies	x	x	x	x
11. Related Party Transactions		x	x	x
12. Other Income (Expense) - net	x	x	x	x
13. Fair Value Measurements	x	x	x	x
14. Derivative Instruments and Hedging Activities	x	x	x	x
15. Asset Retirement Obligations	x		x	x
16. Accumulated Other Comprehensive Income (Loss)	x			
17. New Accounting Guidance Pending Adoption	x	x	x	x

1. Interim Financial Statements

(All Registrants)

Capitalized terms and abbreviations appearing in the unaudited combined notes to condensed 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 Registrant's related activities and disclosures. Within combined disclosures, amounts are disclosed for any Registrant when significant.

The accompanying unaudited condensed financial statements have been prepared in accordance with GAAP for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X and, therefore, do not include all of the information and footnote disclosures required by GAAP for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation in accordance with GAAP are reflected in the condensed financial statements. All adjustments are of a normal recurring nature, except as otherwise disclosed. Each Registrant's Balance Sheet at December 31, 2024 is derived from that Registrant's 2024 audited Balance Sheet. The financial statements and notes thereto should be read in conjunction with the financial statements and notes contained in each Registrant's 2024 Form 10-K. The results of operations for the three and six months ended June 30, 2025 are not necessarily indicative of the results to be expected for the full year ending December 31, 2025 or other future periods, because results for interim periods can be disproportionately influenced by various factors, developments and seasonal variations.

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 primarily consists 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 consists of the regulated electricity transmission and distribution operations of PPL Electric.

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

"Corporate and Other" primarily consists of corporate level financing costs, certain unallocated costs and certain non-recoverable costs incurred in conjunction with the acquisition of RIE. "Corporate and Other" is presented to reconcile segment information to PPL's consolidated results and is not a reportable segment.

The table below provides information about PPL’s segments and includes the reconciliation to consolidated net income for the three months ended June 30, 2025:

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total
Operating Revenues from external customers (a)	$ 837	$ 693	$ 494	$ 2,024
Reconciliation of revenue				
Corporate and Other revenues				1
Total consolidated revenues				$ 2,025
Less:				
Fuel	192	—	—	192
Energy Purchases	30	169	190	389
Other operation and maintenance	200	159	214	573
Depreciation	179	100	44	323
Taxes, other than income	26	32	42	100
Other (income) expense - net	(10)	(11)	4	(17)
Interest (income) from affiliate	—	—	(1)	(1)
Interest expense	62	62	27	151
Income taxes	32	43	(9)	66
Segment net income	$ 126	$ 139	$ (17)	$ 248
Reconciliation of segment profit or loss to consolidated net income				
Corporate and Other net loss				(65)
Net Income				$ 183

(a) See Note 3 for additional information on Operating Revenues.

The table below provides information about PPL's segments and includes the reconciliation to consolidated net income for the six months ended June 30, 2025:

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total
Operating Revenues from external customers (a)	$ 1,896	$ 1,512	$ 1,120	$ 4,528
Reconciliation of revenue				
Corporate and Other revenues				1
Total consolidated revenues				$ 4,529
Less:				
Fuel	426	—	—	426
Energy Purchases	126	398	425	949
Other operation and maintenance	400	321	414	1,135
Depreciation	355	202	86	643
Taxes, other than income	51	73	89	213
Other (income) expense - net	(18)	(22)	(3)	(43)
Interest (income) from affiliate	—	(2)	(3)	(5)
Interest expense	122	122	50	294
Income taxes	85	97	9	191
Segment net income	$ 349	$ 323	$ 53	$ 725
Reconciliation of segment profit or loss to consolidated net income				
Corporate and Other net loss				(128)
Net Income				$ 597

(a) See Note 3 for additional information on Operating Revenues.

Other information for the segments and reconciliation to PPL's Consolidated results for the six months ended June 30, 2025 are as follows:

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total Segments	Corporate and Other	Consolidated Total
Other Segment Disclosures						
Amortization (a)	$ 22	$ 21	$ —	$ 43	$ 6	$ 49
Deferred income taxes and investment tax credits (b)	11	48	18	77	27	104
Expenditures for long lived assets	689	697	336	1,722	1	1,723

(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 table below provides information about PPL's segments and includes the reconciliation to consolidated net income for the three months ended June 30, 2024:

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total
Operating Revenues from external customers (a)	$ 819	$ 673	$ 389	$ 1,881
Reconciliation of revenue				
Corporate and Other revenues				—
Total consolidated revenues				$ 1,881
Less:				
Fuel	181	—	—	181
Energy Purchases	22	153	100	275
Other operation and maintenance	195	154	180	529
Depreciation	177	100	40	317
Taxes, other than income	24	30	39	93
Other (income) expense - net	(9)	(11)	(6)	(26)
Interest (income) from affiliate	—	(10)	—	(10)
Interest expense	61	61	23	145
Income taxes	34	46	1	81
Segment net income	$ 134	$ 150	$ 12	$ 296
Reconciliation of segment profit or loss to consolidated net income				
Corporate and Other net loss				(106)
Net Income				$ 190

(a) See Note 3 for additional information on Operating Revenues.

The table below provides information about PPL's segments and includes the reconciliation to consolidated net income for the six months ended June 30, 2024:

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total
Operating Revenues from external customers (a)	$ 1,803	$ 1,443	$ 938	$ 4,184
Reconciliation of revenue				
Corporate and Other revenues				1
Total consolidated revenues				$ 4,185
Less:				
Fuel	390	—	—	390
Energy Purchases	99	367	329	795
Other operation and maintenance	397	335	336	1,068
Depreciation	353	199	81	633
Taxes, other than income	49	66	66	181
Other (income) expense - net	(12)	(20)	(13)	(45)
Interest (income) from affiliate	—	(20)	—	(20)
Interest expense	121	123	47	291
Income taxes	82	94	16	192
Segment net income	$ 324	$ 299	$ 76	$ 699
Reconciliation of segment profit or loss to consolidated net income				
Corporate and Other net loss				(202)
Net Income				$ 497

(a) See Note 3 for additional information on Operating Revenues.

Other information for the segments and reconciliation to PPL's Consolidated results for the six months ended June 30, 2024 are as follows:

	Kentucky Regulated	Pennsylvania Regulated	Rhode Island Regulated	Total Segments	Corporate and Other	Consolidated Total
Other Segment Disclosures						
Amortization (a)	$ 18	$ 25	$ —	$ 43	$ 4	$ 47
Deferred income taxes and investment tax credits (b)	1	60	36	97	17	114
Expenditures for long lived assets	506	519	241	1,266	—	1,266

(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 Balance Sheets as of:

	June 30, 2025	December 31, 2024
Total Assets		
Kentucky Regulated	$ 18,076	$ 17,626
Pennsylvania Regulated	15,892	15,475
Rhode Island Regulated	7,125	7,055
Corporate and Other (a)	1,270	913
Total	$ 42,363	$ 41,069

(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.

The measure of segment assets is reported on PPL Electric's Balance Sheets as total consolidated assets. The measures of significant segment expenses are reported on PPL Electric's Statements of Income. 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.

The measures of segment assets are reported on the Balance Sheets of LG&E and KU as total assets. The measures of significant segment expenses are reported on the Statements of Income of LG&E and KU. 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)

See Note 3 in the Registrants' 2024 Form 10-K for a discussion of the principal activities from which PPL Electric, LG&E and KU and PPL’s Pennsylvania Regulated, Rhode Island Regulated, and Kentucky Regulated segments generate their revenues. The following tables reconcile "Operating Revenues" included in each Registrant's Statement of Income with revenues generated from contracts with customers for the periods ended June 30.

	2025 Three Months			
	PPL	PPL Electric	LG&E	KU
Operating Revenues (a)(b)	$ 2,025	$ 693	$ 378	$ 472
Revenues derived from:				
Alternative revenue programs (c)	20	11	(1)	(3)
Other (d)	(5)	(4)	(1)	—
Revenues from Contracts with Customers	$ 2,040	$ 700	$ 376	$ 469

	2024 Three Months			
	PPL	PPL Electric	LG&E	KU
Operating Revenues (a)(b)	$ 1,881	$ 673	$ 366	$ 464
Revenues derived from:				
Alternative revenue programs (c)	(3)	(8)	2	1
Other (d)	(4)	(3)	(1)	(1)
Revenues from Contracts with Customers	$ 1,874	$ 662	$ 367	$ 464

	2025 Six Months			
	PPL	PPL Electric	LG&E	KU
Operating Revenues (a)(b)	$ 4,529	$ 1,512	$ 883	$ 1,036
Revenues derived from:				
Alternative revenue programs (c)	70	9	1	1
Other (d)	(13)	(9)	(2)	(2)
Revenues from Contracts with Customers	$ 4,586	$ 1,512	$ 882	$ 1,035

	2024 Six Months			
	PPL	PPL Electric	LG&E	KU
Operating Revenues (a)(b)	$ 4,185	$ 1,443	$ 842	$ 989
Revenues derived from:				
Alternative revenue programs (c)	5	(11)	4	6
Other (d)	(12)	(8)	(2)	(2)
Revenues from Contracts with Customers	$ 4,178	$ 1,424	$ 844	$ 993

(a) PPL includes $494 million and $1,120 million for the three and six months ended June 30, 2025 and $389 million and $938 million for the three and six months ended June 30, 2024 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 in the fourth quarter of 2024. For the three and six months ended June 30, 2025, net metering of $55 million and $96 million was included in Energy purchases on PPL's Statement of Income. For the three and six months ended June 30, 2024, $53 million and $85 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 shown as negative amounts.

(d) Represents additional revenues outside the scope of revenues from contracts with customers, such as lease and other miscellaneous revenues.

The following tables show revenues from contracts with customers disaggregated by customer class for the periods ended June 30.

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	Three Months							
	Residential	Commercial	Industrial	Other (a)	Wholesale - municipality	Wholesale - other (b)	Transmission	Revenues from Contracts with Customers
PPL								
2025								
PA Regulated	$ 345	$ 106	$ 13	$ 13	$ —	$ —	$ 223	$ 700
KY Regulated	328	247	158	71	5	24	—	833
RI Regulated (c)	214	160	20	62	—	—	51	507
Total PPL	$ 887	$ 513	$ 191	$ 146	$ 5	$ 24	$ 274	$ 2,040
2024								
PA Regulated	$ 332	$ 101	$ 10	$ 15	$ —	$ —	$ 204	$ 662
KY Regulated	326	245	157	75	5	13	—	821
RI Regulated (c)	139	42	3	162	—	—	45	391
Total PPL	$ 797	$ 388	$ 170	$ 252	$ 5	$ 13	$ 249	$ 1,874
PPL Electric								
2025	$ 345	$ 106	$ 13	$ 13	$ —	$ —	$ 223	$ 700
2024	$ 332	$ 101	$ 10	$ 15	$ —	$ —	$ 204	$ 662
LG&E								
2025	$ 167	$ 122	$ 48	$ 28	$ —	$ 11	$ —	$ 376
2024	$ 163	$ 121	$ 46	$ 31	$ —	$ 6	$ —	$ 367
KU								
2025	$ 161	$ 125	$ 110	$ 43	$ 5	$ 25	$ —	$ 469
2024	$ 163	$ 124	$ 111	$ 43	$ 5	$ 18	$ —	$ 464

	Six Months							
	Residential	Commercial	Industrial	Other (a)	Wholesale - municipality	Wholesale - other (b)	Transmission	Revenues from Contracts with Customers
PPL								
2025								
PA Regulated	$ 802	$ 212	$ 26	$ 26	$ —	$ —	$ 446	$ 1,512
KY Regulated	815	527	312	167	12	62	—	1,895
RI Regulated (c)	655	357	38	28	—	—	101	1,179
Total PPL	$ 2,272	$ 1,096	$ 376	$ 221	$ 12	$ 62	$ 547	$ 4,586
2024								
PA Regulated	$ 758	$ 207	$ 22	$ 28	$ —	$ —	$ 409	$ 1,424
KY Regulated	769	512	318	172	11	28	—	1,810
RI Regulated (c)	400	120	8	324	—	—	92	944
Total PPL	$ 1,927	$ 839	$ 348	$ 524	$ 11	$ 28	$ 501	$ 4,178
PPL Electric								
2025	$ 802	$ 212	$ 26	$ 26	$ —	$ —	$ 446	$ 1,512
2024	$ 758	$ 207	$ 22	$ 28	$ —	$ —	$ 409	$ 1,424
LG&E								
2025	$ 406	$ 269	$ 94	$ 82	$ —	$ 31	$ —	$ 882
2024	$ 381	$ 259	$ 93	$ 83	$ —	$ 28	$ —	$ 844
KU								
2025	$ 409	$ 258	$ 218	$ 85	$ 12	$ 53	$ —	$ 1,035
2024	$ 388	$ 253	$ 225	$ 89	$ 11	$ 27	$ —	$ 993

(a) Primarily includes revenues from pole attachments, street lighting, other public authorities and other non-core businesses, and for the Rhode Island Regulated Segment certain regulatory deferral mechanisms which could result in a reduction in revenues from over collections. For the periods ended June 30, 2024, 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 the Kentucky Regulated segment.

(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 in the fourth quarter of 2024. Applying the previous methodology to 2025 revenues would result in $113 million of Residential, $104 million of Commercial and $20 million of Industrial for the three months ended June 30, 2025 and $268 million of Residential, $193 million of Commercial and $38 million of Industrial for the six months ended June 30, 2025 for the Rhode Island Regulated segment being presented as "Other".

As discussed in Note 2, PPL segments its business by geographic location. Revenues from external customers for each segment are reconciled to revenues from contracts with customers in the footnotes to the tables above.

Contract receivables from customers are primarily included in "Accounts receivable - Customer", "Unbilled revenues", and "Other noncurrent assets" on the Balance Sheets.

The following table shows the accounts receivable and unbilled revenues balances that were impaired for the periods ended June 30.

	Three Months		Six Months	
	2025	2024	2025	2024
PPL (a)	$ 14	$ 2	$ 42	$ 43
PPL Electric (a)	2	(4)	9	24
LG&E	—	—	2	1
KU	1	—	2	1

(a) 2024 includes amounts impaired related to PPL Electric's billing issues. See Note 6 in PPL's 2024 Form 10-K for additional information.

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 generally recognized as revenue ratably over the quarterly billing period. Payments received in excess of revenues earned to date are recognized as revenue as services are delivered in subsequent periods. The Registrants' contract liabilities are not material at June 30, 2025 and 2024.

4. 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. The If-Converted Method is applied to the Exchangeable Senior Notes due 2028 (Exchangeable Notes) issued in February 2023.

Incremental non-participating securities that have a dilutive impact are detailed in the table below. In 2025, these securities include forward sales of PPL common stock issued through an ATM Program and the number of shares needed to settle the conversion premium on the Exchangeable Notes. The forward sale agreements are dilutive under the Treasury Stock Method to the extent the average stock price of PPL's common shares exceeds the forward sale price prescribed in the agreements. See Note 7 for additional information on the ATM Program and Note 8 in PPL's 2023 Form 10-K for additional information on the Exchangeable Notes.

Reconciliations of the amounts of income and shares of PPL common stock (in thousands) for the periods ended June 30 used in the EPS calculation are:

	Three Months		Six Months	
	2025	2024	2025	2024
Income (Numerator)				
Net income attributable to PPL	$ 183	$ 190	$ 597	$ 497
Less amounts allocated to participating securities	—	1	1	1
Net income available to PPL common shareowners - Basic and Diluted	$ 183	$ 189	$ 596	$ 496
Shares of Common Stock (Denominator)				
Weighted-average shares - Basic EPS	739,276	737,748	738,986	737,630
Add: Dilutive share-based payment awards (a)	2,504	1,815	2,606	1,561
Add: Forward sale agreements	23	—	11	—
Add: Exchangeable Notes	738	—	369	—
Weighted-average shares - Diluted EPS	742,541	739,563	741,972	739,191
Basic EPS				
Net Income available to PPL common shareowners	$ 0.25	$ 0.26	$ 0.81	$ 0.67
Diluted EPS				
Net Income available to PPL common shareowners	$ 0.25	$ 0.26	$ 0.80	$ 0.67

(a) The Treasury Stock Method was applied to non-participating share-based payment awards.

For the periods ended June 30, PPL issued common stock related to stock-based compensation plans as follows (in thousands):

	Three Months		Six Months	
	2025	2024	2025	2024
DRIP	186	—	386	—

For the periods ended June 30, the following shares (in thousands) were excluded from the computations of diluted EPS because the effect would have been antidilutive.

	Three Months		Six Months	
	2025	2024	2025	2024
Stock-based compensation awards	196	—	186	—
Forward sale agreements	5,648	—	3,841	—

5. Income Taxes

Reconciliations of income tax expense (benefit) for the periods ended June 30 are as follows.

(PPL)

	Three Months		Six Months	
	2025	2024	2025	2024
Federal income tax on Income Before Income Taxes at statutory tax rate - 21%	$ 48	$ 50	$ 157	$ 132
Increase (decrease) due to:				
State income taxes, net of federal income tax benefit	8	11	28	28
Valuation allowance adjustments	2	2	6	5
Amortization of investment tax credit including deferred taxes on basis adjustment	(1)	—	(4)	(2)
Utility rate-making tax adjustments (a)	(5)	(5)	(14)	(10)
Amortization of excess deferred federal and state income taxes	(6)	(7)	(21)	(20)
Other	1	(1)	(3)	(2)
Total increase (decrease)	(1)	—	(8)	(1)
Total income tax expense (benefit)	$ 47	$ 50	$ 149	$ 131

(a) Primarily consists of tax impacts of AFUDC equity and related depreciation across PPL's regulated utility subsidiaries and flow through tax impacts of Pennsylvania utility ratemaking. Flow through occurs when the regulator excludes deferred tax expense or benefit from recoverable costs when determining income tax expense.

(PPL Electric)

	Three Months		Six Months	
	2025	2024	2025	2024
Federal income tax on Income Before Income Taxes at statutory tax rate - 21%	$ 38	$ 41	$ 88	$ 83
Increase (decrease) due to:				
State income taxes, net of federal income tax benefit	11	13	27	26
Utility rate-making tax adjustments (a)	(6)	(6)	(12)	(10)
Amortization of excess deferred federal and state income taxes	(2)	(3)	(5)	(5)
Other	2	1	(1)	—
Total increase (decrease)	5	5	9	11
Total income tax expense (benefit)	$ 43	$ 46	$ 97	$ 94

(a) Primarily consists of tax impacts of AFUDC equity and related depreciation and flow through tax impacts of Pennsylvania utility ratemaking. Flow through occurs when the regulator excludes deferred tax expense or benefit from recoverable costs when determining income tax expense.

(LG&E)

	Three Months		Six Months	
	2025	2024	2025	2024
Federal income tax on Income Before Income Taxes at statutory tax rate - 21%	$ 15	$ 17	$ 42	$ 41
Increase (decrease) due to:				
State income taxes, net of federal income tax benefit	3	3	8	7
Amortization of excess deferred federal and state income taxes	(3)	(3)	(7)	(6)
Other	(1)	—	(3)	(1)
Total increase (decrease)	(1)	—	(2)	—
Total income tax expense (benefit)	$ 14	$ 17	$ 40	$ 41

(KU)

	Three Months		Six Months	
	2025	**2024**	**2025**	**2024**
Federal income tax on Income Before Income Taxes at statutory tax rate - 21%	$ 20	$ 20	$ 53	$ 48
Increase (decrease) due to:				
State income taxes, net of federal income tax benefit	4	4	10	9
Amortization of excess deferred federal and state income taxes	(4)	(4)	(9)	(9)
Other	(1)	(1)	(4)	(2)
Total increase (decrease)	(1)	(1)	(3)	(2)
Total income tax expense (benefit)	$ 19	$ 19	$ 50	$ 46

Other

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 reviewed the revenue procedure and determined that there are no material impacts to their financial statements.

One Big Beautiful Bill Act (All Registrants)

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act. The Registrants are currently reviewing the law to assess any material impacts to the financial statements.

Additionally, on July 7, 2025, President Trump issued an Executive Order directing the Treasury to take action to strictly enforce the termination of clean electricity tax credits under IRC Sections 45Y and 48E for wind and solar. This may include stricter regulations or other measures concerning what qualifies as having "commenced construction". The date that a wind or solar project commences construction is critical in the determination of whether such project will be eligible for the currently available tax credits. PPL is actively monitoring Treasury guidance and expects to take all commercially reasonable measures to preserve the eligibility of the Kentucky projects for the existing tax credits provided for under the IRA.

6. Utility Rate Regulation

(All Registrants)

The following table provides information about the regulatory assets and liabilities of cost-based rate-regulated utility operations.

	PPL		PPL Electric		LG&E		KU	
	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
Current Regulatory Assets:								
Rate adjustment mechanisms	$ 99	$ 95	$ —	$ —	$ —	$ —	$ —	$ —
Renewable energy certificates	21	14	—	—	—	—	—	—
Storm damage expense rider	45	68	45	68	—	—	—	—
Gas supply clause	20	3	—	—	20	3	—	—
Transmission service charge	52	44	—	27	—	—	—	—
DSIC	9	8	9	8	—	—	—	—
TCJA customer refund and recovery	30	21	30	21	—	—	—	—
ISR deferral	6	22	—	—	—	—	—	—
Other	21	45	8	9	6	5	—	1
Total current regulatory assets	$ 303	$ 320	$ 92	$ 133	$ 26	$ 8	$ —	$ 1
Noncurrent Regulatory Assets:								
Defined benefit plans	$ 959	$ 967	$ 471	$ 473	$ 219	$ 226	$ 150	$ 149
Plant outage costs	27	30	—	—	6	7	21	23
Net metering	159	147	—	—	—	—	—	—
Environmental cost recovery	96	96	—	—	—	—	—	—
Storm costs	114	113	42	22	24	20	37	29
Unamortized loss on debt	19	20	3	3	9	9	6	6
Terminated interest rate swaps	49	53	—	—	29	31	20	22
Accumulated cost of removal of utility plant	168	173	168	173	—	—	—	—
AROs	275	280	—	—	76	75	199	205
RAR	80	83	—	—	80	83	—	—
Gas line inspections	24	24	—	—	22	22	2	2
Advanced metering infrastructure	35	28	—	—	18	14	17	14
Other	50	46	8	2	5	4	10	8
Total noncurrent regulatory assets	$ 2,055	$ 2,060	$ 692	$ 673	$ 488	$ 491	$ 462	$ 458

	PPL		PPL Electric		LG&E		KU	
	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
Current Regulatory Liabilities:								
Generation supply charge	$ 44	$ 52	$ 44	$ 52	$ —	$ —	$ —	$ —
ECR	6	12	—	—	4	6	2	6
Transmission formula rate	19	1	10	—	—	—	—	—
Rate adjustment mechanisms	64	71	—	—	—	—	—	—
Energy efficiency	27	25	—	—	—	—	—	—
DSM	24	17	—	—	10	7	14	10
Revenue decoupling mechanism	42	10	—	—	—	—	—	—
Gas cost recovery	21	—	—	—	—	—	—	—
Other	26	35	8	5	1	1	7	6
Total current regulatory liabilities	$ 273	$ 223	$ 62	$ 57	$ 15	$ 14	$ 23	$ 22
Noncurrent Regulatory Liabilities:								
Accumulated cost of removal of utility plant	$ 1,038	$ 1,022	$ —	$ —	$ 324	$ 314	$ 410	$ 408
Net deferred taxes	1,851	1,899	721	739	428	439	484	498
Defined benefit plans	307	294	110	100	24	24	66	65
Terminated interest rate swaps	52	54	—	—	26	27	26	27
Energy efficiency	30	16	—	—	—	—	—	—
Other	57	50	—	—	11	11	17	11
Total noncurrent regulatory liabilities	$ 3,335	$ 3,335	$ 831	$ 839	$ 813	$ 815	$ 1,003	$ 1,009

Regulatory Matters

Rhode Island Activities *(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 included $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 included proposed spending on curb-to-curb paving of $22 million. On March 28, 2025, the RIPUC approved a FY 2026 Gas ISR Plan of $165 million of which $147 million is for capital investment spend and $18 million is spend for paving costs as operations and maintenance (O&M), plus a potential additional $15 million is available if the above-mentioned regulations are implemented by the PHMSA. On March 31, 2025, the RIPUC approved RIE's compliance filing for rates effective April 1, 2025.

FY 2026 Electric ISR Plan

On December 23, 2024, RIE filed its FY 2026 Electric ISR Plan with the RIPUC with a budget that included $248 million of capital investment spend (including $88 million for Advanced Metering Functionality (AMF)), $14 million of vegetation operation and maintenance (O&M) spend and $1 million of Other O&M spend. On March 28, 2025, the RIPUC approved a FY 2026 Electric ISR Plan of $219 million for capital investment spend (including $88 million for AMF), $14 million for vegetation management O&M spend, and $1 million for Other O&M spend. On March 31, 2025, the RIPUC approved RIE's compliance filing for rates effective April 1, 2025.

Hold Harmless Implementation Agreement

As a condition to the Acquisition (as defined in Note 8) of RIE in May 2022, PPL made a commitment to the Rhode Island Division of Public Utilities and Carriers to hold harmless Rhode Island customers from the impact of future rate increases resulting from changes in Accumulated Deferred Income Taxes as a result of the Acquisition (the Hold Harmless Commitment). On June 13, 2025, an agreement was entered into by and among RIE, PPL, PPL Rhode Island Holdings and the Rhode Island Division of Public Utilities and Carriers Advocacy Section to satisfy RIE's obligations under the Hold Harmless Commitment, approximately $155 million, and proposes to resolve that amount through bill credits issued to customers, with approximately $74 million to be issued throughout the first quarter of 2026 and approximately $81 million to be issued throughout the first quarter of 2027. The bill credits would be recorded as a reduction to revenue in the periods in which the credits are applied to customers' bills. An evidentiary hearing was held on July 18, 2025. The Hearing Officer granted the Attorney General of Rhode Island's request for a continuance of the hearing until August 8, 2025 to allow for review and consideration of the calculations of the net present value of the obligation and bill credits. PPL cannot predict the outcome of these proceedings.

Kentucky Activities

(PPL, LG&E and KU)

Rate Case Proceedings

On May 30, 2025, LG&E and KU filed requests with the KPSC for an increase in annual electricity and gas revenues of approximately $391 million ($105 million and $226 million in electricity revenues at LG&E and KU and $60 million in gas revenues at LG&E) and approval of certain regulatory and accounting treatments. The revenue increases would be an increase of 8.3% and 11.5% in electricity revenues at LG&E and KU, and an increase of 14.0% in gas revenues at LG&E.

The applications are based on a forecasted test year of January 1, 2026 through December 31, 2026 and request an authorized return on equity of 10.95%. Subject to KPSC approval, the requested rates are expected to become effective on January 1, 2026. Certain counterparties have intervened in the proceedings. Data discovery and the filing of written testimony will continue through the third quarter of 2025 and a hearing in the matter has been scheduled for November 3, 2025. A ruling from the KPSC is expected during the fourth quarter of 2025. PPL, LG&E and KU cannot predict the outcome of these proceedings.

2025 CPCN

On February 28, 2025, LG&E and KU filed an application with the KPSC regarding certain future plans for new generation and generation-related construction matters. The proposals included in the application are intended to serve anticipated load growth, including from potential data center demand in LG&E's or KU’s service territory. The proposals do not include retirements of coal or other fossil-fueled plants, which would require additional KPSC approval procedures under Kentucky legislation enacted in 2023 and 2024.

LG&E and KU submitted a joint application to the KPSC for approval of certain certificates of public convenience and necessity, site compatibility certificates, and accounting treatment, where applicable, relating to a number of generation-related plans or projects that generally are expected to become operational or established within the next six years. The aggregate projected capital expenditures associated with these proposals are currently expected to be $3.7 billion over the 2025 to 2031 period. The application includes proposals:

- to build a 645 MW natural gas combined cycle (NGCC) generation unit at KU's E.W. Brown station,
- to build a 645 MW NGCC generation unit at LG&E's Mill Creek station,
- to build a four-hour 400 MW (1,600 MWh total) battery energy storage system (BESS) at LG&E's Cane Run station, and
- to build a selective catalytic reduction (SCR) environmental facility at KU’s Ghent station Unit 2.

The new NGCC units are anticipated to be wholly owned by LG&E and the BESS unit jointly owned by LG&E (32%) and KU (68%), with actual project costs allocated consistent with LG&E's and KU's ultimate ownership shares and existing shared dispatch, cost allocation, tariff or other frameworks. The proposed Mill Creek NGCC unit is in addition to a new NGCC unit currently under construction at that location.

The filing also notes projected in service dates for the projects, including the E.W. Brown NGCC unit in 2030, the Mill Creek NGCC unit in 2031, the Cane Run BESS in 2028 and the Ghent SCR facility in 2028.

On July 29, 2025, LG&E and KU filed with the KPSC a stipulation and recommendation regarding a proposed resolution of issues with several of the intervenors in the CPCN proceeding. The stipulation recommends to the KPSC the approval of the large majority of LG&E's and KU's requested generation-related projects and associated accounting matters, subject to certain changes. Under the stipulation, the parties agree the KPSC should issue an order granting a CPCN for: (a) a 645 MW NGCC generation unit at KU's E.W. Brown station; (b) a 645 MW NGCC at LG&E's Mill Creek station; and (c) a SCR environmental facility at KU's Ghent station Unit 2. In addition, the proposal to build the $775 million Cane Run BESS would be withdrawn without prejudice, the relevant costs regarding the proposed $1.4 billion Mill Creek NGCC would be recovered through a new rate tracker mechanism, and the retirement date for the existing Mill Creek Unit 2 would be extended from 2027 to the operational date of the proposed Mill Creek NGCC or afterwards, subject to relevant future economic analysis, regulatory or environmental authorizations. The stipulation also contains provisions relating to regulatory asset accounting, proposed data center tariffs, future renewable power requests-for-proposals and other matters. LG&E and KU would retain the right to seek approval of the potentially withdrawn Cane Run BESS or similar substitute project in future regulatory proceedings.

A hearing in the matter has been scheduled to begin on August 4, 2025. LG&E and KU anticipate a ruling from the KPSC during the fourth quarter of 2025. PPL, LG&E and KU cannot predict the outcome of the proceedings.

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 (O&M) expenses portion of the costs incurred related to the storm. On March 19, 2025, the KPSC issued an order authorizing LG&E and KU to establish, for accounting purposes only, regulatory assets based on the jurisdictional incremental costs of extraordinary O&M expense incurred by LG&E and KU as a result of the 2025 winter storm, with recovery amounts and amortization thereof to be determined in subsequent base rate proceedings. LG&E and KU cannot predict the outcome of these matters. As of June 30, 2025, LG&E and KU recorded regulatory assets related to the storm of $2 million and $7 million.

Mill Creek Unit 1 and Unit 2 RAR Application (PPL and LG&E)

In 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. LG&E expects these costs to be approximately $125 million and proposed to begin application of the RAR with bills issued in May 2025. On February 24, 2025, the KPSC issued an order approving LG&E's cost recovery for Mill Creek Unit 1 under the RAR and related amounts were included in bills beginning in May 2025.

Mill Creek Unit 2 is currently 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. The remaining net book value of Mill Creek Unit 2 was approximately $208 million at June 30, 2025 and LG&E is continuing to depreciate using the current approved rates through its anticipated 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. There can be no assurance that these costs will be recovered in the amounts or over the time periods that LG&E expects. See the "2025 CPCN" discussion above for information regarding potential changes in the retirement date of Mill Creek Unit 2.

Pennsylvania Activities *(PPL and PPL Electric)*

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 February 28, 2025, the PAPUC issued its written order permitting PPL Electric to increase its DSIC cap from 5% to 7.5% for bills rendered on or after March 13, 2025 until the effective date of rates established in PPL Electric's next base rate case or the end of the PPL Electric's 2023-2027 Long-term Infrastructure Improvement Plan, whichever occurs first, at which time it will return to 5%.

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 USA's New England affiliates, Massachusetts Electric Company (MECO) and New England Power (NEP), a National Grid USA affiliate, as a single integrated system with NEP designated as the combined operator. As of January 1, 2023, RIE operates its own transmission facilities. NE-ISO 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 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 RIPUC-approved and PAPUC-approved purchase of accounts receivable programs, RIE and PPL Electric purchase 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 the three and six months ended June 30, 2025, RIE purchased $68 million and $155 million of accounts receivable from alternative suppliers. During the three and six months ended June 30, 2024, RIE purchased $44 million and $95 million of accounts receivable from alternative suppliers.

During the three and six months ended June 30, 2025, PPL Electric purchased $345 million and $811 million of accounts receivable from alternative suppliers. During the three and six months ended June 30, 2024, PPL Electric purchased $348 million and $767 million of accounts receivable from alternative suppliers.

7. 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 are attributable 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:

	June 30, 2025					December 31, 2024	
	Expiration Date	Capacity	Borrowed	Letters of Credit and Commercial Paper Issued (c)	Unused Capacity	Borrowed	Letters of Credit and Commercial Paper Issued (c)
PPL							
PPL Capital Funding (a)							
Syndicated Credit Facility (b)	Dec. 2029	$ 1,500	$ —	$ 470	$ 1,030	$ —	$ 138
Bilateral Credit Facility	Feb. 2026	100	—	—	100	—	—
Bilateral Credit Facility	Feb. 2026	100	—	20	80	—	15
Total PPL Capital Funding Credit Facilities		$ 1,700	$ —	$ 490	$ 1,210	$ —	$ 153
PPL Electric							
Syndicated Credit Facility	Dec. 2029	$ 750	$ —	$ 386	$ 364	$ —	$ 1
Total PPL Electric Credit Facilities		$ 750	$ —	$ 386	$ 364	$ —	$ 1
LG&E							
Syndicated Credit Facility	Dec. 2029	$ 600	$ —	$ 158	$ 442	$ —	$ 25
Total LG&E Credit Facilities		$ 600	$ —	$ 158	$ 442	$ —	$ 25
KU							
Syndicated Credit Facility	Dec. 2029	$ 600	$ —	$ 275	$ 325	$ —	$ 140
Total KU Credit Facilities		$ 600	$ —	$ 275	$ 325	$ —	$ 140

(a) PPL Capital Funding's obligations are fully and unconditionally guaranteed by PPL.

(b) In January 2025, PPL Capital Funding increased the borrowing capacity of this facility from $1.25 billion to $1.50 billion. At June 30, 2025, the facility included a $250 million borrowing sublimit for RIE and a $1.25 billion sublimit for PPL Capital Funding. At December 31, 2024, the facility included a $250 million borrowing sublimit for RIE and a $1 billion borrowing sublimit for PPL Capital Funding. RIE's borrowing sublimit is adjustable, at the borrowers' option, from $0 to $600 million, with the remaining balance available under the facility allocated to PPL Capital Funding. At June 30, 2025, PPL Capital Funding had $470 million of commercial paper outstanding and RIE had no commercial paper outstanding. At December 31, 2024, PPL Capital Funding had $138 million of commercial paper outstanding and RIE had no commercial paper outstanding. RIE's obligations under the facility are not guaranteed by PPL.
(c) Commercial paper issued reflects the undiscounted face value of the issuance.

(PPL)

In January 2025, PPL Capital Funding amended 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 $1.50 billion.

(PPL and PPL Electric)

In January 2025, PPL Electric amended 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 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 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:

	June 30, 2025				December 31, 2024	
	Weighted - Average Interest Rate	**Capacity (c)**	**Commercial Paper Issuances (d)**	**Unused Capacity**	**Weighted - Average Interest Rate**	**Commercial Paper Issuances (d)**
PPL Capital Funding (a)(b)	4.66%	$ 1,350	$ 470	$ 880	4.76%	$ 138
RIE (b)		250	—	250		—
PPL Electric	4.63%	650	385	265		—
LG&E	4.66%	500	158	342	4.72%	25
KU	4.66%	400	275	125	4.71%	140
Total		$ 3,150	$ 1,288	$ 1,862		$ 303

(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. At June 30, 2025, the borrowing sublimits were $250 million for RIE and $1.25 billion for PPL Capital Funding. At December 31, 2024, the borrowing sublimits were $250 million for RIE and $1 billion for PPL Capital Funding. PPL Capital Funding's commercial paper program is also backed by a separate bilateral credit facility for $100 million.
(c) On July 14, 2025, the capacity of the commercial paper programs were increased to $1,600 million for PPL Capital Funding, $750 million for PPL Electric, $600 million for LG&E and $600 million for KU, bringing the capacity of each program into alignment with the increased capacity of the supporting syndicated credit facilities for each entity, as amended in January 2025.
(d) Commercial paper issued reflects the undiscounted face value of the issuance.

(PPL Electric, LG&E, and KU)

See Note 11 for discussion of intercompany borrowings.

(PPL)

Equity Securities

ATM Program

In February 2025, PPL entered into an equity distribution agreement, pursuant to which PPL may sell, from time to time, up to an aggregate of $2 billion of its common stock through an ATM Program, which may utilize an optional forward sales component. Each forward contract under the agreement must be settled within 24 months. The compensation paid to the selling agents by PPL may be up to 2% of the gross offering proceeds of the shares. During the six months ended June 30, 2025, PPL entered into forwards contracts to sell approximately 9.9 million shares of its common stock at a blended initial forward price of approximately $34.77 per share. The forward sale price may be adjusted based on changes in daily interest rates, for certain stock loan fees as determined by a third-party agent, and will be subject to predetermined reductions based on expected dividends. Each outstanding forward contract must be settled on or before December 30, 2025. PPL may elect, at its discretion, to physically settle, net share settle or net cash settle the forward contracts. At June 30, 2025, PPL could have settled the forward sale contracts with physical delivery of approximately 9.9 million shares of common stock for proceeds of approximately $344 million. The forward contracts under the ATM program are classified as equity transactions.

Dividends

In May 2025, PPL declared a quarterly cash dividend on its common stock, payable July 1, 2025, of 27.25 cents per share (equivalent to $1.09 per annum).

8. Acquisitions, Developments and Divestitures

Acquisitions *(PPL)*

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 USA, a subsidiary of National Grid plc (the Acquisition). Following the closing of the Acquisition, Narragansett Electric provides services doing business under the name Rhode Island Energy (RIE). Please see Note 9 in PPL's 2024 Form 10-K for additional information concerning the Acquisition.

In connection with the Acquisition, National Grid USA Service Company, Inc., National Grid USA 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 were $49 million and $97 million during the three and six months ended June 30, 2024.

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. See Note 9 in PPL's 2024 Form 10-K for a complete listing of those commitments. The following represents an update to the remaining commitments:

- 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. See Note 6 for additional details on RIE's obligation to hold harmless Rhode Island customers.
- 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) costs related to severance payments, communications and branding changes, and other transition related costs. These costs, which are being expensed as incurred, were $17 million and $34 million for the three and six months ended June 30, 2025 and $83 million and $165 million for the three and six months ended June 30, 2024.

9. Defined Benefits

(PPL)

Certain net periodic defined benefit costs are applied to accounts that are further distributed among capital, expense, regulatory assets and regulatory liabilities, including certain costs allocated to applicable subsidiaries for plans sponsored by PPL Services and LKE. Following are the net periodic defined benefit costs (credits) of the plans sponsored by PPL and its subsidiaries for the periods ended June 30:

	Pension Benefits			
	Three Months		Six Months	
	2025	2024	2025	2024
PPL				
Service cost	$ 8	$ 8	$ 15	$ 17
Interest cost	47	46	92	92
Expected return on plan assets	(72)	(75)	(143)	(150)
Amortization of:				
Prior service cost	—	—	—	1
Actuarial loss	4	3	9	5
Net periodic defined benefit costs (credits)	$ (13)	$ (18)	$ (27)	$ (35)

	Other Postretirement Benefits			
	Three Months		Six Months	
	2025	2024	2025	2024
PPL				
Service cost	$ 2	$ 2	$ 3	$ 3
Interest cost	8	7	15	14
Expected return on plan assets	(8)	(8)	(15)	(15)
Amortization of:				
Prior service cost	—	1	—	1
Actuarial loss	(1)	(2)	(2)	(3)
Net periodic defined benefit costs (credits)	$ 1	$ —	$ 1	$ —

(All Registrants)

The non-service cost components of net periodic defined benefit costs (credits) (interest cost, expected return on plan assets, amortization of prior service cost and amortization of actuarial gain and loss) are presented in "Other Income (Expense) - net" on the Statements of Income. See Note 12 for additional information.

10. Commitments and Contingencies

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 February 21, 2025, the Division filed testimony confirming its initial testimony that $12 million is the appropriate amount to be refunded to the energy efficiency program. On March 4, 2025, a Settlement Agreement between RIE, the Division, and the Rhode Island Attorney General was filed with the RIPUC requiring refunds of $10 million. Of this amount, $2 million has already been refunded through the energy efficiency mechanism with the remaining $8 million to reduce the storm cost regulatory asset recorded on PPL's balance sheet. The settlement also included reimbursement of minor consulting fees and various other compliance actions. On March 5, 2025, the RIPUC approved the Settlement Agreement.

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, but KU cannot predict the outcome of this matter.

(PPL, LG&E and KU)

EPA Deregulatory Initiative

On March 12, 2025, the EPA announced a plan to reconsider 31 environmental rules including the Section 111 performance standards and emissions limits for greenhouse gases, the endangerment finding for greenhouse gases, the Good Neighbor Plan, the Mercury and Air Toxics Standards, revisions to the fine particulate matter standard, the ELGs, and the CCRs Rule. Supplementing previous Executive Orders directing various regulatory changes, on April 9, 2025, President Trump issued an Executive Order and Presidential Memorandum directing review of existing rules, repeal of unlawful rules, and initiation of a zero-based budgeting process by which certain rules would automatically expire unless extended. While the administration may seek to implement some regulatory changes outside of the rulemaking process, changes to existing rules are generally expected to require formal rulemaking proceedings. Any final EPA actions repealing or revising current rules will likely result in legal challenges. PPL, LG&E, and KU are unable to predict future regulatory changes, if any, that may result from the EPA’s deregulatory plan or the outcome of any associated legal challenges. PPL, LG&E, and KU will closely monitor the ongoing EPA initiative and any related litigation for the impact to our business including planned capital expenditures to comply with the EPA rules.

Water/Waste

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 could potentially result in significant operational changes and additional controls for LG&E and KU plants, but in March 2025 the EPA announced its plan to reconsider the rule. 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. On June 30, 2025, the EPA announced that it intends to extend certain regulatory compliance and submittal deadlines.

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. In March 2025, the EPA announced its plan to update the rule.

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 15 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. As of June 30, 2025 and December 31, 2024, PPL Electric had a recorded liability of $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.

As of June 30, 2025 and December 31, 2024, RIE had a recorded liability of $98 million, representing its best estimate of the remaining costs of RIE's environmental remediation activities. These undiscounted costs are expected to be incurred over approximately 30 years and generally 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 6 for additional information on RIE's recorded environmental regulatory assets and liabilities.

Regulatory Issues

(All Registrants)

See Note 6 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 securities and loan obligations of PPL Capital Funding.

(All Registrants)

The table below details guarantees provided as of June 30, 2025. "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 June 30, 2025			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	$	88	(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)	2028
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. In June 2025, the indemnifications were novated to PPL Energy Holdings.

(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.

(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 $73 million at June 30, 2025, consisting of LG&E's share of $51 million and KU's share of $22 million. The maximum exposure and the expiration date of these potential obligations are not presently determinable. See "Energy Purchase Commitments" in Note 12 in PPL's, LG&E's and KU's 2024 Form 10-K 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 generally 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 insurance provides maximum aggregate coverage of $231 million for non-wildfire liability losses and maximum aggregate coverage of $181 million for wildfire liability losses. This insurance may be applicable to obligations under certain of these contractual arrangements.

11. Related Party Transactions

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 and LKS charged the following amounts for the periods ended June 30, 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.

	Three Months		Six Months	
	2025	2024	2025	2024
PPL Electric from PPL Services	$ 67	$ 53	$ 131	$ 109
LG&E from LKS	18	28	48	57
LG&E from PPL Services	42	20	62	31
KU from LKS	22	30	60	68
KU from PPL Services	42	19	61	30

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 June 30, 2025, CEP Reserves had no borrowings outstanding. At December 31, 2024, CEP Reserves had borrowings outstanding of $222 million. The interest rates on borrowings are equal to an adjusted one-month SOFR plus a spread. Interest income is reflected in "Interest Income from Affiliate" on the PPL Electric 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 issued 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 June 30, 2025, LG&E's money pool unused capacity was $592 million. At June 30, 2025, LG&E had no borrowings outstanding from KU and/or LKE. At December 31, 2024, LG&E had borrowings outstanding of $43 million from KU and/or LKE. These balances are reflected in "Notes payable to affiliates" on the LG&E Balance Sheets.

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 issued 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 June 30, 2025, KU's money pool unused capacity was $329 million. At June 30, 2025, KU had borrowings outstanding from LG&E and/or LKE of $46 million. At December 31, 2024, KU had borrowings outstanding of $73 million from LG&E and/or LKE. These balances are reflected in "Notes payable to affiliates" on the KU Balance Sheets.

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 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 $1 million at June 30, 2025, which was reflected in "Accounts receivable from affiliates" on PPL Electric's Balance Sheets. 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.

12. Other Income (Expense) - net

(PPL)

The details of "Other Income (Expense) - net" for the periods ended June 30, were:

	Three Months		Six Months	
	2025	2024	2025	2024
Defined benefit plans - non-service credits (Note 9)	$ 7	$ 15	$ 15	$ 23
Interest income	2	6	8	15
AFUDC - equity component	20	12	35	21
Miscellaneous	(6)	(1)	(7)	(5)
Other Income (Expense) - net	$ 23	$ 32	$ 51	$ 54

(PPL Electric)

The details of "Other Income (Expense) - net" for the periods ended June 30, were:

	Three Months		Six Months	
	2025	2024	2025	2024
Defined benefit plans - non-service credits (Note 9)	$ 4	$ 4	$ 7	$ 9
AFUDC - equity component	8	7	15	11
Miscellaneous	(1)	—	—	—
Other Income (Expense) - net	$ 11	$ 11	$ 22	$ 20

(LG&E)

The details of "Other Income (Expense) - net" for the periods ended June 30, were:

	Three Months		Six Months	
	2025	2024	2025	2024
Defined benefit plans - non-service credits (Note 9)	$ 1	$ 2	$ 1	$ 2
AFUDC - equity component	4	2	7	3
Miscellaneous	—	—	—	1
Other Income (Expense) - net	$ 5	$ 4	$ 8	$ 6

(KU)

The details of "Other Income (Expense) - net" for the periods ended June 30, were:

	Three Months		Six Months	
	2025	2024	2025	2024
Defined benefit plans - non-service credits (Note 9)	$ 2	$ 3	$ 3	$ 4
AFUDC - equity component	5	2	8	3
Miscellaneous	(2)	(1)	(1)	(1)
Other Income (Expense) - net	$ 5	$ 4	$ 10	$ 6

13. 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 in each Registrant's 2024 Form 10-K for information on the levels in the fair value hierarchy.

Recurring Fair Value Measurements

The assets and liabilities measured at fair value were:

	June 30, 2025				December 31, 2024			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
PPL								
Assets								
Cash and cash equivalents	$ 294	$ 294	$ —	$ —	$ 306	$ 306	$ —	$ —
Restricted cash and cash equivalents (a)	24	24	—	—	33	33	—	—
Total Cash, Cash Equivalents and Restricted Cash (b)	318	318	—	—	339	339	—	—
Special use funds (a):								
Money market fund	1	1	—	—	1	1	—	—
Commingled debt fund measured at NAV (c)	7	—	—	—	10	—	—	—
Commingled equity fund measured at NAV (c)	6	—	—	—	8	—	—	—
Total special use funds	14	1	—	—	19	1	—	—
Price risk management assets (d):								
Interest rate derivatives	2	—	2	—	—	—	—	—
Gas contracts	10	—	10	—	9	—	4	5
Total assets	$ 344	$ 319	$ 12	$ —	$ 367	$ 340	$ 4	$ 5
Liabilities								
Price risk management liabilities (d):								
Interest rate derivatives	$ 5	$ —	$ 5	$ —	$ 3	$ —	$ 3	$ —
Gas contracts	8	—	3	5	13	—	10	3
Total price risk management liabilities	$ 13	$ —	$ 8	$ 5	$ 16	$ —	$ 13	$ 3
PPL Electric								
Assets								
Cash and cash equivalents	$ 15	$ 15	$ —	$ —	$ 24	$ 24	$ —	$ —
Total assets	$ 15	$ 15	$ —	$ —	$ 24	$ 24	$ —	$ —
LG&E								
Assets								
Cash and cash equivalents	$ 10	$ 10	$ —	$ —	$ 8	$ 8	$ —	$ —
Restricted cash and cash equivalents (a)	11	11	—	—	16	16	—	—
Total Cash, Cash Equivalents and Restricted Cash (b)	21	21	—	—	24	24	—	—
Total assets	$ 21	$ 21	$ —	$ —	$ 24	$ 24	$ —	$ —
Liabilities								
Price risk management liabilities:								
Interest rate derivatives	$ 5	$ —	$ 5	$ —	$ 3	$ —	$ 3	$ —
Total price risk management liabilities	$ 5	$ —	$ 5	$ —	$ 3	$ —	$ 3	$ —
KU								
Assets								
Cash and cash equivalents	$ 11	$ 11	$ —	$ —	$ 13	$ 13	$ —	$ —
Restricted cash and cash equivalents (a)	11	11	—	—	16	16	—	—
Total Cash, Cash Equivalents and Restricted Cash (b)	22	22	—	—	29	29	—	—
Total assets	$ 22	$ 22	$ —	$ —	$ 29	$ 29	$ —	$ —

(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 Balance Sheets.
(d) 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.

A reconciliation of net assets (liabilities) classified as Level 3 for the six months ended June 30 is as follows:

	Gas Contracts
2025	
Balance at beginning of period	$ 2
Total unrealized gains (losses) recognized as Regulatory Assets/Regulatory Liabilities:	(7)
Balance at end of period	$ (5)

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 Derivatives (PPL, LG&E and KU)

To manage interest rate risk, PPL, LG&E and KU use interest rate derivatives such as treasury locks, forward-starting swaps, floating-to-fixed swaps and fixed-to-floating swaps. An income approach is used to measure the fair value of these derivatives, 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 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)*

Long-term debt is classified as Level 2. The effect of third-party credit enhancements is not included in the fair value measurement. The carrying amounts of long-term debt on the Balance Sheets and their estimated fair values are set forth below.

	June 30, 2025		December 31, 2024	
	Carrying Amount (a)	Fair Value	Carrying Amount (a)	Fair Value
PPL	$ 16,511	$ 15,750	$ 16,503	$ 15,562
PPL Electric	5,215	4,901	5,214	4,862
LG&E	2,472	2,316	2,471	2,295
KU	3,067	2,771	3,066	2,750

(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.

14. Derivative Instruments and Hedging Activities

(All Registrants)

Risk Management Objectives

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 hedging instruments to limit exposure to fluctuations 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, if 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 obligation to return or post cash collateral under master netting arrangements at June 30, 2025 and December 31, 2024.

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 derivatives that qualify as cash flow hedges may be entered into to hedge floating interest rate risk associated with both existing and anticipated debt issuances. At June 30, 2025, PPL held an aggregate notional value in interest rate derivatives of $85 million that mature on January 2, 2026.

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 the three and six months ended June 30, 2025 and 2024, PPL had no cash flow hedges reclassified into earnings associated with discontinued cash flow hedges.

At June 30, 2025, 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 June 30, 2025, 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. At June 30, 2025, RIE held contracts with notional volumes of 45 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 6 for amounts recorded in regulatory assets and regulatory liabilities at June 30, 2025 and December 31, 2024.

See Note 1 in each Registrant's 2024 Form 10-K for additional information on accounting policies related to derivative instruments.

(PPL)

The following table presents the fair value and the location of derivative instruments on the Balance Sheets:

	June 30, 2025				December 31, 2024			
	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 derivatives (b)	$ 2	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Gas contracts	—	—	6	3	—	—	7	10
Total current	2	—	6	3	—	—	7	10
Noncurrent:								
Price Risk Management Assets/Liabilities (a):								
Interest rate derivatives (b)	—	—	—	5	—	—	—	3
Gas contracts	—	—	4	5	—	—	2	3
Total noncurrent	—	—	4	10	—	—	2	6
Total derivatives	$ 2	$ —	$ 10	$ 13	$ —	$ —	$ 9	$ 16

(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. Excludes accrued interest, if applicable.
(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 for the period ended June 30, 2025.

Derivative Relationships	Three Months Derivative Gain (Loss) Recognized in OCI	Six Months Derivative Gain (Loss) Recognized in OCI	Location of Gain (Loss) Recognized in Income on Derivative	Three Months Gain (Loss) Reclassified from AOCI into Income	Six Months Gain (Loss) Reclassified from AOCI into Income
Cash Flow Hedges:					
Interest rate derivatives	$ 2	$ 2	Interest expense	$ (1)	$ (2)

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized in Income on Derivative	Three Months	Six Months
Gas contracts	Energy purchases	$ —	$ (5)
	Total	$ —	$ (5)

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized as Regulatory Liabilities/Assets	Three Months	Six Months
Interest rate derivatives	Regulatory assets - noncurrent	$ (1)	$ (2)
Gas contracts	Regulatory liabilities - current	(12)	6
	Regulatory assets - noncurrent	(1)	—
	Total	$ (14)	$ 4

The following tables present the pre-tax effect of derivative instruments recognized in income, OCI or regulatory assets and regulatory liabilities for the period ended June 30, 2024.

Derivative Relationships	Three Months Derivative Gain (Loss) Recognized in OCI	Six Months Derivative Gain (Loss) Recognized in OCI	Location of Gain (Loss) Recognized in Income on Derivative	Three Months Gain (Loss) Reclassified from AOCI into Income	Six Months Gain (Loss) Reclassified from AOCI into Income
Cash Flow Hedges:					
Interest rate derivatives	$ —	$ —	Interest expense	$ (1)	$ (2)

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized in Income on Derivative	Three Months	Six Months
Gas contracts	Energy purchases	$ (9)	$ (25)
	Total	$ (9)	$ (25)

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized as Regulatory Liabilities/Assets	Three Months	Six Months
Interest rate derivatives	Regulatory assets - noncurrent	$ 1	$ 2
Gas contracts	Regulatory assets - current	11	33
	Regulatory assets - noncurrent	2	6
	Total	$ 14	$ 41

The following table presents the effect of cash flow hedge activity on the Statement of Income for the period ended June 30, 2025.

	Location and Amount of Gain (Loss) Recognized in Income on Hedging Relationships	
	Three Months	Six Months
	Interest Expense	Interest Expense
Total income and expense line items presented in the income statement in which the effect of cash flow hedges are recorded	$ 199	$ 389
The effects of cash flow hedges:		
Gain (Loss) on cash flow hedging relationships:		
Interest rate derivatives:		
Amount of gain (loss) reclassified from AOCI to income	(1)	(2)

The following table presents the effect of cash flow hedge activity on the Statement of Income for the period ended June 30, 2024.

	Location and Amount of Gain (Loss) Recognized in Income on Hedging Relationships	
	Three Months	Six Months
	Interest Expense	Interest Expense
Total income and expense line items presented in the income statement in which the effect of cash flow hedges are recorded	$ 182	$ 361
The effects of cash flow hedges:		
Gain (Loss) on cash flow hedging relationships:		
Interest rate derivatives:		
Amount of gain (loss) reclassified from AOCI to income	(1)	(2)

(LG&E)

The following table presents the fair value and the location on the Balance Sheets of derivatives not designated as hedging instruments.

	June 30, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Noncurrent:				
Price Risk Management Assets/Liabilities:				
Interest rate derivatives	$ —	$ 5	$ —	$ 3
Total noncurrent	—	5	—	3
Total derivatives	$ —	$ 5	$ —	$ 3

The following tables present the pre-tax effect of derivatives not designated as cash flow hedges that are recognized in income or regulatory assets for the period ended June 30, 2025.

Derivative Instruments	Location of Gain (Loss) Recognized in Income on Derivatives	Three Months	Six Months
Interest rate derivatives	Interest expense	$ —	$ —

Derivative Instruments	Location of Gain (Loss) Recognized in Regulatory Assets	Three Months	Six Months
Interest rate derivatives	Regulatory assets - noncurrent	$ (1)	$ (2)

The following tables present the pre-tax effect of derivatives not designated as cash flow hedges that are recognized in income or regulatory assets for the period ended June 30, 2024.

Derivative Instruments	Location of Gain (Loss) Recognized in Income on Derivatives	Three Months	Six Months
Interest rate derivatives	Interest expense	$ —	$ —

Derivative Instruments	Location of Gain (Loss) Recognized in Regulatory Assets	Three Months	Six Months
Interest rate derivatives	Regulatory assets - noncurrent	$ 1	$ 2

(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
June 30, 2025								
Derivatives								
PPL	$ 12	$ 3	$ —	$ 9	$ 13	$ 3	$ —	$ 10
LG&E	—	—	—	—	5	—	—	5

	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

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 represent assumed immediate payment or immediate and ongoing full collateralization for derivative instruments in net liability positions with "adequate assurance" features.

(PPL)

At June 30, 2025, there were no derivative contracts in a net liability position that contain credit risk-related contingent features. At June 30, 2025, there were no additional collateral requirements in the event of a credit downgrade below investment grade.

15. Asset Retirement Obligations

(PPL, LG&E and KU)

PPL's, LG&E's and KU's ARO liabilities are primarily related to CCR closure costs. See Note 10 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
Balance at December 31, 2024	$ 157	$ 84	$ 64
Accretion	4	2	2
Obligations settled	(8)	(4)	(4)
Balance at June 30, 2025	$ 153	$ 82	$ 62

16. Accumulated Other Comprehensive Income (Loss)

(PPL)

The after-tax changes in AOCI by component for the periods ended June 30 were as follows.

	Unrealized gains (losses) on qualifying derivatives	Equity investees' AOCI	Defined benefit plans: Prior service costs	Defined benefit plans: Actuarial gain (loss)	Total
PPL					
March 31, 2025	$ 10	$ 4	$ (3)	$ (195)	$ (184)
Amounts arising during the period	1	—	—	(8)	(7)
Reclassifications from AOCI	—	—	—	1	1
Net OCI during the period	1	—	—	(7)	(6)

	Unrealized gains (losses) on qualifying derivatives	Equity investees' AOCI	Defined benefit plans: Prior service costs	Defined benefit plans: Actuarial gain (loss)	Total
June 30, 2025	$ 11	$ 4	$ (3)	$ (202)	$ (190)
December 31, 2024	$ 9	$ 4	$ (3)	$ (194)	$ (184)
Amounts arising during the period	1	—	—	(8)	(7)
Reclassifications from AOCI	1	—	—	—	1
Net OCI during the period	2	—	—	(8)	(6)
June 30, 2025	$ 11	$ 4	$ (3)	$ (202)	$ (190)
March 31, 2024	$ 7	$ 4	$ (4)	$ (168)	$ (161)
Amounts arising during the period	—	—	—	2	2
Reclassifications from AOCI	—	—	—	(1)	(1)
Net OCI during the period	—	—	—	1	1
June 30, 2024	$ 7	$ 4	$ (4)	$ (167)	$ (160)
December 31, 2023	$ 6	$ 3	$ (4)	$ (168)	$ (163)
Amounts arising during the period	—	1	—	2	3
Reclassifications from AOCI	1	—	—	(1)	—
Net OCI during the period	1	1	—	1	3
June 30, 2024	$ 7	$ 4	$ (4)	$ (167)	$ (160)

The following table presents PPL's gains (losses) and related income taxes for reclassifications from AOCI for the periods ended June 30.

Details about AOCI	Three Months 2025	Three Months 2024	Six Months 2025	Six Months 2024	Affected Line Item on the Statements of Income
Qualifying derivatives					
Interest rate derivatives	$ (1)	$ (1)	$ (2)	$ (2)	Interest Expense
Total Pre-tax	(1)	(1)	(2)	(2)	
Income Taxes	1	1	1	1	
Total After-tax	—	—	(1)	(1)	
Defined benefit plans					
Net actuarial loss (a)	(1)	2	—	2	
Total Pre-tax	(1)	2	—	2	
Income Taxes	—	(1)	—	(1)	
Total After-tax	(1)	1	—	1	
Total reclassifications during the period	$ (1)	$ 1	$ (1)	$ —	

(a) These AOCI components are included in the computation of net periodic defined benefit cost. See Note 9 for additional information.

17. 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.

Adoption of this guidance will result in including additional required disclosures. The Registrants plan to adopt the standard retrospectively effective for the year ending December 31, 2025.

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 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 beginning after December 15, 2027. Early adoption is permitted.

The Registrants are currently assessing the impact of adopting this guidance.

Item 2. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations

(All Registrants)

This "Item 2. 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' Condensed Consolidated Financial Statements and the accompanying Notes and with the Registrants' 2024 Form 10-K. Capitalized terms and abbreviations are defined in the glossary. Dollars are in millions, except per share data, unless otherwise noted.

"Combined 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 the three and six months ended June 30, 2025 with the same periods in 2024. The 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 rating agency actions.

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

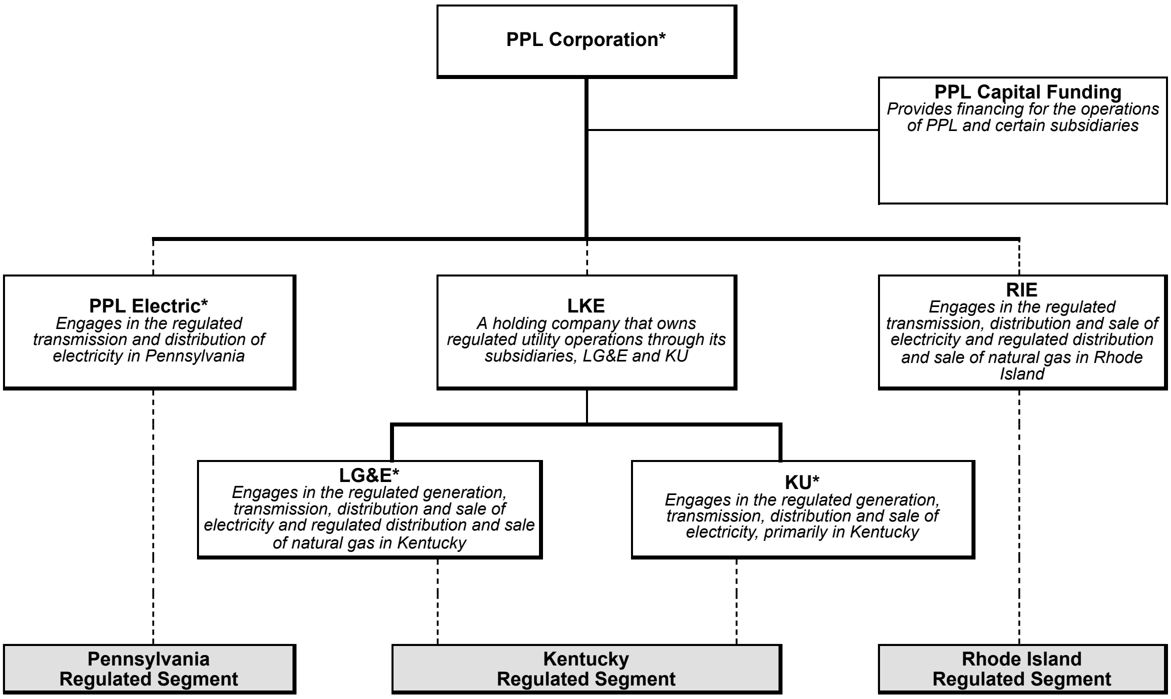
Overview

Introduction

(PPL)

PPL, headquartered in Allentown, Pennsylvania, is a utility holding company. 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 are shown below (* denotes a Registrant).



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

(PPL Electric)

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)

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.

(KU)

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.

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 consists of corporate level financing costs, certain unallocated costs and certain non-recoverable costs incurred in conjunction with the acquisition of RIE.

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

Joint Venture Agreement with Blackstone Infrastructure (PPL)

On July 15, 2025, at the Pennsylvania Energy and Innovation Summit, PPL and Blackstone Infrastructure announced the creation of a joint venture to build, own and operate new electricity generation stations to power data centers in Pennsylvania under long-term energy services agreements (ESAs) to address underlying resource adequacy concerns in the PJM Interconnection. Construction of new generation stations will require the successful execution of ESAs with hyperscalers. PPL will own 51% of the joint venture interest and Blackstone Infrastructure will own 49%. The joint venture is actively engaged with hyperscalers, landowners, natural gas pipeline companies and turbine manufacturers, and has secured multiple land parcels to enable this new generation buildout; however, no ESAs with hyperscalers have been signed as of July 31, 2025.

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 6, 10 and 15 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. On February 24, 2025, the KPSC issued an order approving LG&E's cost recovery for Mill Creek Unit 1 under the RAR and related amounts were included in bills beginning in May 2025. See Note 6 to the Financial Statements for additional information on the Mill Creek Unit 1 RAR.

2025 CPCN

On February 28, 2025, LG&E and KU filed an application with the KPSC regarding certain future plans for new generation and generation-related construction matters. The proposals included in the application are intended to serve anticipated load growth, including from potential data center demand in LG&E's or KU's service territory. The proposals do not include retirements of coal or other fossil-fueled plants, which would require additional KPSC approval procedures under Kentucky legislation enacted in 2023 and 2024.

LG&E and KU submitted a joint application to the KPSC for approval of certain certificates of public convenience and necessity, site compatibility certificates, and accounting treatment, where applicable, relating to a number of generation-related plans or projects that generally are expected to become operational or established within the next six years. The aggregate projected capital expenditures associated with these proposals are currently expected to be $3.7 billion over the 2025 to 2031 period. Projected capital expenditures related to these proposals for the years 2025 through 2027 were included in PPL's, LG&E's and KU's projections in "Management Discussion and Analysis – Financial Condition - Liquidity and Capital Resources - Forecasted Uses of Cash – Capital Expenditures" in the 2024 Form 10-K. The application includes proposals:

- to build a 645 MW natural gas combined cycle (NGCC) generation unit at KU's E.W. Brown station,
- to build a 645 MW NGCC generation unit at LG&E's Mill Creek station,
- to build a four-hour 400 MW (1,600 MWh total) battery energy storage system (BESS) at LG&E's Cane Run station, and
- to build a selective catalytic reduction (SCR) environmental facility at KU's Ghent station Unit 2.

The new NGCC units are anticipated to be wholly owned by LG&E and the BESS unit jointly owned by LG&E (32%) and KU (68%), with actual project costs allocated consistent with LG&E's and KU's ultimate ownership shares and existing shared dispatch, cost allocation, tariff or other frameworks. The proposed Mill Creek NGCC unit is in addition to a new NGCC unit currently under construction at that location.

The filing also notes projected in service dates for the projects, including the E.W. Brown NGCC unit in 2030, the Mill Creek NGCC unit in 2031, the Cane Run BESS in 2028 and the Ghent SCR facility in 2028.

On July 29, 2025, LG&E and KU filed with the KPSC a stipulation and recommendation regarding a proposed resolution of issues with several of the intervenors in the CPCN proceeding. The stipulation recommends to the KPSC the approval of the large majority of LG&E's and KU's requested generation-related projects and associated accounting matters, subject to certain changes. Under the stipulation, the parties agree the KPSC should issue an order granting a CPCN for: (a) a 645 MW NGCC generation unit at KU's E.W. Brown station; (b) a 645 MW NGCC at LG&E's Mill Creek station; and (c) a SCR environmental facility at KU's Ghent station Unit 2. In addition, the proposal to build the $775 million Cane Run BESS would be withdrawn without prejudice, the relevant costs regarding the proposed $1.4 billion Mill Creek NGCC would be recovered through a new rate tracker mechanism, and the retirement date for the existing Mill Creek Unit 2 would be extended from 2027 to the operational date of the proposed Mill Creek NGCC or afterwards, subject to relevant future economic analysis, regulatory or environmental authorizations. The stipulation also contains provisions relating to regulatory asset accounting, proposed data center tariffs, future renewable power requests-for-proposals and other matters. LG&E and KU would retain the right to seek approval of the potentially withdrawn Cane Run BESS or similar substitute project in future regulatory proceedings.

A hearing in the matter has been scheduled to begin on August 4, 2025. LG&E and KU anticipate a ruling from the KPSC during the fourth quarter of 2025. PPL, LG&E and KU cannot predict the outcome of the proceedings.

2025 Kentucky Rate Case Proceedings

On May 30, 2025, LG&E and KU filed requests with the KPSC for an increase in annual electricity and gas revenues of approximately $391 million ($105 million and $226 million in electricity revenues at LG&E and KU and $60 million in gas revenues at LG&E) and approval of certain regulatory and accounting treatments. The revenue increases would be an increase of 8.3% and 11.5% in electricity revenues at LG&E and KU, and an increase of 14.0% in gas revenues at LG&E.

The applications are based on a forecasted test year of January 1, 2026 through December 31, 2026 and request an authorized return on equity of 10.95%. Subject to KPSC approval, the requested rates are expected to become effective on January 1, 2026. Certain counterparties have intervened in the proceedings. Data discovery and the filing of written testimony will continue through the third quarter of 2025 and a hearing in the matter has been scheduled for November 3, 2025. A ruling from the KPSC is expected during the fourth quarter of 2025. PPL, LG&E and KU cannot predict the outcome of these proceedings.

In addition, pursuant to prior orders of the KPSC, LG&E and KU included an assessment of a potential legal merger of LG&E and KU and concluded a legal merger may be appropriate. LG&E and KU have requested the KPSC to determine whether LG&E and KU have requested a reasonable plan for merger. If the KPSC determines that a legal merger is appropriate, approval for a merger would be required from the KPSC, VSCC and FERC. There is no assurance that LG&E and KU would receive regulatory approval for a potential merger.

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 included $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 included proposed spending on curb-to-curb paving of $22 million. On March 28, 2025, the RIPUC approved a FY 2026 Gas ISR Plan of $165 million of which $147 million is for capital investment spend and $18 million is spend for paving costs as operations and maintenance (O&M), plus a potential additional $15 million is available if the above-mentioned regulations are implemented by the PHMSA. On March 31, 2025, the RIPUC approved RIE's compliance filing for rates effective April 1, 2025.

FY 2026 Electric ISR Plan

On December 23, 2024, RIE filed its FY 2026 Electric ISR Plan with the RIPUC with a budget that included $248 million of capital investment spend (including $88 million for Advanced Metering Functionality (AMF)), $14 million of vegetation operation and maintenance (O&M) spend and $1 million of Other O&M spend. On March 28, 2025, the RIPUC approved a FY 2026 Electric ISR Plan of $219 million for capital investment spend (including $88 million for AMF), $14 million for vegetation management O&M spend, and $1 million for Other O&M spend. On March 31, 2025, the RIPUC approved RIE's compliance filing for rates effective April 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 February 28, 2025, the PAPUC issued its written order permitting PPL Electric to increase its DSIC cap from 5% to 7.5% for bills rendered on or after March 13, 2025 until the effective date of rates established in PPL Electric’s next base rate case or the end of the PPL Electric’s 2023-2027 Long-term Infrastructure Improvement Plan, whichever occurs first, at which time it will return to 5%.

Results of Operations

(PPL)

The "Statement of Income Analysis" discussion below describes significant changes in principal line items on the Statements of Income, comparing the three and six months ended June 30, 2025 with the same periods in 2024. The "Segment Earnings" discussion provides 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 the three and six months ended June 30, 2025 with the same periods in 2024.

(All Registrants)

The results for interim periods can be disproportionately influenced by numerous factors and developments and by seasonal variations. As such, the results of operations for interim periods do not necessarily indicate results or trends for the year or future periods.

PPL: Statement of Income Analysis and Segment Earnings

Statement of Income Analysis

Net income for the periods ended June 30 includes the following results:

	Three Months			Six Months		
	2025	2024	$ Change	2025	2024	$ Change
Operating Revenues	$ 2,025	$ 1,881	$ 144	$ 4,529	$ 4,185	$ 344
Operating Expenses						
Operation						
Fuel	192	181	11	426	390	36
Energy purchases	388	275	113	947	795	152
Other operation and maintenance	614	623	(9)	1,212	1,249	(37)
Depreciation	324	319	5	646	635	11
Taxes, other than income	101	93	8	214	181	33
Total Operating Expenses	1,619	1,491	128	3,445	3,250	195
Operating Income	406	390	16	1,084	935	149
Other Income (Expense) - net	23	32	(9)	51	54	(3)
Interest Expense	199	182	17	389	361	28
Income Before Income Taxes	230	240	(10)	746	628	118
Income Taxes	47	50	(3)	149	131	18
Net Income	$ 183	$ 190	$ (7)	$ 597	$ 497	$ 100

Operating Revenues

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

	Three Months	Six Months
PPL Electric distribution volumes (a)	$ (4)	$ 18
PPL Electric PLR (b)	18	36
PPL Electric transmission formula rate (c)	2	17
LG&E volumes (a)	(3)	7
LG&E fuel and other energy purchases (d)	12	24
LG&E off-system sales (e)	3	11
KU volumes (a)	(1)	17
KU fuel and other energy purchases (f)	1	13
KU off-system sales (e)	5	14
RIE energy purchases and other recoveries (g)	59	93
RIE net metering presentation (h)	53	85
RIE net metering	1	11
RIE capital investments	6	15
Other	(8)	(17)
Total	$ 144	$ 344

(a) The increases for the six months ended June 30, 2025 were primarily due to weather, along with other higher usage at PPL Electric.
(b) The increase for the three months ended June 30, 2025 was primarily the result of more PLR customers and higher prices, partially offset by lower customer volumes, due to unfavorable weather and other lower usage. The increase for the six months ended June 30, 2025 was primarily due to higher customer volumes, due to favorable weather and other higher usage, and more PLR customers, partially offset by lower prices.
(c) The increase for the six months ended June 30, 2025 was primarily due to returns on additional transmission capital investments.
(d) The increase for the three months ended June 30, 2025 was primarily due to higher recoveries of energy purchases. The increase for the six months ended June 30, 2025 was primarily due to higher recoveries of energy purchases, partially offset by lower revenues from affiliates due to timing of plant outages and retirements.
(e) The increases were primarily due to higher volumes.
(f) The increase for the six months ended June 30, 2025 was primarily due to higher recoveries of fuel expenses.
(g) The increases were primarily due to higher recoveries of energy purchases, transmission costs, gas maintenance expenses and gross earnings taxes.
(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 beginning in the fourth quarter of 2024 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 increased $11 million for the three months ended June 30, 2025 compared with 2024, primarily due to an increase in commodity costs.

Fuel increased $36 million for the six months ended June 30, 2025 compared with 2024, primarily due to a $27 million increase in volumes due to weather and an $18 million increase in commodity costs, partially offset by a $9 million decrease in generation volumes related to the retirement of Mill Creek Unit 1.

Energy Purchases

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

	Three Months		Six Months	
PPL Electric PLR volumes	$	2	$	27
PPL Electric PLR prices		6		(9)
PPL Electric alternative energy credit volumes		2		10
LG&E volumes		—		15
LG&E commodity costs		8		10
RIE commodity costs		29		(6)
RIE net metering presentation (a)		53		85
RIE net metering		1		11
RIE borderline sales		7		7
Other		5		2
Total	$	113	$	152

(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 beginning in the fourth quarter of 2024 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:

	Three Months		Six Months	
RIE gas maintenance expenses	$	6	$	21
RIE transmission expenses		18		42
IT costs (a)		30		52
Transition costs associated with RIE (b)		(66)		(131)
Other		3		(21)
Total	$	(9)	$	(37)

(a) Primarily costs associated with PPL's restructuring and rebuilding of its IT infrastructure, organization and systems.
(b) See Note 8 to the Financial Statements for additional information.

Taxes, Other Than Income

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

	Three Months	Six Months
State gross earnings and gross receipts tax (a)	$ 8	$ 34
Property tax expense	—	(1)
Total	$ 8	$ 33

(a) The increase for the six months ended June 30, 2025 was primarily due to the RIE Gross Earnings Tax Holiday Credit that took place in 2024.

Other Income (Expense) - net

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

	Three Months	Six Months
Defined benefit plans - non-service credits (Note 9)	$ (8)	$ (8)
Interest income	(4)	(7)
AFUDC - equity component	8	14
Other	(5)	(2)
Total	$ (9)	$ (3)

Interest Expense

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

	Three Months	Six Months
Long-term debt (a)	$ 8	$ 24
Short-term debt	4	1
Other	5	3
Total	$ 17	$ 28

(a) The increases were primarily due to increased borrowings.

Income Taxes

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

	Three Months	Six Months
Change in pre-tax income	$ (5)	$ 25
Utility rate-making tax adjustments (a)	—	(4)
Other	2	(3)
Total	$ (3)	$ 18

(a) Primarily consists of tax impacts of AFUDC equity and related depreciation across PPL's regulated utility subsidiaries and flow through tax impacts of Pennsylvania utility ratemaking. Flow through occurs when the regulator excludes deferred tax expense or benefit from recoverable costs when determining income tax expense.

See Note 5 to the Financial Statements for additional information on income taxes.

Segment Earnings

PPL's Net Income (Loss) by reportable segment for the periods ended June 30 were as follows:

	Three Months			Six Months		
	2025	2024	$ Change	2025	2024	$ Change
Kentucky Regulated	$ 126	$ 134	$ (8)	$ 349	$ 324	$ 25
Pennsylvania Regulated	139	150	(11)	323	299	24
Rhode Island Regulated	(17)	12	(29)	53	76	(23)
Corporate and Other (a)	(65)	(106)	41	(128)	(202)	74
Net Income (Loss)	$ 183	$ 190	$ (7)	$ 597	$ 497	$ 100

(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 for the periods ended June 30 were as follows:

	Three Months			Six Months		
	2025	2024	$ Change	2025	2024	$ Change
Kentucky Regulated	$ 132	$ 134	$ (2)	$ 357	$ 325	$ 32
Pennsylvania Regulated	140	155	(15)	325	316	9
Rhode Island Regulated	8	28	(20)	80	106	(26)
Corporate and Other	(40)	(35)	(5)	(78)	(63)	(15)
Earnings from Ongoing Operations	$ 240	$ 282	$ (42)	$ 684	$ 684	$ —

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 primarily consists 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.

Net Income and Earnings from Ongoing Operations for the periods ended June 30 include the following results:

	Three Months			Six Months		
	2025	2024	$ Change	2025	2024	$ Change
Operating Revenues	$ 837	$ 819	$ 18	$ 1,896	$ 1,803	$ 93
Fuel	192	181	11	426	390	36
Energy purchases	30	22	8	126	99	27
Other operation and maintenance	200	195	5	400	397	3
Depreciation	179	177	2	355	353	2
Taxes, other than income	26	24	2	51	49	2
Total Operating Expenses	627	599	28	1,358	1,288	70
Other Income (Expense) - net	10	9	1	18	12	6
Interest Expense	62	61	1	122	121	1
Income Taxes	32	34	(2)	85	82	3
Net Income	126	134	(8)	349	324	25
Less: Special Items	(6)	—	(6)	(8)	(1)	(7)
Earnings from Ongoing Operations	$ 132	$ 134	$ (2)	$ 357	$ 325	$ 32

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 during the periods ended June 30.

		Three Months		Six Months	
	Income Statement Line Item	2025	2024	2025	2024
Strategic corporate initiatives, net of tax of $0 (a)	Other operation and maintenance	$ —	$ —	$ —	$ (1)
IT transformation, net of tax of $2, $2 (b)	Other operation and maintenance	(5)	—	(6)	—
Office relocation and related costs, net of tax of $0, $0 (c)	Other operation and maintenance	(1)	—	(2)	—
Total Special Items		$ (6)	$ —	$ (8)	$ (1)

(a) Costs incurred related to PPL's corporate centralization efforts.
(b) Costs associated with PPL's restructuring and rebuilding of its IT infrastructure, organization and systems.
(c) Certain costs related to the relocation of corporate offices.

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

	Three Months	Six Months
Operating Revenues	$ 18	$ 93
Fuel	(11)	(36)
Energy purchases	(8)	(27)
Other operation and maintenance	2	6
Depreciation	(2)	(2)
Taxes, other than income	(2)	(2)
Other Income (Expense) - net	1	6
Interest Expense	(1)	(1)
Income Taxes	1	(5)
Earnings from Ongoing Operations	(2)	32
Special Items, after-tax	(6)	(7)
Net Income	$ (8)	$ 25

- Higher operating revenues for the three month period primarily due to an increase in recoveries of fuel and energy purchases.
- Higher operating revenues for the six month period primarily due to a $47 million increase in recoveries of fuel and energy purchases, a $24 million increase in sales volumes due to weather, and a $20 million increase in off-system sales.
- Higher fuel expense for the three month period primarily due to an increase in commodity costs.
- Higher fuel expense for the six month period primarily due to a $27 million increase in volumes due to weather and higher off-system sales and an $18 million increase in commodity costs, partially offset by a $9 million decrease in generation volumes related to the retirement of Mill Creek Unit 1.
- Higher energy purchases for the three month period primarily due to an increase in commodity costs.

- Higher energy purchases for the six month period primarily due to a $15 million increase in volumes primarily due to weather and a $12 million increase in commodity costs.

Pennsylvania Regulated Segment

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

Net Income and Earnings from Ongoing Operations for the periods ended June 30 include the following results:

	Three Months			Six Months		
	2025	2024	$ Change	2025	2024	$ Change
Operating Revenues	$ 693	$ 673	$ 20	$ 1,512	$ 1,443	$ 69
Energy purchases	169	153	16	398	367	31
Other operation and maintenance	159	154	5	321	335	(14)
Depreciation	100	100	—	202	199	3
Taxes, other than income	32	30	2	73	66	7
Total Operating Expenses	460	437	23	994	967	27
Other Income (Expense) - net	11	11	—	22	20	2
Interest Income from Affiliate	—	10	(10)	2	20	(18)
Interest Expense	62	61	1	122	123	(1)
Income Taxes	43	46	(3)	97	94	3
Net Income	139	150	(11)	323	299	24
Less: Special Items	(1)	(5)	4	(2)	(17)	15
Earnings from Ongoing Operations	$ 140	$ 155	$ (15)	$ 325	$ 316	$ 9

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 during the periods ended June 30.

		Three Months		Six Months	
	Income Statement Line Item	2025	2024	2025	2024
PPL Electric billing issue, net of tax of $1, $5 (a)	Other operation and maintenance	$ —	$ (2)	$ —	$ (13)
Strategic corporate initiatives, net of tax of $1, $1 (b)	Other operation and maintenance	—	(3)	—	(4)
Office relocation and related costs, net of tax of $0, $0 (c)	Other operation and maintenance	(1)	—	(2)	—
Total Special Items		$ (1)	$ (5)	$ (2)	$ (17)

(a) Certain expenses related to billing issues.
(b) Costs incurred related to PPL's corporate centralization and other strategic efforts.
(c) Certain costs related to the relocation of corporate offices.

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.

	Three Months	Six Months
Operating Revenues	$ 20	$ 69
Energy purchases	(16)	(31)
Other operation and maintenance	(11)	(7)
Depreciation	—	(3)
Taxes, other than income	(3)	(8)
Other Income (Expense) - net	—	2
Interest Income from Affiliate	(10)	(18)
Interest Expense	—	2
Income Taxes	5	3
Earnings from Ongoing Operations	(15)	9
Special Items, after-tax	4	15
Net Income	$ (11)	$ 24

- Higher operating revenues for the three month period primarily due to an increase in PLR.

- Higher operating revenues for the six month period primarily due to an $18 million increase in distribution volumes primarily due to weather, a $36 million increase in PLR and a $17 million increase in transmission formula rate returns.

- Higher energy purchases for the three month period primarily due to higher PLR prices of $6 million, higher PLR volumes of $2 million and higher alternative energy credit volumes of $2 million.

- Higher energy purchases for the six month period primarily due to higher PLR volumes of $27 million and higher alternative energy credit volumes of $10 million, partially offset by lower PLR prices of $9 million.

- Higher other operation and maintenance for the three month period primarily due to an increase in bad debt expenses.

- Lower interest income from affiliate for the three and six month periods primarily due to repayment on a short-term note receivable with an affiliated company.

Rhode Island Regulated Segment

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

Net Income and Earnings from Ongoing Operations for the periods ended June 30 include the following results:

	Three Months			Six Months		
	2025	2024	$ Change	2025	2024	$ Change
Operating Revenues	$ 494	$ 389	$ 105	$ 1,120	$ 938	$ 182
Energy purchases	190	100	90	425	329	96
Other operation and maintenance	214	180	34	414	336	78
Depreciation	44	40	4	86	81	5
Taxes, other than income	42	39	3	89	66	23
Total Operating Expenses	490	359	131	1,014	812	202
Other Income (Expense) - net	(4)	6	(10)	3	13	(10)
Interest Income from Affiliate	1	—	1	3	—	3
Interest Expense	27	23	4	50	47	3
Income Taxes	(9)	1	(10)	9	16	(7)
Net Income	(17)	12	(29)	53	76	(23)
Less: Special Items	(25)	(16)	(9)	(27)	(30)	3
Earnings from Ongoing Operations	$ 8	$ 28	$ (20)	$ 80	$ 106	$ (26)

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 during the periods ended June 30.

		Three Months		Six Months	
	Income Statement Line Item	2025	2024	2025	2024
Acquisition integration, net of tax of $0, $4, ($2), $8 (a)	Other operation and maintenance	$ —	$ (16)	$ 7	$ (30)
IT transformation, net of tax of $1, $1 (b)	Other operation and maintenance	(3)	—	(4)	—
Energy efficiency programs settlement, net of tax of $2 (c)	Other Income (Expense) - net	—	—	(6)	—
Energy efficiency programs settlement (c)	Income Taxes	2	—	—	—
Post TSA adjustments, net of tax of $4, $4 (d)	Operating Revenues	(16)	—	(16)	—
Post TSA adjustments, net of tax of $1, $1 (d)	Other operation and maintenance	(3)	—	(3)	—
Post TSA adjustments, net of tax of $2, $2 (d)	Other Income (Expense) - net	(5)	—	(5)	—
Total Special Items		$ (25)	$ (16)	$ (27)	$ (30)

(a) 2025 costs are related to distributed generation projects that PPL will not seek regulatory recovery of. 2024 primarily includes certain transition services agreement costs for IT systems that will not be part of PPL's ongoing operations.
(b) Costs associated with PPL's restructuring and rebuilding of its IT infrastructure, organization and systems.
(c) See Note 10 to the Financial Statements for additional information.
(d) Adjustments related to account reconciliations and process alignment subsequent to the end of the transition services agreement associated with the acquisition of RIE.

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.

	Three Months	Six Months
Operating Revenues	$ 125	$ 202
Energy purchases	(90)	(96)
Other operation and maintenance	(48)	(109)
Depreciation	(4)	(5)
Taxes, other than income	(3)	(23)
Other Income (Expense) - net	(3)	(4)
Interest Income from Affiliate	1	3
Interest Expense	(4)	(3)
Income Taxes	6	9
Earnings from Ongoing Operations	(20)	(26)
Special Items, after-tax	(9)	3
Net Income	$ (29)	$ (23)

- Higher operating revenues for the three month period primarily due to a $53 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 the fourth quarter of 2024, a $59 million increase in recovery of energy purchases, transmission expenses, gross earnings taxes and gas maintenance expenses, and a $6 million increase related to capital investments.

- Higher operating revenues for the six month period primarily due to an $85 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 the fourth quarter of 2024, a $93 million increase in recovery of energy purchases, transmission expenses, gross earnings taxes and gas maintenance expenses, a $15 million increase related to capital investments and an $11 million increase in net metering.

- Higher energy purchases for the three month period primarily due to a $53 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 the fourth quarter of 2024, a $29 million increase in commodity costs and a $7 million increase related to borderline sales.

- Higher energy purchases for the six month period primarily due to an $85 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 the fourth quarter of 2024, an $11 million increase in net metering and a $7 million increase related to borderline sales, partially offset by a $6 million decrease in commodity costs.

- Higher operation and maintenance expense for the three month period primarily due to an $18 million increase in transmission expenses, an $8 million increase in IT costs, a $6 million increase in gas maintenance expenses, a $6 million increase in bad debt expenses and a $10 million increase of other items that were not individually significant.

- Higher operation and maintenance expense for the six month period primarily due to a $42 million increase in transmission expenses, a $21 million increase in gas maintenance expenses, a $12 million increase in bad debt expenses, a $16 million increase in IT costs and an $18 million increase of other items that were not individually significant.

- Higher depreciation for the three and six month periods primarily due to an increase in PP&E additions, net of retirements.

- Higher taxes, other than income for the three and six month periods primarily due to an increase in gross earnings taxes.

- Lower other income (expense) - net for the three month period primarily due to lower interest income.

- Higher interest expense for the three month period primarily due to increased borrowings.

- Lower income taxes for the three and six month periods primarily due to lower pre-tax income.

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 periods ended June 30.

	2025 Three Months				
	KY Regulated	PA Regulated	RI Regulated	Corporate and Other	Total
Net Income (Loss)	$ 126	$ 139	$ (17)	$ (65)	$ 183
Less: Special Items (expense) benefit:					
Talen litigation costs, net of tax of ($1) (a)	—	—	—	4	4
Acquisition integration, net of tax of $4 (b)	—	—	—	(13)	(13)
IT transformation, net of tax of $2, $1, $4 (c)	(5)	—	(3)	(16)	(24)
Energy efficiency programs settlement (d)	—	—	2	—	2
Office relocation and related costs, net of tax of $0, $0 (e)	(1)	(1)	—	—	(2)
Post TSA adjustments, net of tax of $7 (f)	—	—	(24)	—	(24)
Total Special Items	(6)	(1)	(25)	(25)	(57)
Earnings from Ongoing Operations	$ 132	$ 140	$ 8	$ (40)	$ 240

(a) PPL incurred legal expenses and received insurance reimbursement related to litigation associated with its former affiliate, Talen Montana, LLC and certain affiliated entities.
(b) Primarily includes integration and related costs associated with the acquisition of RIE.
(c) Costs associated with PPL's restructuring and rebuilding of its IT infrastructure, organization and systems.
(d) See Note 10 to the Financial Statements for additional information.
(e) Certain costs related to the relocation of corporate offices.
(f) Adjustments related to account reconciliations and process alignment subsequent to the end of the transition services agreement associated with the acquisition of RIE.

	2024 Three Months				
	KY Regulated	PA Regulated	RI Regulated	Corporate and Other	Total
Net Income (Loss)	$ 134	$ 150	$ 12	$ (106)	$ 190
Less: Special Items (expense) benefit:					
Strategic corporate initiatives, net of tax of $1, $1 (a)	—	(3)	—	(2)	(5)
Acquisition integration, net of tax of $4, $19 (b)	—	—	(16)	(69)	(85)
PPL Electric billing issue, net of tax of $1 (c)	—	(2)	—	—	(2)
Total Special Items	—	(5)	(16)	(71)	(92)
Earnings from Ongoing Operations	$ 134	$ 155	$ 28	$ (35)	$ 282

(a) Represents costs primarily related to PPL's centralization efforts and other strategic efforts.
(b) 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. See Note 8 to the Financial Statements for additional information.
(c) Certain expenses related to billing issues.

	2025 Six Months				
	KY Regulated	PA Regulated	RI Regulated	Corporate and Other	Total
Net Income (Loss)	$ 349	$ 323	$ 53	$ (128)	$ 597
Less: Special Items (expense) benefit:					
Talen litigation costs, net of tax of $1 (a)	—	—	—	3	3
Acquisition integration, net of tax of ($2), $7 (b)	—	—	7	(27)	(20)
IT transformation, net of tax of $2, $1, $7 (c)	(6)	—	(4)	(26)	(36)
Energy efficiency programs settlement, net of tax of $2 (d)	—	—	(6)	—	(6)
Office relocation and related costs, net of tax of $0, $0 (e)	(2)	(2)	—	—	(4)
Post TSA adjustments, net of tax of $7 (f)	—	—	(24)	—	(24)
Total Special Items	(8)	(2)	(27)	(50)	(87)
Earnings from Ongoing Operations	$ 357	$ 325	$ 80	$ (78)	$ 684

(a) PPL incurred legal expenses and received insurance reimbursement related to litigation associated with its former affiliate, Talen Montana, LLC and certain affiliated entities.
(b) Rhode Island Regulated primarily includes a final transition services agreement settlement. Corporate and Other primarily includes integration and related costs associated with the acquisition of RIE.
(c) Costs associated with PPL's restructuring and rebuilding of its IT infrastructure, organization and systems.
(d) See Note 10 to the Financial Statements for additional information.
(e) Certain costs related to the relocation of corporate offices.
(f) Adjustments related to account reconciliations and process alignment subsequent to the end of the transition services agreement associated with the acquisition of RIE.

	2024 Six Months				
	KY Regulated	PA Regulated	RI Regulated	Corporate and Other	Total
Net Income (Loss)	$ 324	$ 299	$ 76	$ (202)	$ 497
Less: Special Items (expense) benefit:					
Strategic corporate initiatives, net of tax of $0, $1, $1 (a)	(1)	(4)	—	(4)	(9)
Acquisition integration, net of tax of $8, $36 (b)	—	—	(30)	(135)	(165)
PPL Electric billing issue, net of tax of $5 (c)	—	(13)	—	—	(13)
Total Special Items	(1)	(17)	(30)	(139)	(187)
Earnings from Ongoing Operations	$ 325	$ 316	$ 106	$ (63)	$ 684

(a) Represents costs primarily related to PPL's centralization efforts and other strategic efforts.
(b) 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. See Note 8 to the Financial Statements for additional information.
(c) Certain expenses related to billing issues.

PPL Electric: Statement of Income Analysis

Net income for the periods ended June 30 includes the following results:

	Three Months			Six Months		
	2025	2024	$ Change	2025	2024	$ Change
Operating Revenues	$ 693	$ 673	$ 20	$ 1,512	$ 1,443	$ 69
Operating Expenses						
Operation						
Energy purchases	169	153	16	398	367	31
Other operation and maintenance	159	154	5	321	335	(14)
Depreciation	100	100	—	202	199	3
Taxes, other than income	32	30	2	73	66	7
Total Operating Expenses	460	437	23	994	967	27
Operating Income	233	236	(3)	518	476	42
Other Income (Expense) - net	11	11	—	22	20	2
Interest Income from Affiliate	—	10	(10)	2	20	(18)
Interest Expense	62	61	1	122	123	(1)
Income Before Income Taxes	182	196	(14)	420	393	27
Income Taxes	43	46	(3)	97	94	3
Net Income	$ 139	$ 150	$ (11)	$ 323	$ 299	$ 24

Operating Revenues

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

	Three Months	Six Months
Distribution price	$ 4	$ (2)
Distribution volume (a)	(4)	18
PLR (b)	18	36
Transmission formula rate (c)	2	17
Total	$ 20	$ 69

(a) The increase for the six months ended June 30, 2025 was primarily due to weather, along with other higher usage.
(b) The increase for the three months ended June 30, 2025 was primarily the result of more PLR customers and higher prices, partially offset by lower customer volumes, due to unfavorable weather and other lower usage. The increase for the six months ended June 30, 2025 was primarily due to higher customer volumes, due to favorable weather and other higher usage, and more PLR customers, partially offset by lower prices.
(c) The increase for the six months ended June 30, 2025 was primarily due to returns on additional transmission capital investments.

Energy Purchases

Energy purchases increased $16 million for the three months ended June 30, 2025 compared with 2024, primarily due to higher PLR prices of $6 million, higher PLR volumes of $2 million and higher alternative energy credit volumes of $2 million.

Energy purchases increased $31 million for the six months ended June 30, 2025 compared with 2024, primarily due to higher PLR volumes of $27 million and higher alternative energy credit volumes of $10 million, partially offset by lower PLR prices of $9 million.

Interest Income from Affiliate

Interest Income from Affiliate decreased $10 million and $18 million for the three and six months ended June 30, 2025 compared with 2024, primarily due to repayment on a short-term note receivable with an affiliated company.

LG&E: Statement of Income Analysis

Net income for the periods ended June 30 includes the following results:

	Three Months			Six Months		
	2025	2024	$ Change	2025	2024	$ Change
Operating Revenues						
Retail and wholesale	$ 373	$ 363	$ 10	$ 873	$ 823	$ 50
Electric revenue from affiliate	5	3	2	10	19	(9)
Total Operating Revenues	378	366	12	883	842	41
Operating Expenses						
Operation						
Fuel	75	67	8	157	153	4
Energy purchases	23	15	8	111	86	25
Energy purchases from affiliate	7	7	—	12	8	4
Other operation and maintenance	91	87	4	180	175	5
Depreciation	77	77	—	151	153	(2)
Taxes, other than income	13	12	1	26	25	1
Total Operating Expenses	286	265	21	637	600	37
Operating Income	92	101	(9)	246	242	4
Other Income (Expense) - net	5	4	1	8	6	2
Interest Expense	27	26	1	53	52	1
Income Before Income Taxes	70	79	(9)	201	196	5
Income Taxes	14	17	(3)	40	41	(1)
Net Income	$ 56	$ 62	$ (6)	$ 161	$ 155	$ 6

Operating Revenues

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

	Three Months	Six Months
Fuel and other energy purchases (a)	$ 12	$ 24
Volumes (b)	(3)	7
Off-system sales (c)	3	11
Other	—	(1)
Total	$ 12	$ 41

(a) The increase for the three months ended June 30, 2025 was primarily due to higher recoveries of energy purchases. The increase for the six months ended June 30, 2025 was primarily due to higher recoveries of energy purchases, partially offset by lower revenues from affiliates due to timing of plant outages and retirements.

(b) The increase for the six months ended June 30, 2025 was primarily due to weather.

(c) The increases were primarily due to higher volumes.

Fuel

Fuel expense increased $8 million for the three months ended June 30, 2025 compared with 2024, primarily due to an increase in commodity costs.

Fuel expense increased $4 million for the six months ended June 30, 2025 compared with 2024, primarily due to a $13 million increase in commodity costs, partially offset by a $9 million decrease in generation volumes related to the retirement of Mill Creek Unit 1.

Energy Purchases

Energy purchases increased $8 million for the three months ended June 30, 2025 compared with 2024, primarily due to an increase in commodity costs.

Energy purchases increased $25 million for the six months ended June 30, 2025 compared with 2024, primarily due to a $15 million increase in volumes due to weather and a $10 million increase in commodity costs.

Other Operation and Maintenance

Other operation and maintenance increased $4 million for the three months ended June 30, 2025 compared with 2024, primarily due to higher IT costs.

Income Taxes

Income taxes decreased $3 million for the three months ended June 30, 2025 compared with 2024, primarily due to a decrease in pre-tax income.

KU: Statement of Income Analysis

Net income for the periods ended June 30 includes the following results:

	Three Months			Six Months		
	2025	2024	$ Change	2025	2024	$ Change
Operating Revenues						
Retail and wholesale	$ 465	$ 457	$ 8	$ 1,024	$ 981	$ 43
Electric revenue from affiliate	7	7	—	12	8	4
Total Operating Revenues	472	464	8	1,036	989	47
Operating Expenses						
Operation						
Fuel	117	115	2	269	238	31
Energy purchases	7	6	1	14	12	2
Energy purchases from affiliate	5	3	2	10	19	(9)
Other operation and maintenance	102	101	1	202	203	(1)
Depreciation	101	101	—	203	200	3
Taxes, other than income	13	12	1	25	24	1
Total Operating Expenses	345	338	7	723	696	27
Operating Income	127	126	1	313	293	20
Other Income (Expense) - net	5	4	1	10	6	4
Interest Expense	35	33	2	70	67	3
Interest Expense with Affiliate	—	1	(1)	—	1	(1)
Income Before Income Taxes	97	96	1	253	231	22
Income Taxes	19	19	—	50	46	4
Net Income	$ 78	$ 77	$ 1	$ 203	$ 185	$ 18

Operating Revenues

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

	Three Months	Six Months
Fuel and other energy purchases (a)	$ 1	$ 13
Volumes (b)	(1)	17
Off-system sales (c)	5	14
Other	3	3
Total	$ 8	$ 47

(a) The increase for the six months ended June 30, 2025 was primarily due to higher recoveries of fuel expenses.
(b) The increase for the six months ended June 30, 2025 was primarily due to weather.
(c) The increases were primarily due to higher volumes.

Fuel

Fuel expense increased $2 million for the three months ended June 30, 2025 compared with 2024, primarily due to a $4 million increase in commodity costs.

Fuel expense increased $31 million for the six months ended June 30, 2025 compared with 2024, primarily due to an increase in volumes due to weather and higher off-system sales.

Financial Condition

The remainder of this Item 2 in this Form 10-Q is presented on a combined basis, providing information for each of the Registrants as applicable.

Liquidity and Capital Resources

(All Registrants)

The Registrants had the following at:

	PPL	PPL Electric	LG&E	KU
June 30, 2025				
Cash and cash equivalents	$ 294	$ 15	$ 10	$ 11
Short-term debt	1,286	384	158	275
Long-term debt due within one year	1,219	—	300	268
Notes payable to affiliates		—	—	46
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 to affiliates		—	43	73

(All Registrants)

Net cash provided by (used in) operating, investing and financing activities for the six month periods ended June 30, and the changes between periods, were as follows.

	PPL	PPL Electric	LG&E	KU
2025				
Operating activities	$ 1,115	$ 382	$ 279	$ 351
Investing activities	(1,713)	(467)	(306)	(391)
Financing activities	577	76	24	33
2024				
Operating activities	$ 1,048	$ 353	$ 273	$ 352
Investing activities	(1,261)	(1,020)	(207)	(296)
Financing activities	155	629	(82)	(63)
Change - Cash Provided (Used)				
Operating activities	$ 67	$ 29	$ 6	$ (1)
Investing activities	(452)	553	(99)	(95)
Financing activities	422	(553)	106	96

Operating Activities

The components of the change in cash provided by (used in) operating activities for the six months ended June 30, 2025 compared with 2024 were as follows.

	PPL	PPL Electric	LG&E	KU
Change - Cash Provided (Used)				
Net income	$ 100	$ 24	$ 6	$ 18
Non-cash components	1	(13)	(1)	13
Working capital	(26)	26	34	(22)
Other operating activities	(8)	(8)	(33)	(10)
Total	$ 67	$ 29	$ 6	$ (1)

(PPL)

PPL's cash provided by operating activities in 2025 increased $67 million compared with 2024.

- Net income increased $100 million between the periods and included an increase in non-cash components of $1 million.

- The $26 million decrease in cash from changes in working capital was primarily due to an increase in accounts receivable (primarily due to timing of payments) and a decrease in accrued interest (primarily due to timing of payments), partially offset by increases in taxes payable (primarily due to timing of payments), a decrease in net regulatory assets (primarily due to the timing of rate recovery mechanisms) and a decrease in prepayments (primarily due to the timing of payments).

- The $8 million decrease in cash provided by other operating activities was driven primarily by an increase in other assets (primarily related to preliminary survey costs for new generation projects).

(PPL Electric)

PPL Electric's cash provided by operating activities in 2025 increased $29 million compared with 2024.

- Net income increased $24 million between the periods and included a decrease in non-cash components of $13 million. The decrease in non-cash components was primarily due to a decrease in deferred income taxes and investment tax credits.

- The $26 million increase in cash from changes in working capital was primarily due to increases in taxes payable (primarily due to timing of payments), a decrease in net regulatory assets (primarily due to the timing of rate recovery mechanisms) and a decrease in prepayments (primarily due to the timing of payments), partially offset by an increase in accounts receivable and a decrease in accounts payable (primarily due to the timing of payments).

- The $8 million decrease in cash provided by other operating activities was driven primarily by an increase in noncurrent regulatory assets (primarily related to an increase in storm costs).

(LG&E)

LG&E's cash provided by operating activities in 2025 increased $6 million compared with 2024.

- Net income increased $6 million between the periods and included a decrease in non-cash components of $1 million.

- The $34 million increase in cash from changes in working capital was primarily due to a decrease in accounts receivable (primarily due to weather) and a decrease in accounts receivable from affiliates (primarily due to timing of payments), partially offset by a decrease in accounts payable (primarily due to timing of payments).

- The $33 million decrease in cash provided by other operating activities was driven by an increase in noncurrent assets (primarily related to preliminary survey costs for new generation projects).

(KU)

KU's cash provided by operating activities in 2025 decreased $1 million compared with 2024.

- Net income increased $18 million between the periods and included an increase in non-cash components of $13 million, primarily due to an increase in deferred income taxes and investment tax credits (primarily due to book versus plant timing differences).

- The $22 million decrease in cash from changes in working capital was primarily due to a decrease in accounts payable to affiliates (primarily due to timing of payments), an increase in fuel, materials and supplies (primarily due to an increase in coal volume) and a decrease in current regulatory liabilities (primarily due to changes in fuel costs), partially offset by a decrease in accounts receivable (primarily due to weather) and an increase in accounts payable (primarily due to timing of payments).

- The $10 million decrease in cash provided by other operating activities was driven by an increase in noncurrent assets (primarily related to higher deferred storm costs recorded as noncurrent regulatory assets).

Investing Activities

(All Registrants)

The components of the change in cash provided by (used in) investing activities for the six months ended June 30, 2025 compared with 2024 were as follows.

	PPL	PPL Electric	LG&E	KU
Change - Cash Provided (Used)				
Expenditures for PP&E	$ (457)	$ (178)	$ (89)	$ (95)
Notes receivable from affiliate	—	724	(10)	—
Other investing activities	5	7	—	—
Total	$ (452)	$ 553	$ (99)	$ (95)

For PPL, the increase in expenditures for PP&E was due to an increase in project expenditures at PPL Electric, RIE, 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 the E.W. Brown battery storage project.

For PPL Electric, the change in "Notes receivable from affiliate" activity resulted from payments received of $724 million from an affiliate. See Note 11 to the Financial Statements for further discussion of intercompany borrowings.

Financing Activities

(All Registrants)

The components of the change in cash provided by (used in) financing activities for the six months ended June 30, 2025 compared with 2024 were as follows.

	PPL	PPL Electric	LG&E	KU
Change - Cash Provided (Used)				
Debt issuance/retirement, net	$ (1,148)	$ (649)	$ —	$ —
Dividends	(25)	(23)	(14)	(11)
Capital contributions/distributions, net	—	(780)	60	20
Change in short-term debt, net	1,586	893	123	128
Net increase (decrease) in notes payable with affiliate	—	—	(62)	(40)
Other financing activities	9	6	(1)	(1)
Total	$ 422	$ (553)	$ 106	$ 96

See Note 7 to the Financial Statements in this Form 10-Q for information on 2025 short-term and long-term debt activity, equity transactions and PPL dividends. See Note 8 to the Financial Statements in the Registrants' 2024 Form 10-K for information on 2024 activity.

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 June 30, 2025, 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 (c)	Unused Capacity
PPL Capital Funding Credit Facilities (a)	$ 1,600	$ —	$ 470	$ 1,130
PPL Electric Credit Facility	750	—	386	364
LG&E Credit Facility	600	—	158	442
KU Credit Facility	600	—	275	325
Total Credit Facilities (b)	$ 3,550	$ —	$ 1,289	$ 2,261

(a) Includes a $1.5 billion syndicated credit facility with a $250 million borrowing sublimit for RIE and a $1.25 billion sublimit for PPL Capital Funding. RIE’s borrowing sublimit is adjustable, at the borrowers’ option, from $0 to $600 million, with the remaining balance of the $1.5 billion available under the facility allocated to PPL Capital Funding. At June 30, 2025, PPL Capital Funding had $470 million of commercial paper outstanding and RIE had no commercial paper outstanding. RIE's obligations under the facility are not guaranteed by PPL.
(b) 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 - 8%, PPL Electric - 7%, LG&E - 7% and KU - 7%.
(c) Commercial paper issued reflects the undiscounted face value of the issuance.

See Note 7 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	$ —	$ 158	$ 592
KU Money Pool (a)	650	46	275	329

(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 issued, at an interest rate based on the lower of a market index of commercial paper issues and two additional rate options based on SOFR.

See Note 11 to the Financial Statements for further discussion of intercompany credit facilities.

Commercial Paper *(All Registrants)*

The Registrants, and 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 facility, with PPL Capital Funding and RIE's issuances supported by PPL Capital Funding's syndicated credit facility. The following commercial paper programs were in place at June 30, 2025:

	Capacity (b)	Commercial Paper Issuances (c)	Unused Capacity
PPL Capital Funding (a)	$ 1,350	$ 470	$ 880
RIE (a)	250	—	250
PPL Electric	650	385	265
LG&E	500	158	342
KU	400	275	125
Total PPL	$ 3,150	$ 1,288	$ 1,862

(a) Issuances under the PPL Capital Funding and RIE commercial paper programs are supported by the PPL Capital Funding syndicated credit facility, which has a total capacity of $1.5 billion, currently with a $250 million borrowing sublimit for RIE and a $1.25 billion sublimit for PPL Capital Funding. PPL Capital Funding's Commercial paper program is also backed by a separate bilateral credit facility for $100 million.
(b) On July 14, 2025, the capacity of the commercial paper programs were increased to $1,600 million for PPL Capital Funding, $750 million for PPL Electric, $600 million for LG&E and $600 million for KU, bringing the capacity of each program into alignment with the increased capacity of the supporting syndicated credit facilities for each entity, as amended January 2025.
(c) Commercial paper issued reflects the undiscounted face value of the issuance.

Long-term Debt *(All Registrants)*

See Note 7 to the Financial Statements for information regarding the Registrants' long-term debt activities.

(PPL)

Equity Security Activities

ATM Program

In February 2025, PPL entered into an equity distribution agreement, pursuant to which PPL may sell, from time to time, up to an aggregate of $2 billion of its common stock through an ATM Program, which may utilize an optional forward sales component. Each forward contract under the agreement must be settled within 24 months. The compensation paid to the selling agents by PPL may be up to 2% of the gross offering proceeds of the shares. During the six months ended June 30, 2025, PPL entered into forwards contracts to sell approximately 9.9 million shares of its common stock at a blended initial forward price of approximately $34.77 per share. The forward sale price may be adjusted based on changes in daily interest rates, for certain stock loan fees as determined by a third-party agent, and will be subject to predetermined reductions based on expected dividends. Each outstanding forward contract must be settled on or before December 30, 2025. PPL may elect, at its discretion, to physically settle, net share settle or net cash settle the forward contracts. At June 30, 2025, PPL could have settled the forward sale contracts with physical delivery of approximately 9.9 million shares of common stock for proceeds of approximately $344 million. The forward contracts under the ATM program are classified as equity transactions.

Common Stock Dividends

In May 2025, PPL declared a quarterly common stock dividend, payable July 1, 2025, of 27.25 cents per share. Future dividends, declared at the discretion of the Board of Directors, will depend upon future earnings, cash flows, financial and legal requirements and other factors.

Rating Agency Actions

(All Registrants)

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.

Since June 2023, the rating agencies have taken no ratings 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 14 to the Financial Statements for a discussion of "Credit Risk-Related Contingent Features," including a discussion of the potential additional collateral requirements for PPL for derivative contracts in a net liability position at June 30, 2025.

(All Registrants)

For additional information on the Registrants' liquidity and capital resources, see "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations," in the Registrants' 2024 Form 10-K.

Risk Management *(All Registrants)*

Market Risk

See Notes 13 and 14 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 June 30, 2025.

	Exposure Hedged	Fair Value, Net - Asset (Liability) (a)	Effect of a 10% Adverse Movement in Rates (b)	Maturities Ranging Through
PPL and LG&E				
Cash flow hedges				
Interest rate derivatives	$ 85	$ 2	$ (3)	2026
Economic hedges				
Interest rate derivatives (c)	$ 64	$ (5)	$ (1)	2033

(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 the fair value of debt at June 30, 2025 is shown below.

	10% Adverse Movement in Rates on Fair Value of Debt
PPL	$ 587
PPL Electric	253
LG&E	85
KU	126

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 invest in 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 Registrants' 2024 Form 10-K.

Credit Risk

See Notes 13 and 14 to the Financial Statements in this Form 10-Q and "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations - Financial Condition - Risk Management - Credit Risk" in the Registrants' 2024 Form 10-K for additional information.

Related Party Transactions *(All Registrants)*

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 11 to the Financial Statements for additional information on related party transactions for PPL Electric, LG&E and KU.

Acquisitions, Development and Divestitures *(All Registrants)*

The Registrants from time to time evaluate opportunities for potential acquisitions, divestitures and development projects. 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. See Note 8 to the Financial Statements for additional information on acquisition, development, and divestiture activity.

Environmental Matters *(All Registrants)*

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 "Environmental Matters" in Item 1. "Business" in the Registrants' 2024 Form 10-K for information about environmental laws and regulations affecting the Registrants' business. 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" in the Registrants' 2024 Form 10-K for information on projected environmental capital expenditures for 2025 through 2027. See "Legal Matters" in Note 10 to the Financial Statements for a discussion of the more significant environmental claims. See Note 15 to the Financial Statements for information related to the impacts of CCRs on AROs.

The information below represents an update to “Item 1. Business – Environmental Matters” in the Registrants' 2024 Form 10-K.

(PPL, LG&E and KU)

EPA Deregulatory Initiative

On March 12, 2025, the EPA announced a plan to reconsider 31 environmental rules including the Section 111 performance standards and emissions limits for greenhouse gases, the endangerment finding for greenhouse gases, the Good Neighbor Plan, the Mercury and Air Toxics Standards, revisions to the fine particulate matter standard, the ELGs, and the CCRs Rule. Supplementing previous Executive Orders directing various regulatory changes, on April 9, 2025, President Trump issued an Executive Order and Presidential Memorandum directing review of existing rules, repeal of unlawful rules, and initiation of a zero-based budgeting process by which certain rules would automatically expire unless extended. While the administration may seek to implement some regulatory changes outside of the rulemaking process, changes to existing rules are generally expected to require formal rulemaking proceedings. Any final EPA actions repealing or revising current rules will likely result in legal challenges. PPL, LG&E, and KU are unable to predict future regulatory changes, if any, that may result from the EPA’s deregulatory plan or the outcome of any associated legal challenges. PPL, LG&E, and KU will closely monitor the ongoing EPA initiative and any related litigation for the impact to our business including planned capital expenditures to comply with the EPA rules.

Air

NAAQS

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. In March 2025, the EPA announced that it would reconsider the revised fine particulate standard. 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. In March 2025, the EPA announced that it would reconsider the Good Neighbor Plan. 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. On June 17, 2025, the EPA proposed in the Federal Register to repeal the 2024 MATS revisions except for the Particulate Matter Continuous Emission Monitoring System testing criteria. The EPA intends to finalize the rule revisions by the end of the 2025 calendar year.

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. On June 17, 2025, the EPA proposed in the Federal Register two options for repeal of the 2024 standard. In the first proposal, the EPA would determine that EGU emissions of greenhouse gases do not pose an endangerment to the health and welfare of the public and repeal the 2024 and 2015 standards for EGUs. Under an alternate proposal, the EPA would repeal the 2024 standards for existing coal, natural-gas and oil-fired steam generating units along with most standards for new combustion turbines. On July 29, 2025, the EPA proposed revocation of the 2009 endangerment finding which provides the basis for regulating GHG emissions. This proposal would leave in place efficiency standards for new combustion turbines. The EPA intends to finalize the rule changes by the end of the 2025 calendar year.

New Accounting Guidance *(All Registrants)*

There has been no new accounting guidance adopted in 2025. See Note 17 to the Financial Statements for discussion of significant accounting guidance pending adoption as of June 30, 2025.

Application of Critical Accounting Policies *(All Registrants)*

Financial condition and results of operations are impacted by the methods, assumptions and estimates used in the application of critical accounting policies. The following table summarizes the accounting policies by Registrant that 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. See "Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Registrants' 2024 Form 10-K for a discussion of each critical accounting policy.

	PPL	PPL Electric	LG&E	KU
Defined Benefits	X	X	X	X
Income Taxes	X	X	X	X
Regulatory Assets and Liabilities	X	X	X	X
Price Risk Management	X			
Goodwill Impairment	X		X	X
AROs			X	X
Revenue Recognition - Unbilled Revenue	X		X	X

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

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Reference is made to "Risk Management" in "Item 2. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations."

Item 4. Controls and Procedures

(a) Evaluation of disclosure controls and procedures.

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, as amended (the Exchange Act)) have concluded that, as of June 30, 2025, 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 quarterly report has been prepared. The 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 and principal financial officers, to allow for timely decisions regarding required disclosure.

(b) Change in internal controls over financial reporting.

The Registrants' principal executive officers and principal financial officers have concluded that there were no changes in the Registrants' internal controls over financial reporting during the Registrants' second fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Registrants' internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

For information regarding legal, tax, regulatory, environmental or other administrative proceedings that became reportable events or were pending in the second quarter of 2025 see:

- "Item 3. Legal Proceedings" in each Registrant's 2024 Form 10-K; and
- Notes 5, 6, 8 and 10 to the Financial Statements.

Item 1A. Risk Factors

There have been no material changes in the Registrants' risk factors from those disclosed in "Item 1A. Risk Factors" of the Registrants' 2024 Form 10-K.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Securities Trading Plans of Directors and Executive Officers

On May 29, 2025, Mr. John R. Crockett III, President of LG&E and KU Energy LLC, 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. Mr. Crockett's Rule 10b5-1 Trading Plan, which terminates on the earlier of (i) December 31, 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 15,791 shares of common stock of PPL, plus dividends on such shares prior to sale, pursuant to the terms of the plan.

Item 6. Exhibits

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 SEC and pursuant to Rule 12(b)-23 are incorporated herein by reference. Exhibits indicated by a [_] are filed or listed pursuant to Item 601(b)(10)(iii) of Regulation S-K.

Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, for the quarterly period ended June 30, 2025, filed by the following officers for the following companies:

*31(a)	- PPL Corporation's principal executive officer
*31(b)	- PPL Corporation's principal financial officer
*31(c)	- PPL Electric Utilities Corporation's principal executive officer
*31(d)	- PPL Electric Utilities Corporation's principal financial officer
*31(e)	- Louisville Gas and Electric Company's principal executive officer
*31(f)	- Louisville Gas and Electric Company's principal financial officer
*31(g)	- Kentucky Utilities Company's principal executive officer
*31(h)	- Kentucky Utilities Company's principal financial officer

Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, for the quarterly period ended June 30, 2025, furnished by the following officers for the following companies:

*32(a)	- PPL Corporation's principal executive officer and principal financial officer
*32(b)	- PPL Electric Utilities Corporation's principal executive officer and principal financial officer
*32(c)	- Louisville Gas and Electric Company's principal executive officer and principal financial officer
*32(d)	- Kentucky Utilities Company's principal executive officer and principal financial officer

101.INS	- XBRL Instance Document - 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
101.CAL	- XBRL Taxonomy Extension Calculation Linkbase
101.DEF	- XBRL Taxonomy Extension Definition Linkbase
101.LAB	- XBRL Taxonomy Extension Label Linkbase
101.PRE	- XBRL Taxonomy Extension Presentation Linkbase
104	- The Cover Page Interactive Data File is formatted as Inline XBRL and contained in Exhibits 101.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized. The signature for each undersigned company shall be deemed to relate only to matters having reference to such company or its subsidiaries.

PPL Corporation
(Registrant)

Date: July 31, 2025

/s/ Marlene C. Beers
Marlene C. Beers
Vice President and Controller
(Principal Accounting Officer)

PPL Electric Utilities Corporation
(Registrant)

Date: July 31, 2025

/s/ Marlene C. Beers
Marlene C. Beers
Vice President and Controller
(Principal Accounting and Financial Officer)

Louisville Gas and Electric Company
(Registrant)

Kentucky Utilities Company
(Registrant)

Date: July 31, 2025

/s/ Christopher M. Garrett
Christopher M. Garrett
Vice President-Finance and Accounting
(Principal Accounting and Financial Officer)

Exhibit 31(a)

CERTIFICATION

I, VINCENT SORGI, certify that:

1. I have reviewed this quarterly report on Form 10-Q of PPL Corporation (the "registrant");

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: July 31, 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 quarterly report on Form 10-Q of PPL Corporation (the "registrant");

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: July 31, 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 quarterly report on Form 10-Q of PPL Electric Utilities Corporation (the "registrant");

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: July 31, 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 quarterly report on Form 10-Q of PPL Electric Utilities Corporation (the "registrant");

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: July 31, 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 quarterly report on Form 10-Q of Louisville Gas and Electric Company (the "registrant");

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: July 31, 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 quarterly report on Form 10-Q of Louisville Gas and Electric Company (the "registrant");

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: July 31, 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 quarterly report on Form 10-Q of Kentucky Utilities Company (the "registrant");

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: July 31, 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 quarterly report on Form 10-Q of Kentucky Utilities Company (the "registrant");

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: July 31, 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-Q FOR THE QUARTER ENDED JUNE 30, 2025

In connection with the quarterly report on Form 10-Q of PPL Corporation (the "Company") for the quarter ended June 30, 2025, 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: July 31, 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-Q FOR THE QUARTER ENDED JUNE 30, 2025

In connection with the quarterly report on Form 10-Q of PPL Electric Utilities Corporation (the "Company") for the quarter ended June 30, 2025, 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 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: July 31, 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-Q FOR THE QUARTER ENDED JUNE 30, 2025

In connection with the quarterly report on Form 10-Q of Louisville Gas and Electric Company (the "Company") for the quarter ended June 30, 2025, 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: July 31, 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-Q FOR THE QUARTER ENDED JUNE 30, 2025

In connection with the quarterly report on Form 10-Q of Kentucky Utilities Company (the "Company") for the quarter ended June 30, 2025, 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: July 31, 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.